

Press Release

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SCIB Achieves Robust Q2FY2024 with RM38.1 Million in Revenue and RM1.5 Million Profit Before Tax

Strategic Initiatives and Operational Efficiencies Continue to Drive Positive Performance In Line with Promising Market Outlook

KUCHING, 29 FEBRUARY 2024 – Industrialised building systems specialist, **Sarawak Consolidated Industries Berhad** ("SCIB" or the "Company"), is pleased to announce the financial results for the second quarter of the fiscal year 2024 ("Q2FY2024"), by achieving a commendable revenue of RM38.1 million, marking a 5.8% increase from RM36.0 million in the same quarter of the previous fiscal year ("Q2FY2023"). The Group's Profit Before Tax ("PBT") for the quarter stood at RM1.5 million, a significant recovery and improvement from a Loss Before Tax ("LBT") of RM2.8 million in Q2FY2023. This significant improvement showcased a continued trajectory of profitability and strategic development of SCIB.

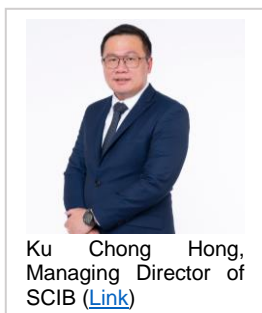
SCIB's Construction/EPCC and Manufacturing divisions played pivotal roles in the Company's financial performance. The Construction/EPCC segment posted revenue of RM9.3 million, significantly reducing LBT to RM0.2 million from a RM1.4 million loss in Q2FY2023, reflecting effective cost management despite implemented by the management team. Meanwhile, the Manufacturing division, SCIB's mainstay, reported a revenue increase to RM28.8 million from RM21.6 million in the corresponding quarter of the previous year. PBT for this division rose to RM3.8 million, an increase from RM1.0 million recorded in Q2FY2023, showcasing the significant improvement in Manufacturing division's profitability with increased demand, as well as effective cost management strategy by the Company.

Quarter-on-quarter, SCIB witnessed a slight decrease of 3.3% in revenue from RM39.4 million in the previous quarter to RM38.1 million in Q2FY2024, accompanied by a modest reduction in profit before tax to RM1.5 million. This can be attributed primarily to elevated administrative costs. Despite these short-term fluctuations, SCIB's strategic adjustments and operational efficiencies continue to solidify the foundation for consistent growth and resilience in the face of market dynamics.

Business-wise, the Company's achievements, including the recent RM16.8 million EPCC contract win and the MOU for a substantial RM250 million residential project in Bintulu, coupled with strategic land acquisitions in Demak Laut Industrial Park, highlight SCIB's competitive stance and prospects for expansion. Furthermore, SCIB's decision to terminate the previously announced Memorandum of Understanding ("MoU") with Irix Sdn. Bhd. regarding the SEA-H2X Cable System project reflects the Company's strategic approach to allocating resources towards projects with tangible value and potential in the near term.

In addition, SCIB is pleased to announce the appointment of Mr. Yak Boon Tiong as an Independent Non-Executive Director, effective immediately. Mr. Yak will contribute to the Audit Committee and Risk Management

Committee which in line with SCIB's commitment to demonstrate good corporate governance and strategic financial management.



Ku Chong Hong,
Managing Director of
SCIB ([Link](#))

Mr. Ku Chong Hong, Managing Director of SCIB, reflected on the company's performance and recent board addition: "Achieving a second consecutive profitable quarter in Q2FY2024, despite market fluctuations, underscores our resilience and strategic vision. This success, coupled with our commitment to Environmental, Social, and Governance (ESG) principles, sets the stage for sustainable growth. In this spirit of progress, we warmly welcome Mr. Yak Boon Tiong to the board. His wealth of experience in finance and governance is poised to enrich our strategic endeavors further. Our recent milestones, including leadership transitions and strategic land acquisitions, are pivotal to our long-term objectives. With Mr. Yak's addition, we're even more equipped to exceed stakeholder expectations and navigate the complexities of the current economic landscape with robust governance and operational excellence."

Looking ahead, SCIB remains optimistic about the Company's future prospects, driven by strategic recalibrations, a renewed focus on governance, and a proactive approach to seizing growth opportunities. The company is committed to navigating the current economic landscape with agility, aiming to drive sustainable growth and deliver long-term value to stakeholders.

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ABOUT SARAWAK CONSOLIDATED INDUSTRIES BERHAD

Sarawak Consolidated Industries Berhad ("SCIB") was founded in 1975 and has evolved from a small enterprise into a reputable Group of companies listed on the Main Market of Bursa Malaysia Securities Berhad. Currently, SCIB is operating three factories in Kuching, Sarawak, one factory in the Pending Industrial Estate and two factories in the Demak Laut industrial park.

SCIB is well known for professional management and has long history of innovative ideas and technological advances. Coupled with its wealth of experience and research acquired in more than three decades, SCIB offers its clients in-depth expertise through a combination of technology, efficiency and speed.

For more information, visit scib.com.my.

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