

SCI COMPANY OFFICIAL STATEMENT

Today, SCI deeply regrets to announce the cessation of our factory, Mactan Apparels Inc., and the releasing of the workers in supporting facilities. This decision has been made due to the supply chain consolidation strategy in this region by one of our key buyers, a consequence of challenging global business environment and a slow economy recovery.

The ongoing uncertainties and market dynamics have presented significant challenges to our industry worldwide. Despite our best efforts to adapt and navigate these circumstances, these challenges still drove our key buyer's strategic decisions.

We express our utmost sadness regarding this development, as we understand the impact it will have on our employees, their families, and the local community. Throughout the years, Mactan Apparels Inc. has been a cornerstone of our operations, and we have greatly appreciated the dedication and hard work demonstrated by our workforce. While this decision to cease operation Mactan Apparels Inc. is regrettable, it does not reflect on the heart, and energy our dedicated employees have poured in over the years.

SCI would also like to extend our gratitude to the Philippine government, PEZA, Lapu-Lapu government, local authorities, and stakeholders for their continued support and cooperation throughout our operations. In the face of this challenging situation, we want to assure our employees that their well-being remains our top priority.

SCI is committed to taking all necessary steps to support and assist each member of our workforce during this transitional period and will provide support packages to ensure that affected employees are taken care of. Open lines of communication will be maintained with all relevant parties involved, and we will work closely with them to manage the process lawfully, efficiently and responsibly.

Our confidence in Cebu, Philippines remains strong and will continue to explore new business avenues to further strengthen our business operations and secure the future of our workforce in the Philippines.

Daghang salamat ug amping kanunay!