

**SOUTHERN CABLE GROUP BERHAD**

201901011439 (1320767-M)

INCORPORATED IN MALAYSIA

**PRESS RELEASE****Southern Cable 2Q22 net profit rises 17.8% to RM3.6 million**

- *2Q22 revenue higher by 37.2% to RM214.6 million, in line with increased cable and wire average selling prices*
- *Secures two new trial orders worth RM12 million from US-based customer in third quarter of 2022, bringing current orders in hand to RM828 million*

Kedah, Malaysia, 25 August 2022 - Cable and wire manufacturer Southern Cable Group Berhad (Southern Cable, the Group, 南方电缆集团, Bloomberg: SCGBHD:MK) recorded 17.8% rise in net profit to RM3.6 million for its second quarter ended 30 June 2022 (2Q22) from RM3.1 million previously on strong sales of power cables and wires in the domestic market.

The improved bottom line followed the 37.2% revenue rise to RM214.6 million in 2Q22 versus RM156.4 million a year ago, mainly on more sales of power cables and wires and higher average selling prices in line with the increased prices for copper, aluminium and plastic.

Southern Cable's prospects going forward include fulfilling its RM828 million orders in hand, which include RM12 million trial orders to its United States (US)-based customer.

“Our endeavor to enter the US market is progressing well. We hope to secure the distributorship agreement from our US-based customer after delivering the trial orders in the coming months, which would enable us to attain a sustainable revenue stream from the US market. Furthermore, we have also been receiving more orders from our distributor in Myanmar as the country's Government plans to accelerate energy projects to curb power shortage issues.

This would augment anticipated orders for cables and wires from the local power utility sector.

This demand uptrend would be further supported by our higher output in the near term. We have recently obtained approval from the Ministry of Human Resources to hire new workers, which would help us improve manufacturing efficiency and daily production output to fulfil orders.”

**Mr. Tung Eng Hai (“陈永海”),**  
**Managing Director of Southern Cable Group Berhad**

**HEAD OFFICE**

Lot 42, Jalan Merbau Pulas,  
Kawasan Perusahaan Kuala Ketil,  
09300 Kuala Ketil, Baling, Kedah.

**CONTACT**

**T** +6 04 4161 600  
**F** +6 04 4161 599  
**M** [sc@southerncable.com.my](mailto:sc@southerncable.com.my)



# SOUTHERN CABLE GROUP BERHAD

201901011439 (1320767-M)

## INCORPORATED IN MALAYSIA

The Group's RM828 million current orders in hand includes its largest-ever contract win of RM294 million underground power cables and conductors supply contract from Tenaga Nasional Berhad. These orders are expected to provide the Group financial visibility for the next three years.

In the first half ended 30 June (1H22), revenue grew 21.6% to RM399.7 million for 1H22 in comparison to RM328.7 million in the previous year on higher average selling price of cables and wires, in line with the price increase of metal-based materials such as copper and aluminium, and non-metal based materials including plastic and sawn timber.

1H22 net profit declined 7.6% to RM8.3 million from RM9.0 million due to higher cost of plastic and metal-based materials, as well as increased distribution and finance cost.

Tung ended: "We are seeing gradual improvement in our earnings as new contracts with customers have factored in the higher price of metal-based and non-metal based materials. Nevertheless, we will remain prudent in our cost management, and also ensure to continue providing reasonable and competitive pricing to support our customers in this recovering economic environment."

-end-

### HEAD OFFICE

Lot 42, Jalan Merbau Pulas,  
Kawasan Perusahaan Kuala Ketil,  
09300 Kuala Ketil, Baling, Kedah.

### CONTACT

**T** +6 04 4161 600  
**F** +6 04 4161 599  
**M** [sc@southerncable.com.my](mailto:sc@southerncable.com.my)





# SOUTHERN CABLE GROUP BERHAD

201901011439 (1320767-M)

INCORPORATED IN MALAYSIA

## About Southern Cable Group Berhad (南方电缆集团)

Founded in 1993, Southern Cable is principally a manufacturer of cables and wires that are used for power distribution and transmission, communications as well as control and instrumentation applications. The key supporting activities for the cable and wire manufacturing operations include furnace and casting operations, as well as manufacturing of plastic compounds and wooden cable drums.

Through its factories in Kuala Ketil and Sungai Petani, Kedah, the Group has a total annual production capacity of 36,000 tonnes of aluminium and copper rods, 33,780 km of cables and wires and 7,800 tonnes of polyvinyl chloride (PVC) compounds.

The Group's cables and wires are used in various industry sectors including power distribution and transmission, telecommunications, building and construction, infrastructure, manufacturing and processing industries including oil and gas processing and petrochemical plants. The Group has also obtained TÜV SÜD certification for power cables and wires used in solar photovoltaic systems.

Southern Cable is the registered supplier of cables and wires with Tenaga Nasional Berhad, Telekom Malaysia Berhad, Sarawak Energy Berhad, Sabah Electricity Sdn Bhd and Petroliam Nasional Berhad.

Issued for and on behalf of SOUTHERN CABLE GROUP BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd

**For media enquiries, please contact:**

Mr. Tee Wei Keat  
E: [weikeat@aquilas.com.my](mailto:weikeat@aquilas.com.my)  
T: 03-2711 1391

**For investor enquiries, please contact:**

Mr. Tay Tze Yi  
E: [tayty@aquilas.com.my](mailto:tayty@aquilas.com.my)  
T: 03-2711 1391

**HEAD OFFICE**

Lot 42, Jalan Merbau Pulas,  
Kawasan Perusahaan Kuala Ketil,  
09300 Kuala Ketil, Baling, Kedah.

**CONTACT**

**T** +6 04 4161 600  
**F** +6 04 4161 599  
**M** [sc@southerncable.com.my](mailto:sc@southerncable.com.my)

