

**SOUTHERN CABLE GROUP BERHAD**

201901011439 (1320767-M)

INCORPORATED IN MALAYSIA

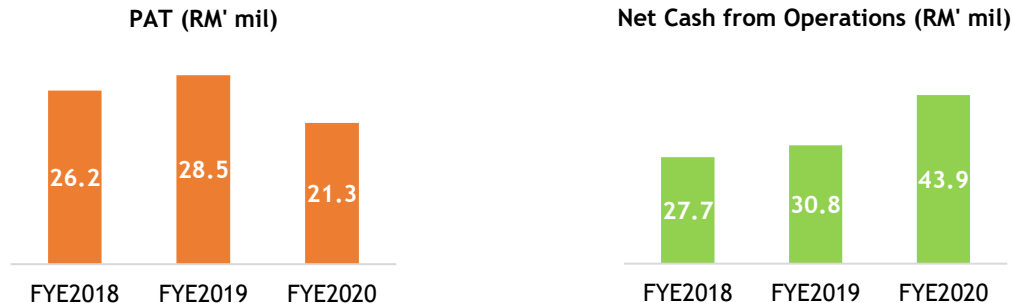
PRESS RELEASE

## Southern Cable seeks Main Market transfer in second half of 2021

- *Group meets profit track record for transfer listing, with aggregated profit after tax (PAT) of RM76.0 million and positive net cash from operating activities for past three financial years since 2018*
- *Eyes expansion into new sectors via new product developments; targeting new exports in the second half of 2021*

Kedah, Malaysia, 28 April 2021 - Cable and wire manufacturer Southern Cable Group Berhad (Southern Cable, the Group, 南方电缆集团, Bloomberg: SCGBHD:MK) is progressing to the next milestone in its corporate history, as it seeks to transfer its listing status from the ACE Market to the Main Market of Bursa Malaysia Securities Berhad (Bursa Securities).

Southern Cable registered aggregated PAT of RM76.0 million for the past three financial years from 31 December 2018 (FYE2018) to 31 December 2020 (FYE2020). The Group also recorded positive net cash from operating activities of RM43.9 million in FYE2020, and maintained positive cash flow for the same three-year period.



With this, the Group has fulfilled the Securities Commission Malaysia's Equity Guidelines for the proposed transfer listing, which requires listed corporations to demonstrate uninterrupted profit for the past three to five financial years with an aggregate PAT of at least RM20 million and PAT for the most recent financial year of at least RM6 million, in addition to maintaining positive cashflow from operating activities for the profit track record period.

Southern Cable's Managing Director, Mr Tung Eng Hai said that the upcoming corporate milestone corresponds with the Group's operational expansion as it looks to fulfil growing demand in the domestic market, and target new sectors for its cables and wires products.

**SOUTHERN CABLE GROUP BERHAD**

201901011439 (1320767-M)

INCORPORATED IN MALAYSIA

“The Group remained resilient in the past year despite the impact of COVID-19 on the economy, as we continue to fulfil demand for cables and wires in the essential power and telecommunications sectors. We also look forward to capturing greater demand going forward from Malaysia’s infrastructure project rollouts and general economic growth.

Additionally, we are optimistic of expanding into new sectors that would strengthen our prospects further. Our automotive wires have undergone successful internal trials, and are being commercially evaluated by potential clientele in Malaysia and Vietnam. We are also anticipating to commence exports of our industrial cables to a new client in the United States. These are targeted to materialise in the second half of 2021.

Hence, the Main Market transfer reflects our growth story even as we seek to attract the wider investing community, and increasingly stamp our mark in Malaysia and internationally.”

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

Based on the Group’s FYE2020 revenue of RM562.7 million, domestic contributions stood at 93.0% while the balance 7.0% came from overseas markets such as Myanmar, Cambodia, Brunei and others. The Group has been steadily growing its international presence, with export revenue rising 207.9% in FYE2020 mainly on higher orders of low voltage and medium voltage cables and wires and sales of aluminium rods.

Southern Cable’s proposed transfer listing would not have any effect on the issued share capital and substantial shareholders’ shareholdings of the company as well as the net assets, gearing, earnings and earnings per share of the Group.

The Group is aiming for the transfer listing to take place in the second half of 2021, pending approvals from shareholders, the Securities Commission Malaysia, and Bursa Securities.

Southern Cable was listed on the ACE Market of Bursa Securities on 16 October 2020 at an IPO price of RM0.34 per share.

--



# 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 and manufacturing of plastic compounds.

Through its factories in Kuala Ketil and Sungai Petani, Kedah, the Group has a total annual production capacity of 26,400 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, 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. Tay Tze Yi  
E: [tayty@aquilas.com.my](mailto:tayty@aquilas.com.my)  
T: 03-2711 1391 / 016-3380555

For investor enquiries, please contact:

Ms. Julia Pong  
E: [julia@aquilas.com.my](mailto:julia@aquilas.com.my)  
T: 03-2711 1391 / 012-3909258