PRESS RELEASE

Southern Cable secures RM90.4 million contract from Tenaga Nasional Berhad

- ***Current orders in hand grows to RM692.7 million to be fulfilled until 2024***

Kedah, Malaysia, 12 May 2023 - Cable and wire manufacturer **Southern Cable Group Berhad** (Southern Cable, the Group, 南方电缆集团, Bloomberg: SCGBHD:MK) secured a RM90.4 million contract to supply underground cables and conductors to the nation's utility giant, Tenaga Nasional Berhad (TNB).

The new win by the Group's wholly-owned subsidiary, Southern Cable Sdn. Bhd., follows the addendum contract of more than RM30 million secured in April 2023, and boosts the Group's total contract value to TNB to RM422.5 million from RM332.1 million earlier.

Sales of power cables and wires typically make up more than 80% of the Group's annual revenue. From the financial years ended 31 December 2020 to 2022, sales of power cables and wires jumped from RM458.4 million to RM749.0 million, reporting a compounded annual growth rate of 27.8% in line with the nation's ramp up in infrastructure activities in the COVID-19 pandemic recovery phase.

Besides that, Southern Cable is a registered supplier for cables and wires with TNB and has a strong business relationship for the past 19 years. Apart from TNB, the Group also supplies to other utility providers such as Sabah Electricity Sdn. Bhd. and Sarawak Energy Berhad.

"This win further affirms our positive outlook on the demand for cables and wires on the back of Malaysia's power infrastructure needs, as well as demonstrates TNB's trust in us.

With our long-established track record of serving the nation's renowned power utility companies, we are optimistic of securing more wins to fuel our growth while supporting the nation's infrastructure development."

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

The Group's current orders in hand amount to RM692.7 million to be fulfilled until 2024. The orders include power cables and wires, and related products and services, such as aluminium rods, and supply and installation of rectifier systems for 5G network.

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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, 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.

Additionally, the Group hold certifications for product compliance to local and international standards for its cables and wires. These certifications include Malaysian Standards (MS), IEC standards or British Standards, Energy Commissions of Malaysia, Fire and Rescue Department of Malaysia, SIRIM QAS International, TÜV SÜD, and UL Standards.

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

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

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