

SOUTHERN CABLE GROUP BERHAD

201901011439 (1320767-M)

INCORPORATED IN MALAYSIA

PRESS RELEASE**Southern Cable 1Q26 net profit climbs 21% to RM33.2 million**

- *1Q26 revenue rises 10.7% to RM432.7 million, driven by higher sales volume on robust demand across domestic and United States markets*
- *Orders in hand at RM924.9 million, providing earnings visibility until 2027*
- *Commissions new aluminium furnace to support upstream processes*

Kedah, Malaysia, 26 May 2026 - Cable and wire manufacturer Southern Cable Group Berhad (Southern Cable, the Group, 南方电缆集团, Bloomberg: SCGBHD MK) recorded a 21.0% increase in net profit to RM33.2 million for the first quarter ended 31 March 2026 (1Q26), up from RM27.4 million in the corresponding quarter last year. The bottom-line growth was achieved on the back of strong market demand, alongside lower administrative expenses and higher other income.

Group revenue rose 10.7% to RM432.7 million in 1Q26 from RM390.8 million previously, driven by higher sales volume to fulfil increasing domestic and overseas orders.

Domestically, revenue remained resilient at RM365.1 million, up 1.5% year-on-year from RM359.7 million previously. The steady performance continued to be underpinned by sustained demand for power cables and wires, driven by rapid data centre developments, ongoing grid enhancements, renewable energy initiatives, and construction projects.

Concurrently, overseas revenue surged 117.2% to RM67.5 million from RM31.1 million previously, mainly due to higher exports of power cables and wires to the United States, further supported by deliveries to a foreign contractor for Malaysia's East Coast Rail Link (ECRL) project.

"In light of continued growth in demand for cables and wires, we are proactively strengthening our production capabilities to capture emerging opportunities in both domestic and overseas markets.

At the same time, we remain vigilant over raw material price fluctuations amid ongoing geopolitical tensions. While the impact remains manageable through existing cost pass-through mechanisms, we continue to prudently manage and plan our raw material procurement to ensure operational stability and timely delivery."

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

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The Group's future pipeline is underscored by its healthy orders in hand of RM924.9 million as at 31 March 2026, providing earnings visibility until 2027. The orders comprise the supply of cables and conductors to power utility companies, EPCC contractors, and resellers.

To support the growing orders and supply chain resilience, the Group commissioned its new aluminium furnace facility in April 2026, boosting annual aluminium rod production capacity from approximately 20,000 metric tonnes (MT) to over 60,000 MT. The increased upstream capacity will support higher cable and wire output and improve efficiency.

Furthermore, the Group's new plastic compound facility is scheduled to be commissioned in 2Q26. The facility will increase annual plastic compound capacity to 12,000 MT from 7,800 MT currently, further strengthening upstream production while reducing reliance on imports.

"Our investments in new machinery will enhance operational performance through higher upstream output and improved cost efficiency. These capabilities will strengthen our margin profile and translate into resilient earnings moving forward," Mr. Tung ended.

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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, and manufacturing of plastic compounds and wooden cable drums.

Through its factories in Kuala Ketil and Sungai Petani, Kedah, the Group has an annual production capacity of 60,000 tonnes and 18,000 tonnes for aluminium and copper rods, respectively, 54,980 km for cables and wires, and 7,800 tonnes for plastic 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 holds 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 to Tenaga Nasional Berhad, Telekom Malaysia Berhad, Sabah Electricity Sdn Bhd, and Petroliaam Nasional Berhad, as well as supplies to Sarawak Energy Berhad.

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

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