

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31st MARCH, 2010

### NOTES TO THE INTERIM FINANCIAL REPORT

#### **1. Basis Of Preparation**

This interim financial report is based on the unaudited financial statements for the quarter ended 31st March 2010 and has been prepared in compliance with FRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market ("AMLR").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2009 except for the adoption of the following new Financial Reporting Standards (FRSs), Amendment to FRSs and Interpretations with effect from 1 January 2010.

On 1 January 2010, the Group adopted the following FRSs :-

FRSs, Amendment to FRS and Interpretations

FRS 4	Insurance Contract
FRS 7	Financial instruments : Disclosure
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised 2009)
FRS 123	Borrowing Costs
FRS 139	Financial instruments : Recognition and Measurement
Amendments to FRS 1	First time Adoption of Financial Reporting Standards
Amendments to FRS 2	Share-based Payment : Vesting Conditions and Cancellations
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operation
Amendments to FRS 7	Financial Instruments : Disclosures
Amendments to FRS 8	Operating Segments
Amendments to FRS 107	Cash Flow Statements
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events After the Balance Sheet Date
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
Amendments to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendments to FRS 123	Borrowing Costs
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 128	Investment in Associates
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments : Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments : Recognition and Measurements
Amendments to FRS 140	Investment Property

IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119- The Limit on a Defined Benefit Asset, Minimum Funding Requirments and their Interaction

Other than for the application of FRS 101 and FRS 139, the application of the above FRSs, Amendments to FRSs and Interpretations did not result in any changes in the accounting policies and presentation of the financial result of the Group.

#### **FRS 101 : Presentation of Financial Statements**

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statements of changes in equity only includes details of transaction with owners. All non-owners changes in equity are presented as a single line labeled as total comprehensive income. This standard does not have any impact on the financial position and results of the Group.

#### **FRS 139 : Financial Instruments : Recognition and Measurement**

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recored initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010. The adoption of FRS 139 does not have any significant impact on the profit for the financial year-to-date.

#### **2. Audit Report of Preceding Annual Financial Statements**

The auditors' report on the preceding annual financial statements was not subject to any qualification.

#### **3. Seasonal or Cyclical Factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

#### **4. Unusual Material Event**

There was no unusual material event during the quarter.

#### **5. Material Change In Estimates**

There were no changes in estimates which materially affect the current interim period.

#### **6. Changes in Debt and Equity Securities**

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial period.

#### **7. Dividends Paid**

There was no dividend paid during the quarter.

#### **8. Segmental Reporting**

No segmental analysis is prepared as the Group is primarily operating in the manufacture of wires and cables for harnessing and electronic devices.

#### **9. Valuations of Property, Plant and Equipment**

Not applicable as the Group did not revalue its property, plant and equipment during the current financial period.

#### **10. Material Subsequent Events**

There were no material subsequent events.

#### **11. Changes in the Composition of The Group**

There was no change in the composition of the Group during the financial period under review.

#### **12. Contingent Liabilities and Contingent Assets**

The Group had no contingent liabilities and contingent assets as at 31st March 2010

#### **13. Capital Commitments**

There were no commitment for purchases of property, plant and equipment as at 31st March 2010

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31st MARCH, 2010

### ADDITIONAL INFORMATION REQUIRED BY BM LISTING REQUIREMENTS

#### **14. Review of Performance**

For the quarter under review, total revenue increases by 103% from RM 4.24 million to RM 8.63 million due to higher customers demand.

The group posted a loss after tax of RM 0.30 million as compared to a loss of RM 0.84 million for the same quarter of the preceding year, representing an improvement in loss reduction of RM 0.54 million, as a result of improved efficiency in managing production cost and higher profit contribution from associated company.

#### **15. Comparison with Immediate Preceding Quarter's Result**

On a quarter to quarter basis, the Group posted a loss after tax of RM 0.30 million as compared to a loss after tax RM 0.93 million for the immediate preceding quarter due to reasons as stated in note 14.

#### **16. Prospects For The Financial Year**

In view of the current very challenging economic scenario, the management continue to explore seriously measures to improve the group's marketing strategy, strict costs control measures and find some new products with higher profitability so as to improve our financial performance.

#### **17. Profit Forecast or Guarantee**

There was no profit forecast or guarantee made public during the financial period under review.

#### **18. Taxation**

Taxation comprises the following :-

Estimate tax expenses

Taxation payable for current quarter

Transfer to /(from) deferred taxation

	Individual Quarter 31.03.10 RM ' 000	Individual Quarter 31.03.09 RM ' 000	Cumulative Quarter	
			31.03.10 RM ' 000	31.03.09 RM ' 000
	-	-	-	-
	-	-	-	-
	-	-	-	-

#### **19. Profits/ (Losses) on Sale of Unquoted Investments and / (or) Properties**

There were no sales of unquoted investments or properties during the financial period under review.

#### **20. Quoted Securities and Investments**

There were no purchases or disposals of quoted securities during the quarter under review and there were no new material investments as at the end of the reporting period.

#### **21. Corporate Proposals**

There were no corporate proposals announced but not completed at the date of this report.

#### **22. Borrowings and Debts Securities**

Group borrowings as at the end of the reporting period are as follows:-

Secured Short Term Borrowings :-  
Bank Overdraft

	31.03.10 RM'000	31.03.09 RM'000
	-	12
	-	12

#### **23. Off Balance Sheet Financial Instruments**

There was no off balance sheet financial instrument utilized as at the date of this announcement.

**24. Changes in Material Litigation**

There was no material litigation pending on the date of this announcement.

**25. Dividends Paid**

	The Group and The Company	
	2010	2009
	RM ' 000	RM ' 000
Dividend declared and paid :	nil	nil

**26. Earnings (a) Basic EPS**

	Individual Quarter		Cumulative Quarter	
	31.03.10	31.03.09	31.03.10	31.03.09
Profit/(loss) attributable to shareholder (RM '000)	(298)	(838)	(298)	(838)
Weighted average number of ordinary shares ('000)	243,000	243,000	243,000	243,000
Basic EPS (sen)	(0.12)	(0.34)	(0.12)	(0.34)
<b>(b) Fully Diluted EPS</b>				
Not applicable.	-	-	-	-

**27. Authorization for Issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors' meeting on 24th May 2010