

**SUPERCOMNET TECHNOLOGIES BERHAD****( Company No. : 197527-H )****( Incorporated in Malaysia )****UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	( Unaudited )		( Unaudited )	
		Fourth Quarter Ended		Cumulative Quarter Ended	
		31.12.2010	31.12.2009	31.12.2010	31.12.2009
		RM ' 000	RM ' 000	RM ' 000	RM ' 000
Revenue		7,466	7,340	33,231	21,745
Cost of Goods Sold		(7,479)	(7,521)	(31,169)	(21,508)
Gross Profit /(Loss)		(13)	(181)	2,062	237
Other Operating Income (Net)	#	385	739	1,128	1,225
Administrative Expenses		(1,393)	(1,233)	(3,625)	(3,850)
Selling and Marketing Expenses		(170)	(508)	(816)	(886)
Other Operating Expenses		(52)	(76)	(239)	(230)
Profit /(Loss) from operation		(1,243)	(1,259)	(1,490)	(3,504)
Finance Costs, net		(8)	(9)	(36)	(46)
Share of profit / (loss) of associated company		288	(7)	1,691	908
Profit / (Loss) before tax		(963)	(1,275)	165	(2,642)
Taxation	18	(72)	346	(190)	412
Profit / (Loss) after tax		(1,035)	(929)	(25)	(2,230)
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		(1,035)	(929)	(25)	(2,230)
Attributable to :					
Equity holders of the Company		(1,035)	(929)	(25)	(2,230)
Minority interests		-	-	-	-
		(1,035)	(929)	(25)	(2,230)
Earnings/(Loss) per share attributable to equity holders of the Company in sen					
EPS - Basic (sen)	26a	(0.43)	(0.38)	(0.01)	(0.92)
- Diluted	26b	-	-	-	-
<b>Note # : Net Other Operating Income</b>					
Subcontract income		-	324	-	821
Property, plant and equipment written off		(1)	(4)	(3)	(8)
Gain/(Loss) on disposal of property, plant and equipment		11	62	17	62
Bad Debts Recovered		24	-	24	163
Allowance for doubtful debts				-	(376)
Gains from scrap sales and other disposal		328	267	968	440
Rental Income		30	41	123	68
Interest Income		1	5	2	28
Unrealised gain /(loss) in foreign exchange		(20)	34	(20)	9
Realised gain/(Loss) in foreign exchange		12	10	17	18
		385	739	1,128	1,225

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement of the Group for the year ended 31st December , 2009**

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited)	(Audited)
Note	As At End Of Current Quarter 31.12.2010 RM ' 000	As At Preceding Financial Year End 31.12.2009 RM ' 000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	8,116	9,261
Prepaid Lease Payments	2,400	2,454
Investment in associated company	3,012	1,321
	13,528	13,036
<b>Current Assets</b>		
Inventories	10,915	10,595
Trade and Other Receivables	7,216	8,453
Tax (Prepaid)	497	739
Short-term deposit with licensed bank	2	2
Cash and Bank Balance	2,998	2,739
	21,628	22,528
Total Assets	35,156	35,564
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders of the parent		
Share Capital	24,300	24,300
Reserves - Share Premium	5,937	5,937
- Revaluation Reserve	1,511	1,547
- Retained Profit	369	358
	32,117	32,142
<b>Non-Current Liability</b>		
Deferred Taxation	789	678
	789	678
<b>Current Liabilities</b>		
Trade Payables	1,533	1,866
Other Payables	290	289
Accrued expenses	427	589
	2,250	2,744
Total Liabilities	3,039	3,422
<b>TOTAL EQUITY AND LIABILITIES</b>	35,156	35,564
Net asset per share (RM)	0.13	0.13

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement of the Group for the year ended 31st December , 2009

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	( Unaudited ) 2010 12 months ended 31.12.2010 RM ' 000	audited 2009 12 months ended 31.12.2009 RM ' 000
Net Profit /(Loss) after Tax	(25)	(2,230)
<b>Adjustment for non - cash items :-</b>		
Depreciation of property,plant and equipment	1,271	1,710
Allowance for doubtful debts	-	376
Write-down of slow moving inventories	-	710
Property,plant and equipment written off	3	8
Amortisation of Prepaid Lease Payments	54	54
Gain on disposal of property, plant and equipment	(17)	(62)
Interest Expenses	-	9
Interest Income	(2)	(28)
Unrealised gain on foreign exchange	-	(9)
Taxation / Income tax (benefit)	190	(412)
Share of (profit) / loss of an associate company	(1,691)	(908)
Operating profit / (loss) before changes in working capital	(217)	(782)
<b>Changes in Working Capital :-</b>		
Net Change in Inventories : (Increase) /Decrease	(320)	135
Net Change in current assets : Decrease/ (Increase)	1,237	(186)
Net Change in current liabilities : Increase/ (Decrease)	(494)	1,114
Cash generated from operation	206	281
Tax paid	(223)	(412)
Tax refund	386	85
<b>Net cash flow generated from operating activities</b>	<b>369</b>	<b>(46)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :-</b>		
Short-term deposits released as security		244
Interest received	2	28
Purchase of property, plant & equipment	(135)	(175)
Proceeds from disposal of property, plant & equipment	23	62
Additional Investment in Associate company	0	(250)
<b>Net cash (used in) investing activities</b>	<b>(110)</b>	<b>(91)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES :-</b>		
Interest Paid	0	(9)
<b>Net cash (used in ) financing activities</b>	<b>0</b>	<b>(9)</b>
Net change in Cash & Cash Equivalents	259	(146)
Cash & Cash Equivalents at beginning of period	2,739	2,885
Cash & Cash Equivalents at end of period	<u>2,998</u>	<u>2,739</u>

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statement of the Group for the year ended 31st December, 2009**

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2010 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

( Unaudited )

	<---- Attributable to equity holders of the parent ----->				
	Share Capital	Share Premium	Revaluation Reserve	Retained Profit	Total
	RM ' 000	RM ' 000	RM ' 000	RM ' 000	RM ' 000
<b><u>Current 12 months ended 31.12.2010</u></b>					
Balance as of 1st January , 2010	24,300	5,937	1,547	358	32,142
Trasnfer of revaluation surplus			(36)	36	-
Total comprehensive income for the period	-	-	-	(25)	(25)
Balance as of 31st December ,2010	<u>24,300</u>	<u>5,937</u>	<u>1,511</u>	<u>369</u>	<u>32,117</u>

### **Preceding Year's 12 months ended 31.12.2009**

Balance as of 1st January, 2009	24,300	5,937	1,503	2,553	34,293
Trasnfer of revaluation surplus			(35)	35	
Reduction In deferred taxation			79		79
Total comprehensive income for the period	-	-	-	(2,230)	(2,230)
Balance as of 31st December, 2009	<u>24,300</u>	<u>5,937</u>	<u>1,547</u>	<u>358</u>	<u>32,142</u>

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement of the Group for the year ended 31st December, 2009**

# SUPERCOMNET TECHNOLOGIES BERHAD

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( Incorporated in Malaysia )

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

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 IC Interpretations with effect from 1 January 2010.

On 1 January 2010, the Group adopted the following FRSs, Amendments to FRS and IC Interpretation:-

FRS 1	first-time Adoption of Financial Reporting Standards(Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)
FRS 2	Share-based Payment (Amendments relating to vesting conditions and cancellations)
FRS 4	Insurance Contracts
FRS 7	Financial instruments : Disclosure
FRS 7	Financial instruments : Disclosures (Amendments relating to reclassification of financial assets and reclassification of financial assets - effective date and transition)
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs(revised)
FRS 127	Consolidated and Separate Financial Statements (Amendments relating to cost of an investment in a subsidiary, jointly controlled entity or associate)
FRS 132	Financial Instruments : Presentation( Amendments relating to Puttable Financial Instruments and Obligations Arising on Liquidation and transitional provision relating to compound instruments)
FRS 139	Financial instruments : Recognition and Measurement
FRS 139	Financial instruments : Recognition and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets, reclassification of financial assets - effective date and transition and embedded derivatives and revised FRS 3 and revised FRS 127
Improvements to FRSs(2009)	
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 9	Reassessment of Embedded Derivatives ( Amendments relating to 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 7, FRS 8, 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.

**(a)FRS 7 : Financial Instruments : Disclosures**

FRS 7 and the consequential amendment to FRS 101 Presentation of Financial Statements require disclosure of information about the significance of financial instruments for the Group's and the Company's financial position and performance, the nature and extent of risks arising from financial instruments , and the objectives, policies and processes for managing capital.

**(b)FRS 8 : Operating Segments**

FRS 8 , which replaces FRS 114 Segment Reporting, requires the identification of operating segments based on internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and to assess their performance. Currently , the Group identifies two sets of segments (business and geographical) using a risks -and rewards approach, with the Group's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments. As a result, following the adoption of FRS 8, the identification of the Group's reportable segments may change.

**(c)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.

**(d)FRS 139 : Financial Instruments : Recognition and Measurement**

FRS 139 establishes principles for recognising and measuring financial assets , financial liabilities and some contracts to buy and sell non-financial items.

**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 December 2010

**13. Capital Commitments**

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

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

### ADDITIONAL INFORMATION REQUIRED BY BM LISTING REQUIREMENTS

#### 14. Review of Performance

For the quarter under review, total revenue increases by 2% from RM 7.34 million to RM 7.47 million as a result of improving world market economy.

The group posted a loss after tax of RM 1.04 million as compared to a loss of RM 0.93 million for the same quarter of the preceding year, representing a loss increment of RM 0.11 million. The loss increment was due to the effect of the taxation.

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

On a quarter to quarter basis, the Group posted a loss after tax of RM 1.04 million as compared to a profit after tax RM 0.64 million for the immediate preceding quarter due to lower sales demand resulting in lower economy of scale of production cost and lower contribution from associated company.

#### 16. Prospects For The Financial Year

In view of the current improved economic trading condition, the management continue to explore new business opportunity to improve its 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 :-

	Individual Quarter 31.12.10 RM ' 000	Individual Quarter 31.12.09 RM ' 000	Cumulative Quarter 31.12.10 31.12.09 RM ' 000 RM ' 000	
Estimate tax expenses				
Taxation payable for current quarter	-	-	(63)	340
Transfer to /(from) deferred taxation	(56)	305	(111)	40
(Under)/Overprovision	(16)	41	(16)	32
	<u>(72)</u>	<u>346</u>	<u>(190)</u>	<u>412</u>

#### 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:-

	31.12.10 RM'000	31.12.09 RM'000
Secured Short Term Borrowings :-		
Bank Overdraft	-	-
	<u>-</u>	<u>-</u>

#### 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 RM ' 000	2009 RM ' 000
Dividend declared and paid :	nil	nil

**26. Earnings Per Share (EPS)**

	Individual Quarter		Cumulative Quarter	
	31.12.10	31.12.09	31.12.10	31.12.09
Profit/(loss) attributable to equity holders of the Company (RM '000)	(1,035)	(929)	(25)	(2,230)
Weighted average number of ordinary shares ('000)	243,000	243,000	243,000	243,000
(a) Basic EPS (sen)	(0.43)	(0.38)	(0.01)	(0.92)
<b>(b) Fully Diluted EPS</b> Not applicable.	-	-	-	-

**27. Realised and Unrealised Profits**

	As At End Of Current Quarter 31/12/2010	As At End Of Preceding Quarter 30/09/2010
Total retained profits / (accumulated losses) of the Company and its subsidiaries		
- Realised	(20,007,621)	(16,642,462)
- Unrealised	<u>(329,838)</u>	<u>(783,499)</u>
	(20,337,459)	(17,425,961)
Total share of retained profits / (accumulated losses) from associated companies :		
- Realised	2,674,751	1,211,680
- Unrealised	<u>(564,673)</u>	<u>(264,319)</u>
	(18,227,381)	(16,478,600)
Less : Consolidation adjustments	<u>18,596,381</u>	<u>17,846,600</u>
Total Group retained profits /(accumulated losses) as per consolidated accounts	<u>369,000</u>	<u>1,368,000</u>

**28. 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 25th February 2011