

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## UNAUDITED INTERIM FINANCIAL REPORTS FOR THE PERIOD ENDED 30 JUNE 2014 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|  | Note | ( Unaudited )<br>Second Quarter Ended<br>30.06.2014<br>RM ' 000 | ( Unaudited )<br>30.06.2013<br>RM ' 000 | ( Unaudited )<br>Cumulative Quarter Ended<br>30.06.2014<br>RM ' 000 | ( Unaudited )<br>30.06.2013<br>RM ' 000 |
|--|------|---|---|---|---|
| Revenue  |      | 11,617  | 6,243                                   | 17,463  | 13,962                                  |
| Cost of Goods Sold   |      | (10,863)  | (6,910)                                 | (16,377)  | (14,122)                                |
| Gross Profit / (Loss)  |      | 754   | (667)                                   | 1,086   | (160)                                   |
| Other Operating Income (Net)   | #    | 221   | 352                                     | 249   | 614                                     |
| Administrative Expenses  |      | (651)   | (663)                                   | (1,507)   | (1,571)                                 |
| Selling and Marketing Expenses   |      | (128)   | (147)                                   | (226)   | (312)                                   |
| Other Operating Expenses   |      | (65)  | (40)                                    | (111)   | (74)                                    |
| Profit/(loss) from operation   |      | 131   | (1,165)                                 | (509)   | (1,503)                                 |
| Finance Costs, net   |      | (6)   | (7)                                     | (11)  | (18)                                    |
| Share of profit of associated company                                  |      | 191   | 313                                     | 1,155   | 1,018                                   |
| Profit /(loss) before tax  |      | 316   | (859)                                   | 635   | (503)                                   |
| Taxation   | 18   | -   | -                                       | 30  | -                                       |
| Profit / (Loss) after tax  |      | 316   | (859)                                   | 665   | (503)                                   |
| Other comprehensive income, net of tax                                 |      | -   | -                                       | -   | -                                       |
| Total comprehensive income for the period                              |      | 316   | (859)                                   | 665   | (503)                                   |
| Attributable to :  |      |   |   |   |   |
| Equity holders of the parent   |      | 316   | (859)                                   | 665   | (503)                                   |
| Non-controlling interest   |      | -   | -                                       | -   | -                                       |
|  |      | 316   | (859)                                   | 665   | (503)                                   |
| Gross Profit margin (%)  |      | 6.49  | (10.68)                                 | 6.22  | (1.15)                                  |
| Profit after tax margin(%)   |      | 2.72  | (13.76)                                 | 3.81  | (3.60)                                  |
| Weighted average number of shares ('000)                               |      | 243,000   | 243,000                                 | 243,000   | 243,000                                 |
| Earnings per share attributable to equity holders of the parent in sen |      |   |   |   |   |
| EPS - Basic (sen)  | 23a  | 0.13  | (0.35)                                  | 0.27  | (0.21)                                  |
| - Diluted  | 23b  | -   | -                                       | -   | -                                       |
| Note # : Net Other Operating Income                                    |      |   |   |   |   |
| (Loss) on disposal of property, plant and equipment                    |      | (5)   | -                                       | (5)   | -                                       |
| Gain from scrap and other disposal                                     |      | 53  | 283                                     | 53  | 498                                     |
| Rental Income  |      | 31  | 31                                      | 62  | 62                                      |
| Interest Income  |      | 94  | 21                                      | 106   | 39                                      |
| Unrealised gain/(loss) on foreign exchange                             |      | 21  | 13                                      | (2)   | 19                                      |
| Realised gain/(loss) on foreign exchange                               |      | 27  | 4                                       | 35  | (4)                                     |
|  |      | 221   | 352                                     | 249   | 614                                     |

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31st December, 2013

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## UNAUDITED INTERIM FINANCIAL REPORTS FOR THE PERIOD ENDED 30 JUNE 2014 CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | (Unaudited)   | (Audited)   |
|---|---|---|
| Note  | As At End Of<br>Current Quarter<br>30.06.2014<br>RM ' 000 | As At Preceding<br>Financial Year End<br>31.12.2013<br>RM ' 000 |
| <b>ASSETS</b>                                       |   |   |
| <b>Non-Current Assets</b>                           |   |   |
| Property, Plant and Equipment                       | 7,517   | 7,729   |
| Prepaid Lease Payments on Leasehold Land            | 2,211   | 2,238   |
| Investment in associated company                    | 7,195   | 6,490   |
|   | 16,923  | 16,457  |
| <b>Current Assets</b>                               |   |   |
| Inventories   | 9,648   | 9,634   |
| Trade and Other Receivables                         | 10,235  | 6,275   |
| Tax (Prepaid)                                       | 202   | 127   |
| Short-term deposit with licensed bank               | 6,302   | 7,502   |
| Cash and Bank Balances                              | 1,759   | 1,550   |
|   | 28,146  | 25,088  |
| Total Assets  | 45,069  | 41,545  |
| <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   |
| - Retained Profit                                   | 7,571   | 6,906   |
|   | 37,808  | 37,143  |
| <b>Non-Current Liability</b>                        |   |   |
| Deferred Taxation                                   | 450   | 480   |
|   | 450   | 480   |
| <b>Current Liabilities</b>                          |   |   |
| Trade Payables                                      | 5,970   | 3,274   |
| Other Payables                                      | 296   | 201   |
| Accrued expenses                                    | 545   | 447   |
|   | 6,811   | 3,922   |
| Total Liabilities                                   | 7,261   | 4,402   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | 45,069  | 41,545  |
| Net asset per share (RM)                            | 0.16  | 0.15  |

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31st December , 2013

**SUPERCOMNET TECHNOLOGIES BERHAD****( Company No. : 197527-H )****( Incorporated in Malaysia )****UNAUDITED INTERIM FINANCIAL REPORTS FOR THE PERIOD ENDED 30 JUNE 2014  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|  | ( Unaudited )<br>2014<br>6 months<br>ended<br>30.06.2014<br>RM ' 000 | ( Unaudited )<br>2013<br>6 months<br>ended<br>30.06.2013<br>RM ' 000 |
|--|--|--|
| Profit before tax  | 635  | (503)  |
| <b>Adjustments for :-</b>                                      |  |  |
| Depreciation of non-current assets                             | 328  | 391  |
| Amortisation of Prepaid Lease Payments on Leasehold Land       | 27   | 27   |
| Loss on disposal of property, plant and equipment              | 5  | -  |
| Unrealised loss on foreign exchange                            | 2  | -  |
| Interest expense   | 2  | 8  |
| Interest income  | (106)  | (39)   |
| Share of profit of an associated company                       | (1,155)  | (1,018)  |
| Operating (loss)/profit before changes in working capital      | <u>(262)</u>   | <u>(1,134)</u>   |
| <b>Changes in Working Capital :-</b>                           |  |  |
| Net Change in Inventories : (Increase) /Decrease               | (14)   | 1,204  |
| Net Change in other current assets : (Increase) /Decrease      | (3,988)  | 7,186  |
| Net Change in current liabilities : Increase / (Decrease)      | <u>2,915</u>   | <u>(1,606)</u>   |
| Cash (used in) / generated from operation                      | (1,349)  | 5,650  |
| Income tax paid  | (75)   | (70)   |
| <b>Net cash (used in) /generated from operating activities</b> | <u>(1,424)</u>   | <u>5,580</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES :-</b>                 |  |  |
| Interest received  | 106  | 39   |
| Purchase of property, plant and equipment                      | (122)  | (709)  |
| Proceeds from disposal of property, plant and equipment        | 1  | -  |
| Dividend received from Associated company                      | 450  | 450  |
| <b>Net cash used in /(generated from) investing activities</b> | <u>435</u>   | <u>(220)</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES :-</b>                 |  |  |
| Interest Paid  | (2)  | (8)  |
| <b>Net cash used in financing activities</b>                   | <u>(2)</u>   | <u>(8)</u>   |
| Net change in Cash & Cash Equivalents                          | (991)  | 5,352  |
| Cash & Cash Equivalents at beginning of period                 | 9,052  | 866  |
| Cash & Cash Equivalents at end of period                       | <u><u>8,061</u></u>  | <u><u>6,218</u></u>  |
| Cash and cash equivalents comprise the following:              |  |  |
| Short-term deposits with licensed bank                         | 6,302  | -  |
| Cash and bank balances   | 1,759  | 6,218  |
|  | <u><u>8,061</u></u>  | <u><u>6,218</u></u>  |

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31st December, 2013**

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2014 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

( Unaudited )

<---- Attributable to equity holders of the parent ----->

|  | Share<br>Capital | Share<br>Premium | Retained<br>Profit | Total         |
|--|------------------|------------------|--------------------|---------------|
|  | RM ' 000         | RM ' 000         | RM ' 000           | RM ' 000      |
| <b><u>Current Year's 6 months ended 30.06.2014</u></b> |                  |                  |                    |               |
| Balance as of 1st January , 2014                       | 24,300           | 5,937            | 6,906              | 37,143        |
| Total comprehensive income for the period              | -                | -                | 665                | 665           |
| Balance as of 30th June, 2014                          | <u>24,300</u>    | <u>5,937</u>     | <u>7,571</u>       | <u>37,808</u> |

### **Preceding Year's 6 months ended 30.06.2013**

|   |               |              |              |               |
|---|---------------|--------------|--------------|---------------|
| Balance as of 1st January , 2013          | 24,300        | 5,937        | 6,260        | 36,497        |
| Total comprehensive income for the period | -             | -            | (503)        | (503)         |
| Balance as of 30th June, 2013             | <u>24,300</u> | <u>5,937</u> | <u>5,757</u> | <u>35,994</u> |

**The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31st December, 2013**

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2014

### NOTES TO THE INTERIM FINANCIAL REPORT

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

This interim financial report is unaudited and has been prepared in accordance with the requirements of Chapter 9, Continuing Disclosure, Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (" Bursa Securities ") for the ACE Market ("AMLR") and in compliance with Malaysian Financial Reporting Standards ("MFRSs") 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (MASB) and should be read in conjunction with the Group's annual audited financial statements for the financial year ended 31 December 2013.

The explanatory notes attached to the interim financial report provide an explanation of events and transactions are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

The Group has not adopted the following MFRSs, Amendments to MFRSs and IC Interpretations ("IC Int."), which were issued but not yet effective :-

|   |  |
|---|--|
| MFRS 9                                      | Financial Instruments (IFRS 9 issued by IASB in November 2009)   |
| MFRS 9                                      | Financial Instruments (IFRS 9 issued by IASB in October 2010)  |
| MFRS 9                                      | Financial Instruments (Hedge Accounting and amendments to MFRS 9, MFRS 7 AND MFRS 139)   |
| MFRS 14                                     | Regulatory Deferral Accounts   |
| IC Int. 21                                  | Levies   |
| Amendments to MFRS 9 and MFRS 7             | Mandatory Effective Date of MFRS 9 (IFRS 9 issued by IASB in November 2009 and October 2010 respectively) and Transition Disclosures.      |
| Amendments to MFRS 10, MFRS 12 and MFRS 127 | Investment Entities  |
| Amendments to MFRS 11                       | Accounting for Acquisitions of Interests in Joint Operations   |
| Amendments to MFRS 116                      | Clarification of Acceptable Methods of Depreciation and Amortisation   |
| Amendments to MFRS 119                      | Employee Benefits ( Amendments relating to Defined Benefit Plans : Employee Contributions)   |
| Amendments to MFRS 132                      | Financial Instruments : Presentation (Amendments relating to Offsetting Financial Assets and Financial Liabilities)                        |
| Amendments to MFRS 136                      | Impairment of Assets (Amendments relating to Recoverable Amount Disclosures for Non- Financial Assets)                                     |
| Amendments to MFRS 139                      | Financial Instruments : Recognition and Measurement (Amendments relating to Novation Of Derivatives and Continuation of Hedger Accounting) |
| Amendments to MFRS                          | contained in the document entitled Annual Improvements to MFRSs 2010-2012 Cycle  |
| Amendments to MFRS                          | contained in the document entitled Annual Improvements to MFRSs 2011-2013 Cycle  |

#### **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 Changes 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 were no changes 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 30th June 2014.

**13. Capital Commitments**

There were no commitment for the purchase of property, plant and equipment as at 30th June 2014

# SUPERCOMNET TECHNOLOGIES BERHAD

( Company No. : 197527-H )

( Incorporated in Malaysia )

## QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2014

### ADDITIONAL INFORMATION REQUIRED BY BM LISTING REQUIREMENTS

#### 14. Review of Performance

For the quarter under review, total group revenue for the six month period ended 30 June 2014 increase by 25% (or RM 3.50 million) from RM 13.96 million to RM 17.46 million due to increase in sales order from our existing customers.

The Group posted a profit after tax of RM 0.67 million as compared to a loss of RM 0.50 million for the same quarter of the preceding year. The group profit was further enhanced by the contribution from the associated company.

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

On a quarter to quarter basis, the Group posted a profit after tax of RM 0.32 million as compared to a profit after tax of RM 0.35 million for the immediate preceding quarter due to reason stated in note 14 above.

#### 16. Prospects For The Financial Year

Barring any unforeseen circumstances, the prospect of the Group is expected to improve. However the management is cautiously optimistic on prospect of the performance in view that there are several production that will come onstream in this financial year.

#### 17. Profit Forecast or Guarantee

The Group has not given any profit forecast nor guarantee in respect of any corporate proposals.

#### 18. Taxation

Taxation comprises the following :-

|                                 | Individual<br>Quarter<br>30.06.14<br>RM ' 000 | Individual<br>Quarter<br>30.06.13<br>RM ' 000 | Cumulative Quarter   |                      |
|---------------------------------|---|---|----------------------|----------------------|
|                                 |   |   | 30.06.14<br>RM ' 000 | 30.06.13<br>RM ' 000 |
| Taxation charge                 | -   | -   | -                    | -                    |
| Transfer from deferred taxation | -   | -   | 30                   | -                    |
| Underprovision in prior year    | -   | -   | -                    | -                    |
|                                 | -   | -   | 30                   | -                    |

#### 19. Corporate Proposals

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

#### 20. Borrowings and Debts Securities

There was no Group borrowings and Debts Securities at the end of the reporting period.

#### 21. Changes in Material Litigation

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

#### 22. Dividend

There was no dividend declared during the quarter under review

#### 23. Earnings Per Share (EPS)

##### (a) Basic EPS

|  | Individual Quarter |          | Cumulative Quarter |          |
|--|--------------------|----------|--------------------|----------|
|  | 30.06.14           | 30.06.13 | 30.06.14           | 30.06.13 |
| Profit/ (Loss) attributable to shareholder (RM '000) | 316                | (859)    | 665                | (503)    |
| Weighted average number of ordinary shares ('000)    | 243,000            | 243,000  | 243,000            | 243,000  |
| Basic EPS (sen)                                      | 0.13               | (0.35)   | 0.27               | (0.21)   |

##### (b) Fully Diluted EPS

Not applicable.

**24. Realised and Unrealised Profits**

|  | As At End Of<br>Current Quarter<br>30.06.2014<br>RM '000 | As At End Of<br>Previous Financial Year<br>31.12.2013<br>RM '000 |
|--|--|--|
| Total retained profits / (accumulated losses) of the Company and its subsidiary  |  |  |
| - Realised   | (19,006)   | (20,533)   |
| - Unrealised   | <u>1,458</u>   | <u>1,499</u>   |
|  | <u>(17,548)</u>  | <u>(19,034)</u>  |
| Total share of retained profits / (accumulated losses) from associated company : |  |  |
| - Realised   | 7,308  | 5,580  |
| - Unrealised   | <u>(113)</u>   | <u>10</u>  |
|  | <u>7,195</u>   | <u>5,590</u>   |
|  | <u>(10,353)</u>  | <u>(13,444)</u>  |
| Less : Consolidation adjustments   | <u>17,924</u>  | <u>20,350</u>  |
| Total Group retained profits as per consolidated accounts                        | <u>7,571</u>   | <u>6,906</u>   |

**25. Profit for the Period**

|  | (Unaudited)          |            | (Unaudited)              |            |
|--|----------------------|------------|--------------------------|------------|
|  | Second Quarter Ended |            | Cumulative Quarter Ended |            |
|  | 30.06.2014           | 30.06.2013 | 30.06.2014               | 30.06.2013 |
|  | RM ' 000             | RM ' 000   | RM ' 000                 | RM ' 000   |
| Profit for the period is arrived at after crediting/(charging) : |                      |            |                          |            |
| Interest income  | 94                   | 21         | 106                      | 39         |
| Rental Income  | 31                   | 31         | 62                       | 62         |
| Interest Expense   | (2)                  | (2)        | (2)                      | (8)        |
| Depreciation and amortisation                                    | (175)                | (212)      | (355)                    | (418)      |
| Loss on disposal of property, plant and equipment                | (5)                  | -          | (5)                      | -          |
| Net foreign exchange gain/(loss)                                 | 48                   | 17         | 33                       | 14         |

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Bursa Securities Ace Market Listing Requirements are not applicable.

**26. Authorization for Issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors' on 27th August 2014