

**SUPERCOMNET TECHNOLOGIES BERHAD**  
( Company No. : 197527-H )  
( Incorporated in Malaysia )

**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE PERIOD ENDED 31 MARCH 2019**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

|  | Note | ( Unaudited )<br>First Quarter Ended<br>31.03.2019<br>RM ' 000 | ( Unaudited )<br>31.03.2018<br>RM ' 000 | ( Unaudited )<br>Cumulative Quarter Ended<br>31.03.2019<br>RM ' 000 | ( Unaudited )<br>31.03.2018<br>RM ' 000 |
|--|------|--|---|---|---|
| Revenue  |      | 24,971   | 11,808                                  | 24,971  | 11,808                                  |
| Cost of Goods Sold   |      | (16,753)   | (10,652)                                | (16,753)  | (10,652)                                |
| Gross Profit   |      | 8,218  | 1,156                                   | 8,218   | 1,156                                   |
| Other Operating Income (Net)   | #    | 169  | 309                                     | 169   | 309                                     |
| Administrative Expenses  |      | (2,060)  | (819)                                   | (2,060)   | (819)                                   |
| Selling and Marketing Expenses   |      | (296)  | (34)                                    | (296)   | (34)                                    |
| Other Operating Expenses   |      | (977)  | (66)                                    | (977)   | (66)                                    |
| Profit / (loss) from operation   |      | 5,054  | 546                                     | 5,054   | 546                                     |
| Finance Costs, net   |      | (12)   | -                                       | (12)  | -                                       |
| Share of profit of associated company                                  |      | -  | 489                                     | -   | 489                                     |
| Profit before tax  |      | 5,042  | 1,035                                   | 5,042   | 1,035                                   |
| Taxation   | 19   | (1,295)  | (30)                                    | (1,295)   | (30)                                    |
| Profit after tax   |      | 3,747  | 1,005                                   | 3,747   | 1,005                                   |
| Other comprehensive income, net of tax                                 |      | -  | -                                       | -   | -                                       |
| Total comprehensive income for the period                              |      | 3,747  | 1,005 #                                 | 3,747   | 1,005                                   |
| Attributable to :  |      |  |   |   |   |
| Equity holders of the parent   |      | 3,747  | 1,005 #                                 | 3,747   | 1,005                                   |
| Non-controlling interest   |      | -  | -                                       | -   | -                                       |
|  |      | 3,747  | 1,005 #                                 | 3,747   | 1,005                                   |
| Gross Profit margin (%)  |      | 32.91  | 9.79 #                                  | 32.91   | 9.79                                    |
| Profit after tax margin (%)  |      | 15.01  | 8.51 #                                  | 15.01   | 8.51                                    |
| Weighted average number of shares ('000)                               |      | 643,000  | 243,000                                 | 643,000   | 243,000                                 |
| Earnings per share attributable to equity holders of the parent in sen |      |  |   |   |   |
| EPS - Basic (sen)  | 24a  | 0.58   | 0.41                                    | 0.58  | 0.41                                    |
| - Diluted  | 24b  | -  | -                                       | -   | -                                       |
| Note # : Net Other Operating Income                                    |      |  |   |   |   |
| Investment income  |      | 12   | -                                       | 12  | -                                       |
| Loss on disposal of property, plant and equipment                      |      | -  | (1)                                     | -   | (1)                                     |
| Gain from scrap sales and other disposal                               |      | 128  | 191                                     | 128   | 191                                     |
| Rental Income  |      | 29   | 110                                     | 29  | 110                                     |
| Interest Income  |      | 118  | 26                                      | 118   | 26                                      |
| Unrealised gain / (loss) on foreign exchange                           |      | (160)  | (10)                                    | (160)   | (10)                                    |
| Realised (loss) / gain on foreign exchange                             |      | 42   | (8)                                     | 42  | (8)                                     |
|  |      | 169  | 309                                     | 169   | 309                                     |

**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 2018.**

**SUPERCOMNET TECHNOLOGIES BERHAD**  
 ( Company No. : 197527-H )  
 ( Incorporated in Malaysia )

**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE PERIOD ENDED 31 MARCH 2019**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| Note  | (Unaudited)   | (Audited)   |
|---|---|---|
|   | As At End Of<br>Current Quarter<br>31.03.2019<br>RM ' 000 | As At Preceding<br>Financial Year End<br>31.12.2018<br>RM ' 000 |
| <b>ASSETS</b>                                       |   |   |
| <b>Non-Current Assets</b>                           |   |   |
| Intangible Asset                                    | 27,903  | 28,679  |
| Goodwill  | 87,478  | 87,478  |
| Property, Plant and Equipment                       | 13,820  | 14,036  |
| Prepaid Lease Payments on Leasehold Land            | 1,955   | 1,968   |
| Investment in associated company                    | -   | -   |
| Right-of-use assets                                 | 594   | -   |
| Deferred tax assets                                 | 507   | 507   |
| Term deposits with licensed banks                   | 185   | 185   |
|   | 132,442   | 132,853   |
| <b>Current Assets</b>                               |   |   |
| Inventories   | 20,222  | 17,099  |
| Other financial asset                               | 2,179   | 2,167   |
| Trade and Other Receivables                         | 16,577  | 20,612  |
| Tax (Prepaid)                                       | 374   | 360   |
| Term deposits with licensed bank                    | 2   | 26,826  |
| Cash and Bank Balances                              | 44,646  | 12,516  |
|   | 84,000  | 79,580  |
| Total Assets  | 216,442   | 212,433   |
| <b>EQUITY AND LIABILITIES</b>                       |   |   |
| Equity attributable to equity holders of the parent |   |   |
| Share Capital                                       | 170,237   | 170,237   |
| Retained Profits                                    | 29,541  | 25,794  |
|   | 199,778   | 196,031   |
| <b>Non-Current Liability</b>                        |   |   |
| Deferred Taxation                                   | 7,745   | 7,745   |
| Lease Liabilities                                   | 26  | -   |
|   | 7,771   | 7,745   |
| <b>Current Liabilities</b>                          |   |   |
| Trade Payables                                      | 1,486   | 4,577   |
| Other Payables                                      | 4,007   | 1,007   |
| Current tax payable                                 | 1,318   | 1,028   |
| Lease Liabilities                                   | 573   | -   |
| Accrued expenses                                    | 1,509   | 2,045   |
|   | 8,892   | 8,657   |
| Total Liabilities                                   | 16,664  | 16,402  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                 | 216,442   | 212,433   |
| Net asset per share (RM)                            | 0.31  | 0.30  |

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 2018.

**SUPERCOMNET TECHNOLOGIES BERHAD**  
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**UNAUDITED INTERIM FINANCIAL REPORTS FOR THE PERIOD ENDED 31 MARCH 2019**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

|   | ( Unaudited )<br>2019<br>3 months<br>ended<br>31.03.2019<br>RM ' 000 | ( Unaudited )<br>2018<br>3 months<br>ended<br>31.03.2018<br>RM ' 000 |
|---|--|--|
| Profit for the period   | 3,747  | 1,005  |
| <b>Adjustments for :-</b>   |  |  |
| Depreciation and amortisation of non-current assets                             | 1,373  | 171  |
| Loss /(gain) on disposal of property, plant and equipment                       | 0  | 1  |
| Unrealised (gain)/loss on foreign exchange                                      | 160  | 10   |
| Interest income   | (118)  | (26)   |
| Fair value gain on financial asset carried at fair value through profit or loss | (12)   | -  |
| Leasing interest  | 12   |  |
| Share of profit of an associated company  | -  | (489)  |
| Tax expense recognised in profit or loss  | 1,295  | 30   |
| Operating profit before changes in working capital                              | 6,457  | 701  |
| <b>Changes in Working Capital :-</b>  |  |  |
| Net Change in Inventories : (Increase)/Decrease                                 | (3,123)  | 45   |
| Net Change in other current ass: Decrease/(Increase)                            | 4,035  | (2,435)  |
| Net Change in current liabilities : (Decrease)/Increase                         | (627)  | 305  |
| Cash generated from / (used in) operation                                       | 6,742  | (1,384)  |
| Income tax paid   | (1,019)  | (57)   |
| Income tax refunded   | -  | 246  |
| <b>Net cash generated from /(used in) operation</b>                             | 5,723  | (1,195)  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES :-</b>                                  |  |  |
| Interest received   | 118  | 26   |
| Acquisition of property, plant and equipment                                    | (226)  | (379)  |
| Proceeds from disposal of property, plant and equipment                         | -  | -  |
| Net cash inflow from acquisition of subsidiary                                  | -  | -  |
| Investment in short term deposit  | -  | -  |
| Dividend received from associated company                                       | -  | 5,200  |
| <b>Net cash (used in)/generated from investing activities</b>                   | (108)  | 4,847  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES :-</b>                                  |  |  |
| Lease payment   | (149)  | -  |
| Lease interest paid   | (12)   | -  |
| <b>Net cash generated from financing activities</b>                             | (161)  | -  |
| Net change in Cash & Cash Equivalents   | 5,454  | 3,654  |
| Cash & Cash Equivalents at beginning of period                                  | 25,446   | 9,363  |
| Effects of foreign exchange rate changes  | (414)  | (14)   |
| Cash & Cash Equivalents at end of period  | 30,486   | 13,003   |
| Cash and cash equivalents comprise the following:                               |  |  |
| Term deposits with licensed banks   | 24,137   | 6,302  |
| Cash and bank balances  | 20,696   | 6,703  |
|   | 44,833   | 13,005   |
| Less : Deposit pledged as security  | (187)  | -  |
| Less : Deposits not recognised as cash and cash equivalent                      | (14,160)   | (2)  |
|   | 30,486   | 13,003   |

**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 2018.**

**SUPERCOMNET TECHNOLOGIES BERHAD**  
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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MARCH 2019**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|  | ( Unaudited )  |                    |                |
|--|--|--------------------|----------------|
|  | <--- Attributable to equity holders of the parent ---> |                    |                |
|  | Share<br>Capital                                       | Retained<br>Profit | Total          |
|  | RM ' 000   | RM ' 000           | RM ' 000       |
| <b><u>Current Year's 3 months ended 31.03.2019</u></b>   |  |                    |                |
| Balance as of 1st January , 2019                         | 170,237  | 25,794             | 196,031        |
| Total comprehensive income for the period                | -  | 3,747              | 3,747          |
| Balance as of 31st March 2019                            | <u>170,237</u>   | <u>29,541</u>      | <u>199,778</u> |
| <b><u>Preceding Year's 3 months ended 31.03.2018</u></b> |  |                    |                |
| Balance as of 1st January , 2018                         | 30,237   | 14,629             | 44,866         |
| Total comprehensive income for the period                | -  | 1,005              | 1,005          |
| Balance as of 31st March 2018                            | <u>30,237</u>  | <u>15,634</u>      | <u>45,871</u>  |

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31st December 2018.**

SUPERCOMNET TECHNOLOGIES BERHAD  
( Company No. : 197527-H )  
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**QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

**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 2018.

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 2018.

Standards and IC Interpretations in issue but not yet effective

The directors anticipate that the following Standards and IC Interpretations will be adopted in the annual financial statements of the Group when they become mandatorily effective for adoption. The adoption of these Standards and IC Interpretations (IC Int.) is not expected to have a material impact on the financial statements of the Group.

| Title   | Effective Date |
|---|----------------|
| IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>                    | 1 January 2019 |
| Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>    | 1 January 2019 |
| Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>            | 1 January 2019 |
| Amendments to MFRS 3 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>   | 1 January 2019 |
| Amendments to MFRS 11 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i>  | 1 January 2019 |
| Amendments to MFRS 112 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i> | 1 January 2019 |
| Amendments to MFRS 123 <i>Annual Improvements to MFRS Standards 2015 - 2017 Cycle</i> | 1 January 2019 |
| Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>               | 1 January 2019 |

**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. Additional new shares is issued to the shareholders of associated company as a purchase consideration to acquire whole equity in associated company.

**7. Dividend 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. Significant Event**

There were no significant event occurred during the quarter.

**12. Changes in the Composition of The Group**

The Group had two subsidiaries at the reporting date.

**13. Contingent Liabilities and Contingent Assets**

There was no Contingent liabilities / assets during the financial period under review.

**14. Capital Commitments**

There were no commitment for the purchase of property, plant and equipment as at 31st December 2018.

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**QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019**

**ADDITIONAL INFORMATION REQUIRED BY BM LISTING REQUIREMENTS**

**15. Review of Performance**

|  | First Quarter Ended |            | Variance | Cumulative Quarter End |            | Variance |
|--|---------------------|------------|----------|------------------------|------------|----------|
|  | 31.03.2019          | 31.03.2018 |          | 31.03.2019             | 31.03.2018 |          |
|  | RM ' 000            | RM ' 000   | %        | RM ' 000               | RM ' 000   | %        |
| Revenue  | 24,971              | 11,808     | 111      | 24,971                 | 11,808     | 111      |
| Operating Profit/(loss)                                      | 5,054               | 1,035      | 388      | 5,054                  | 1,035      | 388      |
| Profit/(loss)before Interest and Tax                         | 5,054               | 1,035      | 388      | 5,054                  | 1,035      | 388      |
| Profit /(loss)before Tax                                     | 5,042               | 1,035      | 387      | 5,042                  | 1,035      | 387      |
| Profit After Tax   | 3,747               | 1,005      | 273      | 3,747                  | 1,005      | 273      |
| Profit Attributable to Ordinary Equity Holders of the Parent | 3,747               | 1,005      | 273      | 3,747                  | 1,005      | 273      |

For the current quarter under review , Group revenue has been increased by 111% (or RM 13.16 million) from RM 11.81 million to RM 24.97 million while profit after tax increased by 273% ( or RM 2.75 million) from RM 1 million to RM 3.75 million. Please note that the revenue and profit after tax has incorporated the Supercomal Medical Products Sdn Bhd.(SMP) sales amounting to RM 14.96 million and profit of RM3.20 million respectively.

**16. Comparison with Immediate Preceding Quarter's Result**

|  | Current Qtr<br>31.03.2019 | Immediate<br>Preceding<br>Quarter | Variance |
|--|---------------------------|-----------------------------------|----------|
|  | RM ' 000                  | RM ' 000                          | %        |
| Revenue  | 24,971                    | 27,206                            | (8)      |
| Operating Profit/(loss)                                      | 5,054                     | 3,127                             | 62       |
| Profit Before Interest and Tax                               | 5,054                     | 3,127                             | 62       |
| Profit Before Tax  | 5,042                     | 3,127                             | 61       |
| Profit After Tax   | 3,747                     | 2,020                             | 86       |
| Profit Attributable to Ordinary Equity Holders of the Parent | 3,747                     | 2,020                             | 86       |

For the current quarter under review, the Group Revenue decreased by 8% (or RM2.24 million) from RM 27.21 million to RM 24.97 million as compared to immediate preceding quarter. For information, the preceding quarter has accounted an amortisation of RM 2.6 million intangible assets post acquisition of SMP.

**17. 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.

**18. Profit Forecast or Guarantee**

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

**19. Taxation**

Taxation comprises the following :-

|                 | Individual<br>Quarter | Individual<br>Quarter | Cumulative Quarter |          |
|-----------------|-----------------------|-----------------------|--------------------|----------|
|                 | 31.03.19              | 31.03.18              | 31.03.19           | 31.03.18 |
|                 | RM ' 000              | RM ' 000              | RM ' 000           | RM ' 000 |
| Taxation charge | (1,295)               | (30)                  | (1,295)            | (30)     |
|                 | (1,295)               | (30)                  | (1,295)            | (30)     |

## 20. Corporate Proposals

On 28 January 2019, Affin Hwang Investment Bank Berhad had, on behalf of Supercomnet Technologies Berhad (“STB” or “Company”) announced that the Company proposed to undertake the following:

- (i) bonus issue of up to 214,333,333 free warrants in STB (“Warrant(s)”) on the basis of one (1) Warrant for every three (3) existing ordinary shares in STB (“STB Share(s)” or “Share(s)”) held on the entitlement date to be determined later (“Entitlement Date”) (“Bonus Issue of Warrants”); and
- (ii) establishment of an employees’ share option scheme of up to ten percent (10%) of the total number of issued Shares of the Company (excluding treasury shares, if any) at any point of time during the duration of the scheme for eligible Directors and employees of STB and its subsidiaries (excluding subsidiaries which are dormant, if any) (“ESOS”)

(collectively referred to as “Proposals”)

Bursa Malaysia Securities Berhad had vide its letter dated 2 April 2019, resolved to approve the following:

- (i) admission to the Official List and listing of and quotation for up to 214,333,333 Warrants to be issued pursuant to the Bonus Issue of Warrants;
- (ii) listing of and quotation for up to 214,333,333 new STB Shares to be issued arising from the exercise of the Warrants; and
- (iii) listing of such number of new STB Shares, representing up to 10% of the total number of issued shares of STB (excluding treasury shares) to be issued pursuant to the ESOS.

The shareholders of STB had approved the Proposals via an extraordinary general meeting held on 28 May 2019

## 21. Borrowings and Debts Securities

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

## 22. Changes in Material Litigation

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

## 23. Dividend

The following Dividends for the year ended 31 December 2018, has been approved by the Company’s shareholders at the Twenty-Ninth Annual General Meeting on 28 May 2019 and will be paid on 14 June 2019 to depositors registered in the Record of Depositors on 31 May 2019:-

- a) A First and Final Single Tier Dividend of 1 sen per share;
- b) A Special Single Tier Dividend of 0.5 sen per share

## 24. Earnings Per Share (EPS)

(a) Basic EPS

|   | Individual Quarter |          | Cumulative Quarter |          |
|---|--------------------|----------|--------------------|----------|
|   | 31.03.19           | 31.03.18 | 31.03.19           | 31.03.18 |
| Profit attributable to shareholder (RM '000)      | 3,747              | 1,005    | 3,747              | 1,005    |
| Weighted average number of ordinary shares ('000) | 643,000            | 243,000  | 643,000            | 243,000  |
| Basic EPS (sen)                                   | 0.58               | 0.41     | 0.58               | 0.41     |

(b) Fully Diluted EPS

Not applicable. - - - -

## 25. Profit for the Period

|  | (Unaudited)         |                          | (Unaudited)         |                          |
|--|---------------------|--------------------------|---------------------|--------------------------|
|  | First Quarter Ended | Cumulative Quarter Ended | First Quarter Ended | Cumulative Quarter Ended |
|  | 31.03.19            | 31.03.18                 | 31.03.19            | 31.03.18                 |
|  | RM ' 000            | RM ' 000                 | RM ' 000            | RM ' 000                 |
| Profit for the period is arrived at after crediting/(charging) : |                     |                          |                     |                          |
| Investment income  | 12                  | -                        | 12                  | -                        |
| Interest income  | 118                 | 26                       | 118                 | 26                       |
| Rental income  | 29                  | 110                      | 29                  | 110                      |
| Depreciation and amortisation                                    | 1,373               | 171                      | 1,373               | 171                      |
| (Loss) /gain on disposal of :-                                   |                     |                          |                     |                          |
| Property, plant and equipment                                    | -                   | 1                        | -                   | 1                        |
| Property, plant and equipment written off                        | -                   | -                        | -                   | -                        |
| Net foreign exchange (loss) /gain                                | (118)               | (18)                     | (118)               | (18)                     |

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 28th May 2019.