

**SUPERCOMNET TECHNOLOGIES BERHAD**  
( Company No. : 199001005958 (197527-H) )  
( Incorporated in Malaysia )

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED MARCH 31, 2022**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	( Unaudited )		( Unaudited )	
		First Quarter Ended		Cumulative Quarter Ended	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021
		RM ' 000	RM ' 000	RM ' 000	RM ' 000
Revenue		35,973	37,567	35,973	37,567
Cost of sales		<u>(24,217)</u>	<u>(28,682)</u>	<u>(24,217)</u>	<u>(28,673)</u>
Gross profit		11,756	8,885	11,756	8,894
Other operating income (net)	#	1,785	1,283	1,785	1,283
Administrative expenses		(3,107)	(2,652)	(3,107)	(2,661)
Distribution costs		<u>(701)</u>	<u>(826)</u>	<u>(701)</u>	<u>(826)</u>
Profit from operation		9,733	6,690	9,733	6,690
Finance cost, net		-	-	-	-
Profit before tax		<u>9,733</u>	<u>6,690</u>	<u>9,733</u>	<u>6,690</u>
Taxation	19	<u>(2,329)</u>	<u>(1,805)</u>	<u>(2,329)</u>	<u>(1,805)</u>
Profit after tax		<u>7,404</u>	<u>4,885</u>	<u>7,404</u>	<u>4,885</u>
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		<u>7,404</u>	<u>4,885</u>	<u>7,404</u>	<u>4,885</u>
Attributable to :					
Equity holders of the parent		7,404	4,885	7,404	4,885
Non-controlling interest		-	-	-	-
		<u>7,404</u>	<u>4,885</u>	<u>7,404</u>	<u>4,885</u>
Gross profit margin (%)		32.68	23.65	32.68	23.68
Profit after tax margin (%)		20.58	13.00	20.58	13.00
Weighted average number of shares ('000)		761,669	684,977	761,669	684,977
Earnings per share attributable to equity holders of the parent in sen					
EPS - Basic (sen)	24(a)	0.97	0.71	0.97	0.71
- Diluted (sen)	24(b)	0.92	0.61	0.92	0.61
Note # :					
Net other operating income					
Fair value gain on other financial asset		546	235	546	235
Property, plant and equipment written off		(1)	(2)	(1)	(2)
Gain on disposal of property, plant and equipment		-	31	-	31
Gain from scrap sales and other disposal		600	297	600	297
Interest Income		44	53	44	53
Rental Income		27	7	27	7
Unrealised gain on foreign exchange		162	580	162	580
Realised gain on foreign exchange		<u>407</u>	<u>82</u>	<u>407</u>	<u>82</u>
		<u>1,785</u>	<u>1,283</u>	<u>1,785</u>	<u>1,283</u>

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended December 31, 2021.**

**SUPERCOMNET TECHNOLOGIES BERHAD**  
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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED MARCH 31, 2022**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>(Unaudited)</b> As At End Of Current Quarter 31.03.2022 RM ' 000	<b>(Audited)</b> As At Preceding Financial Year End 31.12.2021 RM ' 000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Intangible asset	16,123	17,070
Goodwill	87,478	87,478
Property, plant and equipment	17,310	17,606
Right-of-use assets	1,793	1,806
Deferred tax assets	1,133	1,230
Term deposits with licensed banks	187	187
	<u>124,024</u>	<u>125,377</u>
<b>Current Assets</b>		
Inventories	33,416	31,496
Other financial asset	105,451	102,256
Trade and other receivables	23,471	33,129
Term deposits with licensed bank	16,800	16,350
Cash and bank balances	36,989	28,673
	<u>216,127</u>	<u>211,904</u>
<b>TOTAL ASSETS</b>	<u><u>340,151</u></u>	<u><u>337,281</u></u>
<b>EQUITY AND LIABILITIES</b>		
Equity attributable to equity holders of the parent		
Share capital	247,438	245,917
Retained earnings	71,169	63,765
	<u>318,607</u>	<u>309,682</u>
<b>Non-Current Liability</b>		
Deferred tax liabilities	5,134	5,466
	<u>5,134</u>	<u>5,466</u>
<b>Current Liabilities</b>		
Trade payables	2,868	6,075
Other payables	7,979	9,855
Current tax payable	3,459	2,983
Accrued expenses	2,104	3,220
	<u>16,410</u>	<u>22,133</u>
Total Liabilities	<u>21,544</u>	<u>27,599</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>340,151</u></u>	<u><u>337,281</u></u>
Net asset per share (RM)	<u>0.42</u>	<u>0.41</u>

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended December 31, 2021.**

**SUPERCOMNET TECHNOLOGIES BERHAD**  
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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED MARCH 31 , 2022.**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	( Unaudited ) 2022 3 months ended 31.03.2022 RM ' 000	( Unaudited ) 2021 3 months ended 31.03.2021 RM ' 000
Profit for the period	7,404	4,885
<b>Adjustments for :-</b>		
Depreciation and amortisation of non-current assets	1,558	1,593
Fair value gain on financial asset carried at fair value through profit or loss	(546)	(235)
Gain on disposal of property, plant and equipment	-	(31)
Interest income	(44)	(53)
Property, plant and equipment written off	1	2
Unrealised gain on foreign exchange	(162)	(580)
Tax expense recognised in profit or loss	2,329	1,805
Operating profit before changes in working capital	<u>10,540</u>	<u>7,386</u>
<b>Changes in Working Capital :-</b>		
Net Change in inventories : (Increase) / Decrease	(1,920)	1,464
Net Change in other current assets : Decrease	9,699	6,011
Net Change in current liabilities : (Decrease)	<u>(6,199)</u>	<u>(5,192)</u>
Cash generated from operation	12,120	9,669
Income taxes paid	<u>(2,088)</u>	<u>(1,650)</u>
<b>Net cash generated from operation</b>	<u>10,032</u>	<u>8,019</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :-</b>		
Investment income	-	136
Interest received	44	53
Increase in term deposits	-	(2,540)
Increase in other financial asset	(2,649)	(2,800)
Purchase of property, plant and equipment	(303)	(1,949)
Proceeds from disposal of property, plant and equipment	-	31
<b>Net cash used in investing activities</b>	<u>(2,908)</u>	<u>(7,069)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES :-</b>		
Conversion of warrants to ordinary shares	1,521	5,160
<b>Net cash generated from financing activities</b>	<u>1,521</u>	<u>5,160</u>
Net change in cash & cash equivalents	8,645	6,110
Cash & cash equivalents at beginning of period	41,673	32,609
Effects of foreign exchange rate changes	121	584
Cash & cash equivalents at end of period	<u>50,439</u>	<u>39,303</u>
Cash and cash equivalents comprise the following:		
Term deposits with licensed bank	16,987	26,917
Cash and bank balances	36,989	24,863
	<u>53,976</u>	<u>51,780</u>
Less : Term deposit held as security	(187)	(187)
Less : Deposits not recognised as cash and cash equivalent	<u>(3,350)</u>	<u>(12,290)</u>
	<u>50,439</u>	<u>39,303</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 December 31, 2021.**

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED MARCH 31,2022.**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	( Unaudited )		
	<--- Attributable to equity holders of the parent --->		
	Share capital	Retained earnings	Total
	RM ' 000	RM ' 000	RM ' 000
<b><u>Current Year's 3 months ended 31.03.2022</u></b>			
Balance as of January 1, 2022	245,917	63,765	309,682
Total comprehensive income for the period	-	7,404	7,404
Exercise of warrants	1,521	-	1,521
Balance as of March 31, 2022	<u>247,438</u>	<u>71,169</u>	<u>318,607</u>
<b><u>Preceding Year's 3 months ended 31.03.2021</u></b>			
Balance as of January 1, 2021	192,362	49,388	241,750
Total comprehensive income for the period	-	4,885	4,885
Exercise of warrants	5,160	-	5,160
Balance as of March 31, 2021	<u>197,522</u>	<u>54,273</u>	<u>251,795</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 December 31, 2021.**

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QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2022

**NOTES TO THE UNAUDITED 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 December 31, 2021.

The explanatory notes attached to the interim financial report 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 December 31, 2021.

**New MFRS adopted during the financial year**

The Group and the Company adopted the following Standards of the MFRS Framework that are issued by the Malaysian Accounting Standards Board (MASB) during the financial year.

<b>Title</b>	<b>Effective Date</b>
<i>Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"</i>	January 1, 2022
<i>Amendments to MFRS 3 Reference to the Conceptual Framework</i>	January 1, 2022
<i>Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use</i>	January 1, 2022
<i>Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract</i>	January 1, 2022

**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 quarter under review except the issuance of 2,340,000 ordinary shares at an issue price of RM 0.65 per share on each warrant exercised.

**7. Dividend Paid**

No dividend has been paid in the current quarter under review.

**8. Segmental Reporting**

The Group's principal activities include manufacturing and assembly of medical cables and devices, automotive fuel tanks, wires and cable for electrical appliances, consumer electronics and automotive markets.

For the quarter under review, the medical segment continues to be the driver of growth for the Group with a revenue contribution of 69% as compared to 64% in the last corresponding period.

Meanwhile, the automotive segment has also seen a higher revenue contribution at 8%, compared to 4% in the last corresponding period.

Revenue contribution for the industrial segment stands at 23%, compared to 32% in the last corresponding period.

**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 during the financial period under review.

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**QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2022**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**

**11. Significant Event**

There is no significant event during the financial period under review.

**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 March 31, 2022.

**15. Review of Performance**

	Individual Quarter Ended			Cumulative Quarter Ended		
	31.03.2022	31.03.2021	Variance	31.03.2022	31.03.2021	Variance
	RM ' 000	RM ' 000	%	RM ' 000	RM ' 000	%
Revenue	35,973	37,567	(4.24)	35,973	37,567	(4.24)
Operating Profit	9,733	6,690	45.49	9,733	6,690	45.49
Profit before Interest and Tax	9,733	6,690	45.49	9,733	6,690	45.49
Profit before Tax	9,733	6,690	45.49	9,733	6,690	45.49
Profit After Tax	7,404	4,885	51.57	7,404	4,885	51.57
Profit Attributable to Ordinary Equity Holders of the Parent	7,404	4,885		7,404	4,885	

For the quarter under review, the Group recorded a decline in revenue of RM 1.594 million (or 4.24%) from RM 37.567 million (Q1/21) to RM 35.973 million (Q1/22) due to reduction in the revenue contributed from industrial segment, cushioned by increased in revenue contributed from medical segment and automotive segment. However, profit after tax for the group increased by RM 2.519 million (or 51.57%) from RM 4.885 million (Q1/21) to RM 7.404 million (Q1/22) attributed by increased in sales of higher profit margin products. Also, the performance in Q1/21 was partially affected by higher raw material prices, freight costs and the movement control order.

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

	Current	Immediate	Variance
	Quarter Ended	Preceding Quarter Ended	
	31.03.2022	31.12.2021	%
	RM ' 000	RM ' 000	
Revenue	35,973	43,004	(16.35)
Operating Profit	9,733	10,247	(5.02)
Profit Before Interest and Tax	9,733	10,247	(5.02)
Profit Before Tax	9,733	10,247	(5.02)
Profit After Tax	7,404	8,000	(7.45)
Profit Attributable to Ordinary Equity Holders of the Parent	7,404	8,000	(7.45)

As compared to the immediate preceding quarter, the Group revenue decreased by RM 7.031 million (or 16.35%) from RM 43.004 million (Q4/21) to RM 35.973 million (Q1/22) mainly due to lower sales volume. The profit after tax showed an decreased of RM 0.596 million (or 7.45%) from RM 8.000 million (Q4/21) to RM 7.404 million (Q1/22) due to the reason mentioned in above.

**17. Prospects**

We remain optimistic with the Group's mid to long term prospects underpinned by continuous growing demand from customers in addition to several new products in the pipeline.

Thus, barring any unforeseen circumstances, the Group expects the performance for the current financial year to be satisfactory.

**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 Quarter Ended		Cumulative Quarter Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Current tax:				
Income tax expense in respect of current year	(2,564)	(1,805)	(2,564)	(1,805)
Deferred tax	235	-	235	-
	(2,329)	(1,805)	(2,329)	(1,805)

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**QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2022**

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT**

**20. Corporate Proposals**

There was no corporate proposals exercised during the period ended March 31, 2022.

**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 Directors proposed a final single tier dividend of RM0.015 per ordinary shares in respect of the financial year ended December 31, 2021. This dividend has not been included as a liabilities in the financial statements and is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company.

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

(a) Basic EPS

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Profit attributable to shareholders (RM '000)	7,404	4,885	7,404	4,885
Weighted average number of ordinary shares ('000)	761,669	684,977	761,669	684,977
Basic EPS (sen)	0.97	0.71	0.97	0.71

(b) Fully Diluted EPS

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Profit attributable to shareholders (RM '000)	7,404	4,885	7,404	4,885
Weighted average number of ordinary shares ('000)	761,669	684,977	761,669	684,977
Warrant shares deemed to be issued for no consideration ('000)	42,309	121,901	42,309	121,901
	803,978	806,878	803,978	806,878
Diluted EPS (sen)	0.92	0.61	0.92	0.61

**25. Profit for the Period**

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	RM ' 000	RM ' 000	RM ' 000	RM ' 000
Profit for the period is arrived at after crediting / (charging) :				
Depreciation and amortisation	(1,558)	(1,593)	(1,558)	(1,593)
Gain on disposal of property, plant and equipment	-	31	-	31
Interest income	44	53	44	53
Rental income	27	7	27	7
Property, plant and equipment written off	(1)	(2)	(1)	(2)
Net foreign exchange gain	569	662	569	662

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. Authorisation for issue**

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on May 20, 2022.