

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
**(Incorporated in Malaysia)**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2007**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current Year Quarter 30-Apr-07 RM'000</b>	<b>Preceding Year Corresponding Quarter 30-Apr-06 * RM'000</b>	<b>Current Year To Date 30-Apr-07 RM'000</b>	<b>Preceding Year Corresponding Period 30-Apr-06 * RM'000</b>
Revenue	17,724	N/A	17,724	N/A
Operating profit	2,442	N/A	2,442	N/A
Interest expense	(184)	N/A	(184)	N/A
Reserve on consolidation credited to consolidated income statement	4,880	N/A	4,880	N/A
Profit before tax	7,138	N/A	7,138	N/A
Tax expense	(436)	N/A	(436)	N/A
Net profit for the period	6,702	N/A	6,702	N/A
Basic earnings per share (sen)	10.93	N/A	10.93	N/A

Note:

The Condensed Consolidated Income Statement should be read in conjunction with the Prospectus dated 9 April 2007 and the accompanying notes to the Interim Financial Statements.

\* This is the first interim financial statements on the consolidated results for the financial period ended 30 April 2007 announced by the Company in compliance with Bursa Malaysia Securities Berhad's ("Bursa Securities") requirement in conjunction with the admission of the Company to the Second Board of Bursa Securities. As this is the second quarterly report being drawn up, there are no comparative figures for the preceding year's corresponding quarter.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 30 APRIL 2007**

	<b>Current Year Quarter 30-Apr-07 RM'000</b>	<b>Corresponding Quarter 30-Apr-06 RM'000</b>
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	31,919	N/A
Intangible assets	1,000	N/A
Investment in club membership	47	N/A
	<u>32,966</u>	<u>N/A</u>
<b>Current Assets</b>		
Inventories	6,565	N/A
Trade receivables and other receivables	17,725	N/A
Deposit, cash and bank balances	10,091	N/A
	<u>34,381</u>	<u>N/A</u>
<b>TOTAL ASSETS</b>	<u><u>67,347</u></u>	<u><u>N/A</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	40,000	N/A
Share premium	2,239	N/A
Retained profits	6,702	N/A
	<u>48,941</u>	<u>N/A</u>
<b>Non-current liabilities</b>		
Long term borrowings	6,439	N/A
Hire purchase payables	1,721	N/A
Deferred taxation	1,834	N/A
	<u>9,994</u>	<u>N/A</u>
<b>Current liabilities</b>		
Bank borrowings	1,440	N/A
Trade and other payables	5,313	N/A
Hire purchase payables	1,482	N/A
Current tax liability	177	N/A
	<u>8,412</u>	<u>N/A</u>
<b>Total equity and liabilities</b>	<u><u>67,347</u></u>	<u><u>N/A</u></u>
Net assets per ordinary share (sen)	<u><u>61.18</u></u>	<u><u>N/A</u></u>

Note:

The Condensed Consolidated Balance Sheet should be read in conjunction with the Prospectus dated 9 April 2007 and the accompanying notes to the Interim Financial Statements.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2007**

	Share Capital RM'000	Share Premium RM'000	Retained Profit RM'000	Total RM'000
Balance as at incorporation	*	-	-	*
Issuance of ordinary shares				
- Pursuant to acquisition of subsidiary company	33,824	1,015	-	34,839
- Public issue	6,176	2,717	-	8,893
Expenses recognised to equity				
- Share issue expenses	-	(1,493)	-	(1,493)
Net profit for the period	-	-	6,702	6,702
Balance as at 30 April 2007	<u>40,000</u>	<u>2,239</u>	<u>6,702</u>	<u>48,941</u>

Note:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Prospectus dated 9 April 2007 and the accompanying notes to the Interim Financial Statements.

- \* This represents the issued and paid up share capital of RM2.00 comprising 4 ordinary shares of RM 0.50 each

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 April 2007**

	<b>Current Year Period Ended 30-Apr-07 RM'000</b>	<b>Preceding Year Period Ended 30-Apr-06 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	7,138	N/A
Adjustments for:		
Non-cash items	(3,971)	N/A
Non-operating items	95	N/A
	<hr/>	<hr/>
Operating profit before working capital changes	3,262	N/A
Increase in working capital:		
Inventories	2,366	N/A
Trade and other receivables	(2,209)	N/A
Trade and other payables	(1,775)	N/A
	<hr/>	<hr/>
Cash generated from operations	1,644	N/A
Tax paid	(300)	N/A
Interest paid	(150)	N/A
	<hr/>	<hr/>
<b>Net cash used in operating activities</b>	<b>(1,194)</b>	<b>N/A</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(1,537)	N/A
Interest received	14	N/A
Proceeds from disposal of fixed assets	40	N/A
Acquisition of subsidiary company	2,914	N/A
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>1,431</b>	<b>N/A</b>
<b>Cash flows from financing activities</b>		
Net movement in trade bills	69	N/A
Repayment of listing expenses	(1,493)	N/A
Repayment of term loan	(203)	N/A
Proceeds from issuance of shares	8,893	N/A
Repayment of hire purchase payables	(427)	N/A
	<hr/>	<hr/>
<b>Net cash from financing activities</b>	<b>6,839</b>	<b>N/A</b>
Net increase in cash and cash equivalents	9,464	N/A
	<hr/>	<hr/>
Cash and cash equivalents at end of financial period	<b>9,464</b>	<b>N/A</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Cash and cash equivalents at end of period comprise:</b>		
Deposits, Cash & bank balances	10,091	N/A
Bank overdrafts	(627)	N/A
	<hr/>	<hr/>
	<b>9,464</b>	<b>N/A</b>
	<hr/> <hr/>	<hr/> <hr/>

Note:

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Prospectus dated 9 April 2007 and the accompanying notes to the Interim Financial Statements.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)  
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**A. Explanatory Notes Pursuant to Financial Reporting Standard (“FRS”) No. 134**

**A1. BASIS OF PREPARATION**

The proforma interim financial statements of Superlon Holdings Berhad are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board and paragraph 9.22 and Part A of Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

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 Superlon Holdings Berhad (“SHB” or the “Company”) and its subsidiary (collectively known as the “Superlon Group” or the “Group”)

**A2. QUALIFICATION OF ANNUAL FINANCIAL STATEMENTS**

This is no qualification for the Company as it was only incorporated on 10 July 2006 and its first financial period end is on 30 April 2007.

**A3. SEASONAL AND CYCLICAL FACTORS**

The Group’s business operations were not materially affected by any major seasonal or cyclical factors.

**A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There was no unusual item affecting assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

**A5. SIGNIFICANT CHANGES IN ESTIMATES**

There was no material change in estimate use for the preparation for this current financial quarter under review.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**A6. ISSUANCES AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current financial quarter under review other than as follows:

On 9 April 2007 the Company issued a prospectus for the initial public offering of 13,351,400 new ordinary shares of RM0.50 each in conjunction with the listing of the Company's entire enlarged issued and fully paid-up share capital on the Second Board of Bursa Securities comprising:-

(a) Public issues of 12,351,400 new shares of RM0.50 each at an issue price of RM0.72 per ordinary share payable in full on application ("IPO")

- 6,000,000 new ordinary shares of RM0.50 each for Malaysian public ;
- 3,351,400 new ordinary shares of RM0.50 each for eligible directors, employees and business associates and ;
- 3,000,000 new ordinary shares of RM0.50 each by way of placement to identified investors

(b) Offer for sale of 1,000,000 existing ordinary shares of RM0.50 each at an offer price of RM0.72 per ordinary share by way of placement to identify investors ("OFS")

The IPO and OFS was completed on 25 April 2007 and the entire enlarged issued and fully paid up share capital of RM80,000,000 ordinary shares of RM0.50 each was listed on the Second Board of Bursa Securities on 25 April 2007.

**A7. DIVIDEND DECLARED OR PAID**

No dividend was declared or paid by the company during the financial quarter under review.

**A8. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

There was no valuation of property, plant and equipment in the financial quarter under review.

**A9. CHANGES IN COMPOSITION OF THE GROUP**

The company obtained control over the financial and operating policies of Superlon Worldwide Sdn Bhd ("SWSB") in accordance with the terms of the shares sale agreement dated 8 September 2006 ("Acquisition"). Accordingly, SWSB became wholly-owned subsidiary of the Company. The Acquisition was completed on 31 January 2007 and was accounted for using the purchase method of consolidation.

The Acquisition of entire issued and paid up share capital of SWSB comprising 10,000,000 ordinary shares of RM1 each for the total purchase consideration RM34,838,990 was based on the adjusted audited net assets of SWSB as at 30 April 2006 being fully satisfied by the issuance of up to 67,648,596 new ordinary shares of RM0.50 each in Superlon Holdings Berhad the issue price of approximately RM0.52 per share.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**A10. CHANGES IN COMPOSITION OF THE GROUP (CONT'D)**

- (a) The effect of the acquisition on the financial results of the Group during the financial quarter are as follows:

	<b>30 Apr 2007</b> <b>RM '000</b>
Revenue	17,724
Operating costs	(15,466)
	<hr/>
	2,258
Taxation	(436)
	<hr/>
Increase in Group net profit	<u>1,822</u>

- (b) The effect of the acquisition on the financial position of the Group at the at the end of the financial quarter are as follows:

	<b>30 Apr 2007</b> <b>RM '000</b>
Property, plant and equipment	32,169
Trade and other receivables	15,656
Inventories	8,932
Deposit, cash and bank balances	2,914
Trade and other payables	(16,100)
Borrowings	(2,275)
Deferred tax liabilities	(1,577)
	<hr/>
Net asset acquired	39,719
Negative goodwill	(4,880)
	<hr/>
Total purchase consideration	<u>34,839</u>
	<hr/>
Cash flow on acquisition, net of cash and cash equivalents acquired	<u>2,914</u>

Save as disclosed above, there were no other changes in the composition of the Group during the current quarter and financial year- to- date.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**A11. SEGMENTAL INFORMATION**

Business Segment

The Group is principally engaged in the business segment of manufacturing and trading.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Year</b>	<b>Year</b>	<b>Year To</b>	<b>Year</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Date</b>	<b>Corresponding</b>
	<b>30-Apr-07</b>	<b>30-Apr-06</b>	<b>30-Apr-07</b>	<b>30-Apr-06</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue				
- Manufacturing	12,369	N/A	12,369	N/A
- Trading	5,355	N/A	5,355	N/A
	<u>17,724</u>	<u>N/A</u>	<u>17,724</u>	<u>N/A</u>
Profit before tax				
- Manufacturing	5,068	N/A	5,068	N/A
- Trading	2,070	N/A	2,070	N/A
	<u>7,138</u>	<u>N/A</u>	<u>7,138</u>	<u>N/A</u>

Geographical Segment

The Group operates principally in Malaysia, therefore information analysing geographical segment is not presented. The analysis of segment results is not presented because it is not practicable to allocate operating expenses as the basis for making these allocations is arbitrary. However, the analysis of revenue based on geographical locations of the Group's customer are shown as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current</b>	<b>Preceding</b>	<b>Current</b>	<b>Preceding</b>
	<b>Year</b>	<b>Year</b>	<b>Year To</b>	<b>Year</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Date</b>	<b>Corresponding</b>
	<b>30-Apr-07</b>	<b>30-Apr-06</b>	<b>30-Apr-07</b>	<b>30-Apr-06</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue				
- Malaysia	7,441	N/A	7,441	N/A
- Outside Malaysia	10,283	N/A	10,283	N/A
	<u>17,724</u>	<u>N/A</u>	<u>17,724</u>	<u>N/A</u>

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**A12. CHANGES IN CONTINGENT LIABILITIES**

The Directors are not aware of any material contingent liabilities incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

**A13. MATERIAL CAPITAL COMMITMENT**

As at the date of this announcement, the directors of the Company are not aware of any material capital commitments which, upon becoming enforceable, may have a material impact on the financial position of the Group.

**A14. CONDITION IMPOSED BY THE SECURITIES COMMISSION (“SC”)**

In relation to the unapproved structures on Lot 2567, Sungai Jati, Mukim and District of Klang, Selangor, Superlon Worldwide Sdn Bhd is to rectify the unapproved structures within six months from the SC approval letter dated 17 January 2007.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**B. Explanatory Notes Pursuant to Appendix 9B, Part A of the Listing Requirement of Bursa Malaysia Securities Berhad**

**B1. PERFORMANCE REVIEW**

The Group achieved revenue of RM 17.7 million and profit before taxation of RM 7.1 million for the period year 30 April 2007.

**B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS**

The Group's revenue and profit after tax for the previous quarter, which was prepared on a proforma basis, was RM16.8 million and RM1.875 million respectively.

The Group's revenue and profit after tax for the current quarter, which represent post acquisition results after the acquisition of subsidiary company, namely SWSB, was RM17.7 million and RM6.702 million respectively. The significant increase in profit after tax for the current quarter was principally due to reserve on consolidation or negative goodwill of RM4.880 million credited to the consolidated income statement.

The reserve on consolidation or negative goodwill represent the excess of fair value of the subsidiary company acquired over its acquisition cost. The fair value is determined to be the net assets value at the completion date of acquisition by Superlon Holdings Berhad of the entire equity interest in SWSB on 31 January 2007.

**B3. COMMENTARY ON PROSPECTS**

Barring any unforeseen circumstances, the Board is of the opinion that the Group will achieve satisfactory performance.

**B4. VARIANCES FROM ACTUAL AND FORECAST PROFIT**

In conjunction with the listing requirement of the Company on the Second Board of Bursa Malaysia Securities Berhad, the company forecasted a consolidated profit after tax ("PAT") of RM6.86 million for the financial year ended 30 April 2007. The variance between the forecasted consolidated PAT and the unaudited consolidated PAT of RM6.70 million or 2% mainly due to shortfall in actual revenue of RM65.56 million as compare to forecasted revenue of RM68.10 million.

The actual lower revenue from new operations of Foam Division by approximately RM2.6 million was the main reason to the lower revenue achieved. This was due to slower growth in the new market of Foam products. Moreover, the company also encounter resistance of entering into existing markets.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**B5. TAXATION**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current Year Quarter 30-Apr-07 RM'000</b>	<b>Preceding Year Corresponding Quarter 30-Apr-06 RM'000</b>	<b>Current Year To Date 30-Apr-07 RM'000</b>	<b>Preceding Year Corresponding Period 30-Apr-06 RM'000</b>
Current tax expense	178	N/A	178	N/A
Deferred tax expenses	258	N/A	258	N/A
	<u>436</u>	<u>N/A</u>	<u>436</u>	<u>N/A</u>

The tax expense for the current quarter ended 30 April 2007 is derived based on statutory current tax rate of 27% for the financial period. The deferred tax liabilities arose from accelerated capital allowances over depreciation of qualifying property, plant and equipment. The effective tax rate of the Group for the current quarter and financial period to-date is lower than the statutory tax rate principally due to the utilisation of reinvestment allowances.

**B6. UNQUOTED SECURITIES AND/OR PROPERTIES**

There were neither purchases nor disposals of any unquoted securities and / or properties for the current financial quarter under review.

**B7. INVESTMENT IN QUOTED SECURITIES**

There were no dealings by the Group in quoted securities for the current quarter and financial year to-date. The Group did not hold any investments in quoted securities as at 30 April 2007.

**B8. CORPORATE PROPOSAL**

Save as disclosed below, there is no other corporate proposal announced but not completed as at the date of this announcement.

(a) Initial Public Offering

Pursuant to the Prospectus dated 9 April 2007, the entire share capital of the company of 80,000,000 shares was listed on the 2<sup>nd</sup> Board of the Bursa Securities on 25 April 2007.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**B8. CORPORATE PROPOSAL (CONT'D)**

(b) Utilisation of IPO Proceeds

The proceeds from the Public Issue of RM8,893 million has been received by the company as at 25 April 2007. The proceeds have been utilised in the following manner:-

	Proposed Utilisation RM'000	Actual Utilisation RM'000
Repayment of bank borrowing	5,000	5,000*
Listing expenses	2,000	1,492**
Working Capital	<u>1,893</u>	<u>2,401</u>
	<u>8,893</u>	<u>8,893</u>

\* The intended repayment of banking borrowing of RM5 million has been be paid on 22 May 2007

\*\* The excess of the estimated listing expenses, will be utilised for working capital

**B9. BORROWINGS**

The Group's borrowings as at the end of the reporting quarter are as follows:

	Short Term	Long Term
<u>Secured</u>	RM'000	RM'000
Term Loans	450	6,439*
Hire purchase	1,482	1,721
Bank Overdraft	627	-
Trade Bills	363	-
	<u>2,922</u>	<u>8,160</u>

\*Before the utilisation of IPO proceed

**B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

The group does not enter into any contract for off balance sheet financial instruments as at 30 April 2007.

**B11. MATERIAL LITIGATION**

Neither the Company nor its subsidiary was engaged in any litigation either as plaintiff or defendant, which might materially adversely affect the position on business of the Company or its subsidiary.

**B12. DIVIDEND**

No dividend is declared or paid during the current financial quarter under review.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)  
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**B13. EARNINGS PER SHARE (“EPS”)**

The basic EPS are computed as following: ( as per Note A2)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter</u> <u>30-Apr-07</u>	<u>Preceding Year Corresponding Quarter</u> <u>30-Apr-06</u>	<u>Current Year To Date</u> <u>30-Apr-07</u>	<u>Preceding Year Corresponding Period</u> <u>30-Apr-06</u>
Net profit attributable to ordinary shareholders before credit of reserve on consolidation to consolidated income statement (RM '000)	1,822	N/A	1,822	N/A
Weighted average number of ordinary shares of RM 0.50 in issue ('000)	16,664	N/A	16,664	N/A
Basic earnings per share (sen)	10.93	N/A	10.93	N/A

The diluted earnings per share for the Company is not presented as there is no dilutive potential ordinary share during the financial period/ year.

**B14. PUBLIC SHAREHOLDING SPREAD**

On 18 June 2007, it came to the attention of the management that 27.98% of the total issued and paid up share capital of the Company is held by 660 public shareholders holding not less than 100 shares each. Accordingly, the Company has failed to comply with the Paragraph 8.15 of the Bursa Securities Listing Requirements.

The Company on 21 June 2007 had made an announcement to Bursa Securities with written request for an extension of time to rectify the shortfall in the number of public shareholders. On 5 July 2007, the Company has obtained approval from Bursa Securities for an extension of time of six (6) months until 20 December 2007 to comply with the public shareholdings spread requirement pursuant to Paragraph 8.15(1) of the Listing Requirements.

The management has formulated a Rectification Plans as per following in order to comply with the Bursa Securities listing requirements:-

- (a) Encourage the Company's employees, customers and suppliers to acquired the Company's share
- (b) Contacting potential investors and stock brokers to further enlarge our shareholders base

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
**(Incorporated in Malaysia)**

**By Order of the Board**

**Liu Lee, Hsiu-Lin (also known as Jessica H. Liu)**  
**Managing Director**

**Kuala Lumpur**  
**10 July 2007**