

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

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2007

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter 31-Oct-07 RM'000	Preceding Year Corresponding Quarter 31-Oct-06 * RM'000	Current Year To Date 31-Oct-07 RM'000	Preceding Year Corresponding Period 31-Oct-06 * RM'000
Revenue	15,932	N/A	30,583	N/A
Cost of Sales	<u>11,650</u>	<u>N/A</u>	<u>22,342</u>	<u>N/A</u>
Gross Profit	4,282	N/A	8,241	N/A
Other Operating Income	71	N/A	100	N/A
Other Operating Expenses	(1,959)	N/A	(3,671)	N/A
Interest expense	(100)	N/A	(240)	N/A
Profit before tax	<u>2,293</u>	<u>N/A</u>	<u>4,430</u>	<u>N/A</u>
Tax expense	(250)	N/A	(675)	N/A
Net profit for the period	<u><u>2,043</u></u>	<u><u>N/A</u></u>	<u><u>3,755</u></u>	<u><u>N/A</u></u>
Basic earnings per share (sen)	<u><u>2.55</u></u>	<u><u>N/A</u></u>	<u><u>4.69</u></u>	<u><u>N/A</u></u>

Note:

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial period ended 30 April 2007 and the accompanying notes to the Interim Financial Statements

* This is the second quarter interim financial statements on the consolidated results for the financial year ending 30 April 2008 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 first 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 31 OCTOBER 2007

	Current Year Quarter 31-Oct-07 RM'000	Audited 30-April-07 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	33,719	31,919
Intangible assets	1,267	1,000
Investment in club membership	46	46
	35,032	32,965
Current Assets		
Inventories	7,101	6,565
Trade and other receivables	14,546	17,898
Deposit, cash and bank balances	8,999	10,091
	30,646	34,554
TOTAL ASSETS	65,678	67,519
<u>EQUITY AND LIABILITIES</u>		
Equity attributable to equity holders of the parent		
Share capital	40,000	40,000
Share premium	2,048	2,239
Retained profits	10,463	6,708
	52,511	48,947
Non-current liabilities		
Bank borrowings	1,035	6,438
Hire purchase payables	1,499	1,835
Deferred taxation	1,834	1,720
	4,368	9,993
Current liabilities		
Bank borrowings	450	1,442
Trade and other payables	6,435	5,495
Hire purchase payables	1,513	1,482
Current tax liability	401	160
	8,799	8,579
TOTAL EQUITY AND LIABILITIES	65,678	67,519
Net assets per ordinary share of 50 sen each	65.64	61.16

Note:

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Group's audited financial statements for the financial period ended 30 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 31 OCTOBER 2007

	Share Capital RM'000	Share Premium RM'000	Retained Profit RM'000	Total RM'000
Balance as at 1 May 2007	40,000	2,048	6,708	48,756
Net profit for the financial period	-	-	3,755	3,755
Balance as at 31 October 2007	<u>40,000</u>	<u>2,048</u>	<u>10,463</u>	<u>52,511</u>

Note:

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial period ended 30 April 2007 and the accompanying notes to the Interim Financial Statements.

- * This is the second quarter interim financial statements on the consolidated results for the financial year ending 30 April 2008 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 first 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 CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2007

	Current Year Period Ended 31-Oct-07 RM'000	Preceding Year Period Ended 31-Oct-06 RM'000
Cash flows from operating activities		
Profit before tax	4,430	N/A
Adjustments for:		
Non-cash items	1,380	N/A
Non-operating items	79	N/A
	<hr/>	<hr/>
Operating profit before working capital changes	5,889	N/A
Increase in working capital:		
Inventories	(536)	N/A
Trade and other receivables	3,110	N/A
Trade and other payables	1,182	N/A
	<hr/>	<hr/>
Cash generated from operations	9,645	N/A
Tax paid	(436)	N/A
Interest paid	(159)	N/A
	<hr/>	<hr/>
Net cash from operating activities	9,050	N/A
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,896)	N/A
Interest received	80	N/A
	<hr/>	<hr/>
Net cash used in investing activities	(2,816)	N/A
Cash flows from financing activities		
Net movement in trade bills	(364)	N/A
Repayment of listing expenses	(190)	N/A
Repayment of term loan	(5,405)	N/A
Repayment of hire purchase payables	(741)	N/A
	<hr/>	<hr/>
Net cash used in financing activities	(6,700)	N/A
Net decrease in cash and cash equivalents	(466)	N/A
Cash and cash equivalents as at beginning of financial year	9,465	N/A
	<hr/>	<hr/>
Cash and cash equivalents at end of financial period	8,999	N/A
	<hr/>	<hr/>
Cash and cash equivalents at end of period comprise:		
Deposits, Cash & Bank Balances	8,999	N/A
	<hr/>	<hr/>
	8,999	N/A
	<hr/>	<hr/>

Note:

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the financial period ended 30 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 interim financial statements of Superlon Holdings Berhad (“Superlon”) 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 interim financial statements should be read in conjunction with the audited financial statements for the financial period ended 30 April 2007. 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 period ended 30 April 2007.

A2. QUALIFICATION OF ANNUAL FINANCIAL STATEMENTS

The latest audited consolidated financial statements of Superlon for the financial period ended 30 April 2007 were not qualified.

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 quarter under review.

A5. SIGNIFICANT CHANGES IN ESTIMATES

There were no changes in accounting estimates that have had a material effect in the current quarter’s results.

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 quarter under review.

A7. DIVIDEND DECLARED OR PAID

The Board of Directors has approved and declared a final tax-exempt dividend of 2.5 sen per ordinary share for the financial period ended 30 April 2007. The final dividend was paid on 3 December 2007 to shareholders whose names appear on the company’s Record of Depositors on 5 November 2007.

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A8. 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>	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Oct-07	31-Oct-06	31-Oct-07	31-Oct-06
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Manufacturing	12,880	N/A	23,943	N/A
- Trading	3,052	N/A	6,640	N/A
	<u>15,932</u>	<u>N/A</u>	<u>30,583</u>	<u>N/A</u>

Geographical Segment

The Group operates principally in Malaysia, therefore information analysing geographical segment is not presented because it is not practicable to allocate operating expenses as the basis for making these allocation 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>	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Oct-07	31-Oct-06	31-Oct-07	31-Oct-06
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Malaysia	5,676	N/A	12,173	N/A
- Outside Malaysia	10,256	N/A	18,410	N/A
	<u>15,932</u>	<u>N/A</u>	<u>30,583</u>	<u>N/A</u>

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)
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There was no valuation of property, plant and equipment in the financial quarter under review.

A10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There was no material event subsequent to the current quarter ended 31 October 2007 up to the date of this report, which likely to substantially affect the results of the operations of the Group.

A11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current quarter under review.

A12. CHANGES IN CONTINGENT LIABILITIES

The Directors are of the opinion that the Company has no material contingent liabilities 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, there was no material commitment for capital expenditure contracted for or known to be contracted by the Group which might have material impact on the financial position of the Group.

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B. Additional Information Required By Bursa Malaysia Securities Berhad Listing Requirements

B1. PERFORMANCE REVIEW

The Group achieved revenue of RM 30.58 million for the six months ended 31 October 2007. In line with the revenue recorded, the Group recorded a profit before taxation of RM 4.43 million and profit after taxation of RM3.75 million.

There were no comparative figures in the preceding financial period as this is the Group's second quarterly announcement.

B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The group achieved revenue of RM15.93 million for the current quarter under reviewed as compared to RM14.65 million in the previous quarter, registering an increase of approximately 8.7%. The increased in revenue was mainly attributable to higher sales volume from a yogamat contract awarded to the company.

Profit before tax for the current quarter under reviewed increased from RM2.14 million in the previous quarter to RM2.29 million for the current quarter. Profit after tax of the Group also increased from RM1.71 million in the previous quarter to RM2.04 for the current quarter.

B3. COMMENTARY ON PROSPECTS

Barring any unforeseen circumstances, the Board is positive with its outlook and prospects.

B4. VARIANCES FROM ACTUAL AND FORECAST PROFIT

Save for the profit forecast issued in the prospectus dated 9 April 2007, the Group did not issue any forecast or guarantee for the current quarter and therefore this is not applicable. Disclosure on explanatory notes for the variance between actual and forecast results would only be required in the final quarter results for the Group

B5. TAXATION

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Oct-07	31-Oct-06	31-Oct-07	31-Oct-06
	RM'000	RM'000	RM'000	RM'000
Current tax expense	250	N/A	675	N/A
Deferred tax expenses	0	N/A	0	N/A
	<u>250</u>	<u>N/A</u>	<u>675</u>	<u>N/A</u>

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B5. TAXATION (CONT'D)

The tax expense for the current quarter ended 31 October 2007 is derived based on statutory current tax rate of 26%(2008) 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 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 31 October 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.

Utilisation of IPO Proceeds

The proceeds from the Public Issue of RM8,893 million has been received by the company on 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 paid on 22 May 2007

** The excess of the estimated listing expenses, is utilised for working capital

B9. BORROWINGS

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

<u>Secured</u>	Short Term RM'000	Long Term RM'000
Term Loans	450	1,035
Hire purchase	<u>1,513</u>	<u>1,499</u>
	<u>1,963</u>	<u>2,534</u>

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B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no financial instruments with off balance sheet risk as at the date of this quarterly report.

B11. MATERIAL LITIGATION

There is no pending material litigation as at the date of this quarterly report that has a material effect on the financial position of the Group. The Board does not know of any proceeding pending or threatened, or of any effect likely to give rise to any proceeding, which might materially and adversely affect the position or business of the Company or its subsidiary.

B12. DIVIDEND

There were no dividends paid during the quarter under review.

B13. EARNINGS PER SHARE (“EPS”)

The basic EPS are computed as following:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31-Oct-07	31-Oct-06	31-Oct-07	31-Oct-06
Net profit attributable to ordinary shareholders (RM '000)	2,043	N/A	3,755	N/A
Number of ordinary shares of RM 0.50 in issue ('000)	80,000	N/A	80,000	N/A
Basic earnings per share (sen)	2.55	N/A	4.69	N/A

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

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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 acquire the Company's share
- (b) Contacting potential investors and stock brokers to further enlarge our shareholders base

After much effort, the number of public shareholders holding not less than 100 shares was 992 and the percentage of the public shareholding was 29.56% based on the Company's shareholder list as at 17 December 2007. In this regard, the company has, on 19 December 2007 applies to Bursa Securities for an extension of time for another three (3) months from 21 December 2007 until 20 March 2008.

By Order of the Board

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

Kuala Lumpur
19 December 2007