

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 4TH QUARTER ENDED 30 APRIL 2013

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter 30-Apr-13 RM'000	Preceding Year Corresponding Quarter 30-Apr-12 RM'000	Current Year To Date 30-Apr-13 RM'000	Preceding Year Corresponding Period 30-Apr-12 RM'000
Revenue	14,163	17,277	59,959	61,157
Cost of sales	(10,914)	(14,957)	(47,260)	(53,213)
Gross profit	3,249	2,320	12,699	7,944
Other income	3,082	190	3,405	966
Selling & distribution expenses	(925)	(1,123)	(4,073)	(3,911)
Administrative & operating expenses	(5,066)	(3,223)	(7,798)	(6,221)
Finance costs	(128)	(160)	(604)	(722)
Profit / (Loss) before tax	212	(1,996)	3,629	(1,944)
Income tax expense	824	24	372	(117)
Profit / (Loss) for the period	1,036	(1,972)	4,001	(2,061)
Other comprehensive income :				
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income / (loss) for the period	1,036	(1,972)	4,001	(2,061)
Profit / (Loss) attributable to :				
Owners of the Parent	1,036	(919)	4,098	(561)
Non-Controlling Interest	-	(1,053)	(97)	(1,500)
	1,036	(1,972)	4,001	(2,061)
Total comprehensive income / (loss) attributable to :				
Owners of the Parent	1,036	(919)	4,098	(561)
Non-Controlling Interest	-	(1,053)	(97)	(1,500)
	1,036	(1,972)	4,001	(2,061)
Basic earnings / (loss) per share (sen)	1.31	(1.17)	5.19	(0.71)

Note:

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2012 and the accompanying notes to the Interim Financial Statements

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2013

	Current Quarter 30-April-13 RM'000	Audited 30-April-12 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	33,963	37,613
Intangible asset	2,242	2,110
Other Investment	47	47
Other receivable	17	261
Defer tax assets	700	-
	36,969	40,031
Current Assets		
Inventories	11,917	14,575
Trade and other receivables	9,336	11,623
Derivative asset	1	-
Deposit, cash and bank balances	10,637	3,754
	31,891	29,952
TOTAL ASSETS	68,860	69,983
<u>EQUITY AND LIABILITIES</u>		
Equity attributable to owners of the Parent		
Share capital	40,000	40,000
Share premium	1,433	2,049
Treasury shares	(92)	(628)
Retained profits	14,425	11,305
	55,766	52,726
Non-controlling interests	-	(881)
Total Equity	55,766	51,845
Non-current liabilities		
Bank borrowings	2,081	2,372
Scheduled payable	-	327
Finance leases	540	218
Deferred tax liability	2,621	2,722
	5,242	5,639
Current liabilities		
Bank borrowings	1,970	5,151
Trade and other payables	5,605	7,182
Derivatives liabilities	-	4
Finance leases	271	162
Current tax payables	6	-
	7,852	12,499
TOTAL EQUITY AND LIABILITIES	68,860	69,983
Net assets per ordinary share attributable to Owners of Parent (sen)	69.89	67.25

Note:

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Group's audited financial statements for the financial year ended 30 April 2012 and the accompanying notes to the Interim

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

Financial Statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2013**

	← Attributable to Owners of the Parent →				Sub Total	Non-Controlling Interest	Total Equity
	← Non-Distributable →		Distributable				
	Share Capital	Share Premium	Treasury Share	Retained Profit			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 May 2011	40,000	2,049	(194)	12,808	54,663	619	55,282
Profit for the period	-	-	-	(561)	(561)	(1,500)	(2,061)
Share buy-back	-	-	(434)	-	(434)	-	(434)
Final dividend	-	-	-	(942)	(942)	-	(942)
Balance as at 30 April 2012	40,000	2,049	(628)	11,305	52,726	(881)	51,845

	← Attributable to Owners of the Parent →				Sub Total	Non-Controlling Interest	Total Equity
	← Non-Distributable →		Distributable				
	Share Capital	Share Premium	Treasury Share	Retained Profit			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 May 2012	40,000	2,049	(628)	11,305	52,726	(881)	51,845
Profit for the period	-	-	-	4,098	4,098	(97)	4,001
Share buy-back	-	-	(80)	-	(80)	-	(80)
Increase in stake in subsidiary	-	-	-	(978)	(978)	978	-
Distribution of dividend	-	(616)	616	-	-	-	-
Balance as at 30 April 2013	40,000	1,433	(92)	13,389	55,766	-	55,766

Note:

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 April 2012 and the accompanying notes to the Interim Financial Statements

SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)
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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2013

	Current Year Ended 30-Apr-13 RM'000	Preceding Year Ended 30-Apr-12 RM'000
Cash flows from operating activities		
Profit before tax	3,629	(1,944)
Adjustments for:		
Non-cash items	2,977	6,374
Non-operating items	287	457
Operating profit before working capital changes	6,893	4,887
Changes in working capital:		
Inventories	2,622	(2,651)
Trade and other receivables	2,287	976
Trade and other payables	(1,851)	(794)
Cash generated from / (used in) operations	9,951	2,418
Interest paid	(383)	(507)
Tax paid	(271)	(156)
Net cash from / (used in) operating activities	9,297	1,755
Cash flows from investing activities		
Proceed from disposal of property, plant & equipment	2,053	-
Purchase of property, plant & equipment and development expenditure	(795)	(850)
Interest received	96	50
Net cash from / (used in) investing activities	1,354	(800)
Cash flows from financing activities		
Purchase of treasury shares	(80)	(434)
Net movement in trade bills	(3,202)	(2,034)
Repayment of term loan	(270)	(250)
Repayment of finance leases	(216)	(154)
Dividend paid	-	(942)
Net cash used in financing activities	(3,768)	(3,814)
Net increase in cash and cash equivalents	6,883	(2,859)
Cash and cash equivalents as at beginning of financial year	3,754	6,613
Cash and cash equivalents at end of financial period	10,637	3,754
Cash and cash equivalents at end of period comprise:		
Deposits, Cash & Bank Balances	10,637	3,754
Overdraft	-	-
	10,637	3,754

Note:

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the financial year ended 30 April 2012 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” or “the Company”) 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 year ended 30 April 2012. 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 year ended 30 April 2012.

This interim financial report is the Group’s first MFRS compliant condensed report and hence MFRS 1 : First-Time Adoption of Malaysian Financial Reporting Standards (MFRS 1) has been applied. The date of transition to the MFRS framework is 1 May 2011. At that transition date, the Group reviewed its accounting policies and considered the transitional opportunities under MFRS 1. There are no differences between the opening MFRS statement of financial and the statement of financial position presented under FRS’s at 30 April 2011.

A2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies applied are consistent with those adopted for the audited financial statements for the year ended 30 April 2012 except for the adoption of the following FRSs, IC interpretations, amendments to FRSs and IC interpretations issued by Malaysian Accounting Standards Board (“MASB”) that are mandatory for the Group for the financial year beginning or after 1 May 2012 :

Amendments to FRS 1 (Revised)	:	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	:	Disclosures – Transfers of Financial Assets
Amendments to FRS 101 (Revised)	:	Presentation of Items of Other Comprehensive Income
Amendments to FRS 112	:	Recovery of Underlying Assets

In current financial year, the Group is adopting the new IFRS-compliant framework, Malaysian Financial Reporting Standards (“MFRS”). In adopting the new framework, the Group is applying MFRS 1. MFRS 1 provides for certain optional exemption and certain mandatory exception for first-time MFRS adopters.

Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 May 2013 or later are provided in note 3 to the audited financial statements of the Group for the financial year ended 30 April 2012.

A3. QUALIFICATION OF ANNUAL FINANCIAL STATEMENTS

The latest audited consolidated financial statements of Superlon for the financial year ended 30 April 2012 were not qualified.

A4. SEASONAL AND CYCLICAL FACTORS

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

A5. 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.

A6. SIGNIFICANT CHANGES IN ESTIMATES

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

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A7. ISSUANCES AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter under review except for the following :-

During the financial quarter ended 30 April 2013, Superlon Holdings Berhad (“SHB”) bought back from the open market 15,000 SHB shares listed on the Main Market of Bursa Malaysia Securities Berhad at an average buy-back price of RM0.36 per share. The total consideration paid for the share buy-back of SHB shares during the financial quarter ended 30 April 2013, including transaction cost, was RM5,447.62 and was financed by internally generated fund.

The SHB shares bought back are held as treasury shares in accordance with section 67A subsection 3(A)(b) of the Companies Act 1965. As at 30 April 2013, the number of treasury shares held in hand was 214,079 ordinary shares of RM0.50 each, at average buy-back price of RM0.43 per share.

A8. DIVIDEND PAID

There was no dividend paid during the quarter under review.

A9. SEGMENTAL INFORMATION

Business Segment

The Group is principally engaged in the business segment of manufacturing of thermal insulation materials mainly for the HVAC&R industry, trading of HVAC&R parts and equipments and the manufacturing of precise fine tubes.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30-Apr-13	30-Apr-12	30-Apr-13	30-Apr-12
	RM'000	RM'000	RM'000	RM'000
Revenue				
- Manufacturing	12,739	15,175	53,271	54,113
- Trading	1,424	532	5,604	1,757
- Steel Pipes	-	1,570	1,084	5,287
	<u>14,163</u>	<u>17,277</u>	<u>59,959</u>	<u>61,157</u>
Profit before tax				
- Manufacturing	309	527	4,143	1,761
- Trading	30	(17)	186	73
- Steel Pipes	-	(2,396)	(243)	(3,310)
	<u>339</u>	<u>(1,886)</u>	<u>4,086</u>	<u>(1,476)</u>
Less : Unallocated corporate cost	(127)	(110)	(457)	(468)
	<u>212</u>	<u>(1,996)</u>	<u>3,629</u>	<u>(1,944)</u>

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A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

A11. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There was no material event subsequent to the end of the reporting period.

A12. CHANGES IN COMPOSITION OF THE GROUP

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

A13. 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.

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

B1. PERFORMANCE REVIEW

The Group revenue for the current quarter of RM14.2 million was lower by RM3.1 million as compared to the same corresponding quarter last year due to decrease in export insulation sales and cessation of sales contribution from steel pipes after closing down of operation in August 2012.

The Group registered a profit before tax of RM0.2 million in the current quarter as compared to loss before tax of RM2 million during the same quarter of previous year.

The insulation division recorded revenue and profit before tax of RM12.7 million (2012:RM15.2 million) and RM0.3 million (2012:RM0.5 million) respectively. The profit before tax from insulation division has decreased by RM0.2 million due to impairment of trade receivables and unrealised exchange loss for export debtors.

Revenue for the trading division of RM1.4 million (2012:RM0.5 million) was higher by RM0.9 million due to the increase sale of copper pipe to local customers. The trading division profit before tax in current quarter has increased to RM0.08 million compared to RM0.03 million during the same quarter of previous year.

B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

Revenue for the current quarter has decreased by 7% to RM14.2 million as compared to RM15.2 million in the preceding quarter.

The group registered a profit before tax of RM0.2 million in the current quarter as compared to RM1.4 million in the preceding quarter. Profit after tax of the Group is RM1 million compared to RM1.1 million in the preceding quarter. The lower profit before tax of the Group was mainly due to impairment of trade receivables and unrealised exchange loss for export debtors.

B3. COMMENTARY ON PROSPECTS

Barring any unforeseen circumstances and based on the present trend of demand, the Board expects the Group to achieve positive results for the financial year ending 30th April 2013.

B4. VARIANCES FROM ACTUAL AND FORECAST PROFIT

The Company did not issue any profit forecast for the year.

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B5. TAXATION

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter 30-Apr-13 RM'000	Preceding Year Corresponding Quarter 30-Apr-12 RM'000	Current Year To Date 30-Apr-13 RM'000	Preceding Year Corresponding Period 30-Apr-12 RM'000
Malaysian Taxation				
-Current tax expense	26	16	456	92
-Deferred tax expenses	(852)	(43)	(800)	22
-Under/(over) provision	2	3	(28)	3
	<u>(824)</u>	<u>(24)</u>	<u>(372)</u>	<u>117</u>

The tax expense for the current quarter ended 30 April 2013 is derived based on statutory current tax rate of 25% (YA2013) 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 year is lower than the statutory tax rate principally due to the utilisation of reinvestment allowances and unabsorbed capital 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 was no purchase or disposal by the Group in quoted securities for the current quarter under review.

The Group does not hold any investments in quoted securities as at 30 April 2013.

B8. CORPORATE PROPOSAL

There is no outstanding corporate proposal of the Group during the current quarter under review.

B9. BORROWINGS

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

<u>Secured</u>	Current Year Quarter 30-Apr-13	
	Short Term RM'000	Long Term RM'000
Bank borrowings		
- Trade Facility	1,682	-
- Term Loan	288	2,081
Finance leases	271	540
	<u>2,241</u>	<u>2,621</u>

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B10. OUSTANDING DERIVATIVES

With the adoption of FRS 139, there are currently no off balance sheet derivatives.

As at 30 April 2013, the Group has the following outstanding foreign exchange contract :-

Type of Derivative	Current Year Quarter	
	30-Apr-13	
	Fair Value	Gain/ (Loss) from Change in Fair Value Assets/(Liabilities)
	30-Apr-13	30-Apr-13
	RM'000	RM'000
Foreign exchange contract		
-Less than 1 year	303	1

The Group uses forward foreign exchange contract to hedge its exposure to fluctuations in foreign exchange arising from the sales and purchases.

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. PROPOSED DIVIDEND

There is no dividend proposed or declared during the current quarter under review.

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B13. EARNINGS PER SHARE (“EPS”)

The basic EPS are computed as following:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter 30-Apr-13 RM'000	Preceding Year Corresponding Quarter 30-Apr-12 RM'000	Current Year To Date 30-Apr-13 RM'000	Preceding Year Corresponding Period 30-Apr-12 RM'000
Profit / (Loss) attributable to owners of the Parent (RM '000)	1,036	(919)	4,098	(561)
Weighted average number of ordinary shares of RM 0.50 in issue ('000)	78,891	78,962	78,891	78,962
Basic earnings / (loss) per share (sen)	1.31	(1.17)	5.19	(0.71)

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

B.14 REALISED AND UNREALISED RETAINED PROFITS

The breakdown of the retained earnings of the Group as at 30 April 2013, into realised and unrealised profits, is as follows :

	Current Year Quarter 30-Apr-13 RM'000
The retained profits of the Company and its subsidiaries :	
-Realised profits	28,650
-Unrealised loss	(1,802)
	<u>26,848</u>
Less : Consolidation adjustments	(12,423)
	<u>14,425</u>

By Order of the Board

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

Kuala Lumpur
27 June 2013