

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 1ST QUARTER ENDED 31<sup>ST</sup> JULY 2015**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current Year Quarter 31-Jul-15 RM'000</b>	<b>Preceding Year Corresponding Quarter 31-Jul-14 RM'000</b>	<b>Current Year To Date 31-Jul-15 RM'000</b>	<b>Preceding Year To Date 31-Jul-14 RM'000</b>
Revenue	22,106	17,208	22,106	17,208
Cost of sales	(13,975)	(12,617)	(13,975)	(12,617)
<b>Gross profit</b>	<b>8,131</b>	<b>4,591</b>	<b>8,131</b>	<b>4,591</b>
Other income	726	162	726	162
Selling & distribution expenses	(1,728)	(1,492)	(1,728)	(1,492)
Administrative expenses	(2,078)	(1,489)	(2,078)	(1,489)
Other operating expenses	(2)	(149)	(2)	(149)
Finance costs	(50)	(88)	(50)	(88)
<b>Profit before tax</b>	<b>4,999</b>	<b>1,535</b>	<b>4,999</b>	<b>1,535</b>
Income tax expense	(1,143)	(415)	(1,143)	(415)
<b>Profit for the period</b>	<b>3,856</b>	<b>1,120</b>	<b>3,856</b>	<b>1,120</b>
<b>Other comprehensive income :</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>3,856</b>	<b>1,120</b>	<b>3,856</b>	<b>1,120</b>
<b>Profit attributable to :</b>				
Owners of the Parent	3,856	1,120	3,856	1,120
Non-Controlling Interest	-	-	-	-
	<b>3,856</b>	<b>1,120</b>	<b>3,856</b>	<b>1,120</b>
<b>Total comprehensive income attributable to :</b>				
Owners of the Parent	3,856	1,120	3,856	1,120
Non-Controlling Interest	-	-	-	-
	<b>3,856</b>	<b>1,120</b>	<b>3,856</b>	<b>1,120</b>
<b>Basic earnings per share (sen)</b>	<b>4.86</b>	<b>1.41</b>	<b>4.86</b>	<b>1.41</b>

Note:

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2015 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 31<sup>ST</sup> JULY 2015**

	<b>As At 31-Jul-15 RM'000</b>	<b>Audited As At 30-Apr-15 RM'000</b>
<b><u>ASSETS</u></b>		
<b>Non-current assets</b>		
Property, plant and equipment	55,448	54,655
Intangible asset	1,782	1,850
Other investment	47	47
Defer tax assets	599	637
	<u>57,876</u>	<u>57,189</u>
<b>Current assets</b>		
Inventories	14,180	11,679
Trade receivables	8,470	10,928
Other receivables, prepayment and other assets	2,203	1,931
Deposit with licensed bank	10,926	9,416
Bank & cash balances	7,695	6,282
	<u>43,474</u>	<u>40,236</u>
<b>TOTAL ASSETS</b>	<u><u>101,350</u></u>	<u><u>97,425</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	40,000	40,000
Share premium	1,433	1,433
Treasury shares	(329)	(329)
Revaluation reserves	17,863	17,924
Retained profits	24,829	20,912
	<u>83,796</u>	<u>79,940</u>
<b>Total Equity</b>	<u>83,796</u>	<u>79,940</u>
<b>Non-current liabilities</b>		
Loan and borrowings	1,965	2,137
Deferred tax liability	4,652	4,742
	<u>6,617</u>	<u>6,879</u>
<b>Current liabilities</b>		
Loan and borrowings	3,195	1,895
Trade payables	1,964	3,398
Other payables and accruals	4,216	4,475
Tax payable	1,562	838
	<u>10,937</u>	<u>10,606</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>101,350</u></u>	<u><u>97,425</u></u>
Net assets per ordinary share attributable to Owners of Parents (sen)	<u>105.53</u>	<u>100.67</u>

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 2015 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 FINANCIAL PERIOD ENDED 31<sup>ST</sup> JULY 2015**

	Attributable to Owners of the Parent			Distributable Retained Profit RM'000	Total Equity RM'000
	Non-Distributable Share Capital RM'000	Share Premium RM'000	Treasury Share RM'000		
Balance as at 1 May 2014	40,000	1,433	(255)	17,884	59,062
Profit for the period	-	-	(58)	1,120	1,062
Balance as at 31 July 2014	<u>40,000</u>	<u>1,433</u>	<u>(313)</u>	<u>19,004</u>	<u>60,124</u>

	Attributable to Owners of the Parent			Revaluation Reserve RM'000	Distributable Retained Profit RM'000	Total Equity RM'000
	Non-Distributable Share Capital RM'000	Share Premium RM'000	Treasury Share RM'000			
Balance as at 1 May 2015	40,000	1,433	(329)	17,924	20,912	79,940
Profit for the period	-	-	-	-	3,856	3,856
Total comprehensive income	-	-	-	-	3,856	3,856
Realisation of revaluation surplus	-	-	-	(61)	61	-
Balance as at 31 July 2015	<u>40,000</u>	<u>1,433</u>	<u>(329)</u>	<u>17,863</u>	<u>24,829</u>	<u>83,796</u>

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 2015 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 31<sup>ST</sup> JULY 2015**

	<b>Current Year 3 Months Ended 31-Jul-15 RM'000</b>	<b>Preceding Year 3 Months Ended 31-Jul-14 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	4,999	1,535
Adjustment for :		
Non-cash items	772	703
Non-operating items	(75)	53
	<hr/>	<hr/>
Operating profit before working capital changes	5,696	2,291
Changes in working capital		
Inventories	(2,706)	516
Trade and other receivables	2,557	1,698
Trade and other payables	(1,697)	506
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Cash generated from / (used) in operations	3,850	5,011
Interest paid	(50)	(88)
Interest received	125	35
Tax paid	(466)	(406)
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Net cash from / (used in) operating activities	<u>3,459</u>	<u>4,552</u>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant & equipment	60	3
Purchase of property, plant & equipment and development expenditure	(1,725)	(118)
	<hr/>	<hr/>
Net cash from / (used in) investing activities	<u>(1,665)</u>	<u>(115)</u>
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	-	(57)
Net movement in trade bills	1,298	899
Repayment of term loan	(81)	(76)
Repayment of finance leases	(88)	(85)
	<hr/>	<hr/>
Net cash from / (used in) financing activities	<u>1,129</u>	<u>681</u>
Net increase in cash and cash equivalents	2,923	5,118
Cash and cash equivalents as at beginning of financial year	15,698	15,761
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Cash and cash equivalents as at end of period	<u><b>18,621</b></u>	<u><b>20,879</b></u>
<b>Cash and cash equivalents at end of period comprises :-</b>		
Deposits, Cash & Bank Balances	18,621	20,879
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	<u><b>18,621</b></u>	<u><b>20,879</b></u>

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 2015 and the accompanying notes to the Interim Financial Statements.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**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 Malaysian Financial Reporting Standards (“MFRS”) 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 2015. 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 2015.

**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 2015 except for the adoption of the following MFRSs, IC interpretations, amendments to MFRSs 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 2015 :

<b>MFRSs and IC Interpretations (including the Consequential Amendments)</b>	<b>Effective date</b>
MFRS 9 : Financial Instrument (IFRS 9 issued by IASB in July 2014)	1 January 2018
MFRS 15 : Revenue from Contracts with Customer	1 January 2017
Amendments to MFRS 10 : Sale or Contribution of Assets between and and MFRS 128 (2011) Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 11 : Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 10, : Investment Entities – Applying the Consolidation MFRS 12 and MFRS 128 Exception (2011)	1 January 2016
Amendments to MFRS 101 : Presentation of Financial Statements – Disclosure Initiative	1 January 2016
Amendments to MFRS 116 : Clarification of Acceptable Methods of Depreciation and MFRS 138 and Amortisation	1 January 2016
Amendments to MFRS 116 : Agriculture – Bearer Plants and MFRS 141	1 January 2016
Amendments to MFRS 119 : Defined Benefit Plans – Employee Contributions	1 July 2014
Amendments to MFRS 127 : Equity Method in Separate Financial Statements (2011)	1 January 2016
Annual Improvements to MFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 – 2013 Cycle	1 July 2014
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016

Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 May 2015 or later are provided in note 3 to the audited financial statements of the Group for the financial year ended 30 April 2015.

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**A3. QUALIFICATION OF ANNUAL FINANCIAL STATEMENTS**

The latest audited consolidated financial statements of Superlon for the financial year ended 30 April 2014 are 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.

**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.

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 31 July 2015, the number of treasury shares held in hand amounted to 594,079 ordinary shares of RM0.50 each, at an average buy-back price of RM0.55 per share.

**A8. DIVIDEND PAID**

There was no dividend paid during the quarter under review.

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**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.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>Current Year Quarter 31-Jul-15</b>	<b>Preceding Year Corresponding Quarter 31-Jul-14</b>	<b>Current Year To Date 31-Jul-15</b>	<b>Preceding Year To Date 31-Jul-14</b>
Revenue				
- Manufacturing	20,983	15,214	20,983	15,214
- Trading	1,123	1,994	1,123	1,994
	<u>22,106</u>	<u>17,208</u>	<u>22,106</u>	<u>17,208</u>
Profit before tax				
- Manufacturing	5,028	1,574	5,028	1,574
- Trading	68	35	68	35
	<u>5,096</u>	<u>1,609</u>	<u>5,096</u>	<u>1,609</u>
Less : Unallocated corporate cost	(97)	(74)	(97)	(74)
	<u>4,999</u>	<u>1,535</u>	<u>4,999</u>	<u>1,535</u>

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The valuations of lands and buildings have been brought forward without amendment from the financial year ended 30 April 2015.

**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 RM22.1 million was higher by RM4.9 million as compared to the same quarter of previous year.

The Group registered a profit before tax of RM5 million in the current quarter as compared to RM1.5 million during the same quarter of previous year

The manufacturing division recorded revenue and profit before tax of RM21 million (FY 2014:RM15.2 million) and RM5 million (FY 2014:RM1.6 million) respectively. The higher profit before tax for the same quarter in current year was recorded due to increased in total gross profit contributed from higher revenue recorded and contribution from favourable exchange rate movement.

Revenue for the trading division of RM1.1 million (FY 2014:RM2.0 million) was lower by RM0.9 million due to the decreased sales of copper pipes to local customers. However the trading division profit before tax in current quarter has increased to RM0.07 million compared to RM0.04 million during the same quarter of previous year.

**B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER**

Revenue for the current quarter has increased by 6% to RM22.1 million as compared to RM20.9 million in the preceding quarter.

The group registered a profit before tax of RM5 million in the current quarter as compared to RM4.2 million in the preceding quarter. Profit after tax of the Group has increased by RM0.7 million to RM3.9 million as compared to the preceding quarter.

**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 30 April 2016.

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

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



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**B5. TAXATION**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Jul-15 RM'000	Preceding Year Corresponding Quarter 31-Jul-14 RM'000	Current Year To Date 31-Jul-15 RM'000	Preceding Year To Date 31-Jul-14 RM'000
Malaysia Taxation :				
Current tax expenses	1,194	409	1,194	409
Deferred tax expenses	(51)	6	(51)	6
	<u>1,143</u>	<u>415</u>	<u>1,143</u>	<u>415</u>

The tax expense for the current quarter ended 31 July 2015 is derived based on statutory current tax rate of 24% (YA2016) for the financial period. The deferred tax liabilities arose from accelerated capital allowances over depreciation of qualifying property, plant and equipment.

**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 31 July 2015.

**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:

	Current Year To Date 31-Jul-15	
	Short Term RM'000	Long Term RM'000
<u>Secured</u>		
Bank borrowings		
- Trade Facility	2,527	-
- Term Loan	338	1,349
Finance leases	330	616
	<u>3,195</u>	<u>1,965</u>

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**B10. OUSTANDING DERIVATIVES**

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

As at 31 July 2015, the Group does not have any outstanding foreign exchange contract.

**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.

**B13. EARNINGS PER SHARE (“EPS”)**

The basic EPS is computed as following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Jul-15 RM'000	Preceding Year Corresponding Quarter 31-Jul-14 RM'000	Current Year To Date 31-Jul-15 RM'000	Preceding Year To Date 31-Jul-14 RM'000
Profit attributable to owners of the Parent	3,856	1,120	3,856	1,120
Weighted average number of ordinary shares of RM0.50 in issue ('000)	79,406	79,431	79,406	79,431
Basic earnings per share (sen)	4.86	1.41	4.86	1.41

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

**SUPERLON HOLDINGS BERHAD (COMPANY NO. 740412 X)**  
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**B.14 REALISED AND UNREALISED RETAINED PROFITS**

The breakdown of the retained earnings of the Group as at 31 July 2015, into realised and unrealised profits, is as follow :

	<b>Current Year To Date 31-Jul-15 RM'000</b>
The retained profits of the Company and its subsidiaries :	
-Realised profits	41,079
-Unrealised loss	(3,881)
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	37,198
Less : Consolidation adjustments	(12,369)
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	<u>24,829</u>

**By Order of the Board**

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

**Kuala Lumpur**  
**29 September 2015**