

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 4TH QUARTER ENDED 30TH APRIL 2024

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter 30-Apr-24 RM'000	Preceding Year Corresponding Quarter 30-Apr-23 RM'000	Current Year To Date 30-Apr-24 RM'000	Preceding Year To Date 30-Apr-23 RM'000
Revenue	30,895	24,434	118,174	108,448
Cost of sales	(23,223)	(19,296)	(85,823)	(86,628)
Gross profit	7,672	5,138	32,351	21,820
Other income	456	1,527	2,528	1,254
Selling & distribution expenses	(1,757)	(1,839)	(7,103)	(8,243)
Administrative expenses	(2,682)	(2,167)	(10,826)	(8,686)
Other operating expenses	(1,087)	(397)	(1,642)	(437)
Finance costs	(391)	(411)	(1,647)	(1,069)
Reversal of impairment/(Impairment loss) on financial assets	(171)	(356)	219	(439)
Profit before taxation	2,040	1,495	13,880	4,200
Income tax expense	8	(887)	(1,890)	(1,924)
Profit for the period	2,048	608	11,990	2,276
Other comprehensive income / (loss) :	-	-	-	-
<i>Items that will not be reclassified subsequently to Profit or Loss:</i>				
Revaluation of property, plant and equipment	(490)	670	(490)	670
<i>Items that may be reclassified subsequently to Profit or Loss:</i>				
Foreign currency translation differences	(131)	1,353	1,366	292
Total comprehensive income for the period	1,427	2,631	12,866	3,238
Profit attributable to :				
Owners of the Company	2,048	608	11,990	2,276
Non-Controlling Interest	-	-	-	-
	2,048	608	11,990	2,276
Total comprehensive income attributable to :				
Owners of the Company	1,427	2,631	12,866	3,238
Non-Controlling Interest	-	-	-	-
	1,427	2,631	12,866	3,238
Basic earnings per share (sen)	1.29	0.38	7.55	1.43

Note:

The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT
30TH APRIL 2024**

	Unaudited As At 30-Apr-24 RM'000	Audited As At 30-Apr-23 RM'000
<u>ASSETS</u>		
Non-current assets		
Property, plant and equipment	93,854	88,930
Right-of-use Assets	5,803	6,782
Intangible assets	1,000	1,334
Other investment	47	47
Deferred tax assets	29	24
	<u>100,733</u>	<u>97,117</u>
Current assets		
Inventories	25,777	22,918
Trade receivables	15,083	13,700
Other receivables, deposits and prepayments	3,440	3,456
Current tax assets	761	1,072
Short term investment	5,772	-
Deposit with licensed bank	40,393	42,831
Cash and bank balances	10,808	10,427
	<u>102,034</u>	<u>94,404</u>
TOTAL ASSETS	<u><u>202,767</u></u>	<u><u>191,521</u></u>
<u>EQUITY AND LIABILITIES</u>		
Equity attributable to owners of the Parent		
Share capital	41,433	41,433
Treasury shares	(542)	(428)
Reserves	112,253	103,751
Total Equity	<u>153,144</u>	<u>144,756</u>
Non-current liabilities		
Lease liabilities	3,269	4,019
Loans and borrowings	21,208	23,398
Deferred tax liabilities	6,509	6,287
	<u>30,986</u>	<u>33,704</u>
Current liabilities		
Lease liabilities	863	844
Loans and borrowings	6,194	4,202
Trade payables	5,772	4,434
Other payables and accruals	5,763	3,544
Current tax liabilities	45	37
	<u>18,637</u>	<u>13,061</u>
TOTAL EQUITY AND LIABILITIES	<u><u>202,767</u></u>	<u><u>191,521</u></u>
Net assets per ordinary share attributable to Owners of Company (sen)	<u><u>96.56</u></u>	<u><u>91.20</u></u>

Note:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR FINANCIAL PERIOD ENDED 30TH APRIL 2024**

	Attributable to Owners of the Company					Total Equity
	Share Capital	Non-Distributable			Distributable	
		Treasury Shares	Foreign Currency Reserve	Revaluation Reserve	Retained Profit	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 May 2022	41,433	(424)	1,598	25,594	74,591	142,792
Profit for the period	-	-	-	-	2,276	2,276
Other comprehensive income/(loss)	-	-	292	670	-	962
Total comprehensive income/(loss)	-	-	292	670	2,276	3,238
Share buy back	-	(4)	-	-	-	(4)
Realisation of revaluation surplus	-	-	-	(141)	141	-
Distribution of dividend	-	-	-	-	(1,270)	(1,270)
Balance as at 30 April 2023	<u>41,433</u>	<u>(428)</u>	<u>1,890</u>	<u>26,123</u>	<u>75,738</u>	<u>144,756</u>
Balance as at 1 May 2023	41,433	(428)	1,890	26,123	75,738	144,756
Profit for the period	-	-	-	-	11,990	11,990
Other comprehensive income/(loss)	-	-	1,366	(490)	-	876
Total comprehensive income/(loss)	-	-	1,366	(490)	11,990	12,866
Share buy back	-	(114)	-	-	-	(114)
Realisation of revaluation surplus	-	-	-	(161)	161	-
Distribution of dividend	-	-	-	-	(4,364)	(4,364)
Balance as at 30 April 2024	<u>41,433</u>	<u>(542)</u>	<u>3,256</u>	<u>25,472</u>	<u>83,525</u>	<u>153,144</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 2023.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
 FOR THE PERIOD ENDED 30TH APRIL 2024**

	Current Year Ended 30-Apr-24 RM'000	Preceding Year Ended 30-Apr-23 RM'000
Cash flows from operating activities		
Profit before taxation	13,880	4,200
Adjustment for :		
Non-cash items	7,765	5,774
Non-operating items	166	414
	<hr/>	<hr/>
Operating profit before working capital changes	21,811	10,388
Changes in working capital		
Inventories	(3,016)	9,905
Trade and other receivables	(1,182)	774
Trade and other payables	1,914	(66)
	<hr/>	<hr/>
Cash generated from / (used) in operations	19,527	21,001
Interest received	1,482	656
Tax refund	-	2
Tax paid	(1,347)	(429)
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Net cash from / (used in) operating activities	19,662	21,230
Cash flows from investing activities		
Net withdrawal/(placement) of fixed deposits with maturity more than three months	(8,993)	(24,915)
Proceeds from disposal of property, plant & equipment	522	1
Purchase of property, plant & equipment and development expenditure	(9,957)	(4,158)
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Net cash from / (used in) investing activities	(18,428)	(29,072)
Cash flows from financing activities		
Dividend paid	(4,364)	(1,270)
Interest paid	(1,397)	(973)
Interest paid on lease liabilities	(250)	(96)
Net movement in trade bills & multi currency trade loan	2,041	(5,334)
Purchase of treasury shares	(114)	(3)
Proceed from finance leases	763	-
Drawdown of term loans	-	19,634
Repayment of term loans	(2,795)	(1,543)
Repayment of hire purchase payables	(273)	(289)
Repayment of lease liabilities	(911)	(451)
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Net cash from / (used in) financing activities	(7,300)	9,675
Net increase / (decrease) in cash and cash equivalents	(6,066)	1,833
Currency Translation Differences	789	(136)
Cash and cash equivalents as at beginning of financial year	26,677	24,980
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Cash and cash equivalents as at end of period	21,400	26,677
Cash and cash equivalents at end of period comprises :-		
Deposits, Cash & Bank Balances	21,400	26,677
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	21,400	26,677
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 30TH APRIL 2024 (Cont'd)**

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following statements of financial position amounts:

	Current Year Ended 30-Apr-24 RM'000	Preceding Year Ended 30-Apr-23 RM'000
Cash and bank balances	40,393	42,831
Deposit with licensed banks	10,808	10,427
Short-term investment	5,772	-
	<u>56,973</u>	<u>53,258</u>
Deposit with maturity more than 3 months	<u>(35,573)</u>	<u>(26,581)</u>
Cash and cash equivalents	<u><u>21,400</u></u>	<u><u>26,677</u></u>

Note:

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2023.

Explanatory Notes Pursuant to Financial Reporting Standard 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 2023. 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 2023.

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 2023 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 2023 :

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendment to MFRS 101: Non-current liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules	1 January 2023

Details of standards, amendments to published standards and interpretations to existing standards that are applicable to the Group with effect from 1 May 2023 or later are provided in note 3 to the audited financial statements of the Group for the financial year ended 30 April 2023.

A3. QUALIFICATION OF ANNUAL FINANCIAL STATEMENTS

The latest audited consolidated financial statements of Superlon for the financial year ended 30 April 2023 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.

During the financial quarter ended 30 April 2024, Superlon Holdings Berhad ("SHB") bought back from the open market 123,000 shares listed on the Main Market of Bursa Malaysia Securities Berhad at an average buy-back price of RM0.93 per share. The total consideration paid for the share buy-back of SHB shares during the financial quarter ended 30 April 2024, including transaction cost, was RM113,953.80 and was financed by internally generated funds.

The SHB shares bought back are held as treasury shares in accordance with section 127 subsection 4(b) of the Companies Act 2016. As at 30 April 2024, the number of treasury shares held in hand amounted to 1,406,158 ordinary shares, at an average buy-back price of RM0.39 per share.

A8. DIVIDEND PAID AND DISTRIBUTED

On 22 March 2024, the Board of Directors has declared and approved the 3rd interim single-tier dividend of 1.25 sen per ordinary share for the financial year ending 30 April 2024. The 3rd interim single-tier dividend was paid on 26 April 2024 to shareholders whose names appeared on the company's Record of Depositors on 16 April 2024.

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 equipment.

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year</u>	<u>Preceding</u>	<u>Current Year</u>	<u>Preceding</u>
	<u>Quarter</u>	<u>Year</u>	<u>To Date</u>	<u>Year To Date</u>
	<u>30-Apr-24</u>	<u>30-Apr-23</u>	<u>30-Apr-24</u>	<u>30-Apr-23</u>
Revenue				
- Manufacturing	22,041	19,333	91,893	81,076
- Trading	8,854	5,101	26,281	27,372
	<u>30,895</u>	<u>24,434</u>	<u>118,174</u>	<u>108,448</u>
Profit before tax				
- Manufacturing	1,851	1,222	13,185	4,097
- Trading	310	54	1,226	688
	<u>2,161</u>	<u>1,276</u>	<u>14,411</u>	<u>4,785</u>
Less : Unallocated corporate cost	(121)	219	(531)	(585)
	<u>2,040</u>	<u>1,495</u>	<u>13,880</u>	<u>4,200</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 2023. Certain property were revalued by an independent professional valuer and the deficit arising from the revaluations, to the extent that it is supported by previously recognised revaluation surplus, net of deferred tax, have been debited to other comprehensive income.

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.

B. Additional Information Required By Bursa Malaysia Securities Berhad Listing Requirements**B1. PERFORMANCE REVIEW****Quarter Review**

The Group registered a total revenue of RM30.9 million for the quarter ended 30th April 2024 ("Current Quarter"), which represents an increase by RM6.5 million or 26.6% as compared to the same quarter of the previous year ("4th Quarter FY23"). The increase was due to higher sales for manufacturing segment during the period under review.

In line with the higher revenue, we recorded higher gross profit of RM7.7 million at the Group level for the Current Quarter representing an increase by RM2.6 million or 51% as compared to the 4th Quarter FY23.

Profit before tax amounted to RM2.0 million at the Group level for the Current Quarter, representing an increase by RM0.5 million or 36.5% as compared to the 4th Quarter FY23 mainly due to higher gross profit. On the back of the higher profit before tax and lower effective group taxation, the Group registered an increase of RM1.4 million or 2.3 times in the profit after taxation to RM2.0 million for the Current Quarter as compared to the 4th Quarter FY23.

Segment Review

The manufacturing division recorded higher revenue of RM22.0 million for the Current Quarter as compared with RM19.3 million for the 4th Quarter FY23, an increase of RM2.7 million or 14%. The higher revenue from the manufacturing division was mainly driven by higher demand for our insulation products from the export market supported by favourable foreign exchange environment.

The gross profit from manufacturing division surged to RM7.3 million, an increase of RM2.6 million mainly due to lower cost of materials and favourable exchange rate movement. Accordingly, the division recorded a higher profit before tax at RM1.9 million representing an increase of RM0.7 million or 58.3%, as compared with RM1.2 million in 4th Quarter FY23 mainly due to higher gross profit. The manufacturing division contributed approximately 71.3% of our Group's total revenue for the Current Quarter.

The trading division recorded higher revenue of RM8.9 million and profit before tax of RM0.3 million for the Current Quarter as compared with RM5.1 million and RM0.1 million for the 4th Quarter FY23 respectively. Trading division contributed approximately 28.7% of Group's total revenue for the Current Quarter.

B2. VARIATION OF RESULTS AGAINST PRECEDING QUARTER

The Group's revenue for the Current Quarter increased by RM0.5 million or 1.6% to RM30.9 million as compared with RM30.4 million in the preceding quarter. The increase was mainly due to the higher revenue contributed from trading division.

The Group recorded a lower gross profit margin for the Current Quarter of 25% compared with the preceding quarter of 30% mainly due to a revenue mix comprising higher insulation sales from lower margin markets coupled with larger revenue contribution from our trading division which experienced narrower margins.

Consequently, the Group recorded lower profit before tax for the Current Quarter at RM2.0 million compared to the preceding quarter mainly due to the lower gross profit compared to preceding quarter.

B3. COMMENTARY ON PROSPECTS

Our operating environment is encouraging with sustained demand in our key markets. Going forward, demand will be influenced by global and local sentiment, logistic costs as well as raw material costs. In addition, the continuing war in Europe and geopolitical tensions in the Middle East pose a downside risk to the recovery of the global economy.

Barring any unforeseen circumstances and considering the aforementioned, the Board remains positive on the performance of our group for the financial year ending 30 April 2025.

B4. VARIANCES FROM ACTUAL AND FORECAST PROFIT

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

B5. PROFIT BEFORE TAXATION

	Current Year Quarter 30-Apr-24 RM'000	Current Year To Date 30-Apr-24 RM'000
Profit before taxation is stated at after charging/(crediting) :		
Depreciation of property, plant and equipment	1,456	5,512
Depreciation of right-of-use assets	282	1,144
(Gain)/Loss on foreign exchange - realised	312	(134)
(Gain)/Loss on foreign exchange - unrealised	640	1,171
Interest expenses	332	1,397
Interest expenses on lease liabilities	59	250
Interest income	(326)	(1,482)
Other expenses	135	471
Other income	(130)	(912)

B6. TAXATION

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year To Date
	30-Apr-24 RM'000	30-Apr-23 RM'000	30-Apr-24 RM'000	30-Apr-23 RM'000
Income Tax Expenses :				
-Current tax expenses	(555)	1,326	1,652	2,563
-Deferred tax expenses / (income)	547	(353)	298	(609)
Under / (Over) provision in prior year				
-Current tax expenses	-	(86)	14	(30)
-Deferred tax expenses / (income)	-	-	(74)	-
	<u>(8)</u>	<u>887</u>	<u>1,890</u>	<u>1,924</u>

The tax expense for the current quarter ended 30 April 2024 is derived based on statutory current tax rate of 24% (YA2024) for the financial year. Reversal of current tax expenses are mainly due to reinvestment allowance claim arising from capital expenditure incurred in current quarter.

B7. UNQUOTED SECURITIES AND/OR PROPERTIES

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

B8. 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 2024.

B9. CORPORATE PROPOSAL

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

B10. BORROWINGS

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

	Current Year To Date 30-Apr-24	
	Short Term RM'000	Long Term RM'000
<u>Secured</u>		
Bank borrowings		
- Trade Facility	3,556	-
- Term Loan	2,172	20,488
Finance leases	466	720
	<u>6,194</u>	<u>21,208</u>

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 subsidiaries.

B12. PROPOSED DIVIDEND

On even date, the Board of Directors has declared and approved the interim single-tier dividend of 0.75 sen per ordinary share (FY 2024 interim : 0.75 sen) for the financial year ending 30 April 2025. The interim single-tier dividend will be paid on 26 August 2024 to shareholders whose names appeared on the company's Record of Depositors on 29 July 2024.

B13. EARNINGS PER SHARE ("EPS")

The basic EPS is computed as following:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Apr-24 RM'000	Preceding Year Corresponding Quarter 30-Apr-23 RM'000	Current Year To Date 30-Apr-24 RM'000	Preceding Year To Date 30-Apr-23 RM'000
Profit attributable to owners of the Parent	2,048	608	11,990	2,276
Weighted average number of ordinary shares ('000)	158,703	158,721	158,703	158,721
Basic earnings per share (sen)	1.29	0.38	7.55	1.43

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

By Order of the Board

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

Kuala Lumpur
28 June 2024