



SUPPORTIVE INTERNATIONAL HOLDINGS BERHAD

(formerly known as SDKM Fibres, Wires & Cables Berhad)
(Incorporated in Malaysia)

189740-X

SUPPORTIVE
TECHNOLOGY SDN. BHD.

Annual Report
2009

SUPPORTIVE
TECHNOLOGY SDN. BHD.



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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting of the Company will be held at Gurney Room, Ground Floor, Evergreen Laurel Hotel, No. 53, Persiaran Gurney, 10250 Penang on Monday, 22 June 2009 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the period ended 31 January 2009 together with the reports of the Directors and Auditors thereon. **Please refer to Note A**
2. To approve an increase of Directors' Fees from RM174,000.00 to RM276,500.00 for the financial period ended 31 January 2009 and payment of such Fees to the Directors of the Company. **Resolution 1**
3. To approve the Directors' Fee of RM276,500.00 for the financial year ending 31 January 2010 and payment of such fees to the Directors. **Resolution 2**
4. To re-elect the following Directors retiring under the provision of Article 97(1) of the Articles of Association of the Company, and who, being eligible offer themselves for re-election:-
 - (i) Puan Siti Rohani Bt A. Manan **Resolution 3**
 - (ii) Dato' Beh Heng Teong **Resolution 4**
5. To re-appoint Messrs. Horwath as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. **Resolution 5**

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modifications, the following resolution:-

ORDINARY RESOLUTION

6.1 Authority to Issue Shares

"THAT, pursuant to Section 132D of the Companies Act, 1965 and approvals from the Bursa Malaysia Securities Berhad and other relevant governmental/regulatory authorities where such authority shall be necessary, the Board of Directors be and is hereby authorised to issue and allot shares in the Company from time to time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Board of Directors may, in its absolute discretion, deem fit provided that the aggregate number of shares to be issued shall not exceed ten per centum (10%) of the issued share capital of the Company for the time being, and that the Board of Directors be and is also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad."

Resolution 6

7. To transact any other business of which due notice shall have been given in accordance with the Companies Act, 1965.

By Order of the Board

KHOO LAY TATT (MAICSA 7029262)
CHAN WAI FEN (MAICSA 7028962)
Secretaries

Penang
Date : 29 May 2009

Notice of Annual General Meeting (cont'd)

NOTES :

- A. This Agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 and the Company's Articles of Association do not require a formal approval of the shareholders and hence, is not put forward for voting.

A proxy need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

To be valid, the proxy form duly completed must be deposited at the registered office of the Company at 57-1 & 57-2, Persiaran Bayan Indah, Bayan Bay, Sungai Nibong, 11900 Bayan Lepas, Penang, not less than forty-eight (48) hours before the time fixed for holding the meeting.

A member shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting.

Where a member appoints up to two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

If the appointor is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.

EXPLANATORY NOTE ON SPECIAL BUSINESS:

1. Resolution pursuant to the Authority to Issue Shares

The proposed Resolution No. 6 [Item 6.1], if passed, will empower the Directors of the Company to issue and allot shares up to an amount not exceeding in total 10% (ten per centum) of the issued share capital of the Company from time to time and for such purposes as the Directors consider would be in the interest of the Company. In order to avoid any delay and costs involved in convening a general meeting, it is thus appropriate to seek shareholders' approval. This authority unless revoked or varied by the Company in general meeting will expire at the next Annual General Meeting of the Company.

Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.28(2) of the Bursa Malaysia Securities Berhad Listing Requirements, the details of the Directors seeking for re-election are set out in their respective profile, which appear in the Directors' Profile on Pages 6 and 7 of this Annual Report. The details of their interest in securities of the Company are set out in the Analysis of Shareholdings which appear on Pages 27 and 28 of this Annual Report 2009.

Corporate Information

BOARD OF DIRECTORS

Lee Kuang Shing
Tan Siew Hong
Lim Chee Khoon
Siti Rohani Bt A. Manan
Dato' Beh Heng Teong
Hiroichi Matsumoto
(Retired on 27 March 2008)
Ng Phaik Lee
(Resigned w.e.f. 5 November 2008)
Mohd Fauzi Bin Yon
(Retired on 27 March 2008)
Dato' Paduka Ismail Bin Shafie
(Retired on 27 March 2008)
Ho Kok Loon
(Resigned w.e.f. 16 September 2008)

Executive Chairman
Executive Director
Non-Independent Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director
Executive Chairman

Executive Director

Independent Non-Executive Director

Non-Independent Non-Executive Director

Independent Non-Executive Director

COMPANY SECRETARY

Khoo Lay Tatt (MAICSA 7029262)
Chan Wai Fen (MAICSA 7028962)

AUDIT COMMITTEE

Chairman

Dato' Beh Heng Teong
(Appointed as Chairman w.e.f. 31 December 2008)

(Independent Non-Executive Director)

Members

Siti Rohani Bt. A Manan
Lim Chee Khoon
(Appointed w.e.f. 31 December 2008)
Ho Kok Loon
(Resigned w.e.f. 16 September 2008)
Ng Phaik Lee
(Resigned w.e.f. 5 November 2008)

(Independent Non-Executive Director)
(Non-Independent Non-Executive Director)
(Independent Non-Executive Director)
(Executive Director)

NOMINATION COMMITTEE

Chairman

Dato' Beh Heng Teong
(Appointed as Chairman w.e.f. 31 December 2008)

(Independent Non-Executive Director)

Members

Siti Rohani Bt. A Manan
Lim Chee Khoon
(Appointed w.e.f. 31 December 2008)
Mohd Fauzi Bin Yon - Chairman
(Retired on 27 March 2008)
Ho Kok Loon
(Resigned w.e.f. 16 September 2008)

(Independent Non-Executive Director)
(Non-Independent Non-Executive Director)
(Independent Non-Executive Director)
(Independent Non-Executive Director)

Corporate Information (cont'd)

REMUNERATION COMMITTEE

Chairman

Dato' Beh Heng Teong
(Appointed as Chairman w.e.f. 31 December 2008)

(Independent Non-Executive Director)

Members

Lim Chee Khoon
(Appointed w.e.f. 31 December 2008)

(Non-Independent Non-Executive Director)

Siti Rohani Bt. A Manan
(Appointed w.e.f. 31 December 2008)

(Independent Non-Executive Director)

Ho Kok Loon - Chairman
(Resigned w.e.f. 16 September 2008)

(Independent Non-Executive Director)

Mohd Fauzi Bin Yon
(Retired on 27 March 2008)

(Independent Non-Executive Director)

Ng Phaik Lee
(Resigned w.e.f. 5 November 2008)

(Executive Director)

AUDITORS

Messrs. Horwath (AF 1018)
Chartered Accountants
Suites 701 & 702
7th Floor, 11 Lorong Kinta
10400 Penang
Tel: 04-2277061
Fax: 04-2278011

REGISTERED OFFICE

57-1 & 57-2, Persiaran Bayan Indah
Bayan Bay, Sungai Nibong
11900 Bayan Lepas, Penang
Tel : 04-6429887
Fax : 04-6456698

PRINCIPAL BANKER

HSBC Bank Malaysia Berhad (127776-V)
Malayan Banking Berhad (3713-K)
UOB Bank Malaysia Berhad (271809-K)

REGISTRAR

Plantation Agencies Sdn. Bhd. (2603-D)
3rd Floor, Standard Chartered Bank Chambers
Beach Street, 10300 Penang
Tel: 04-2625333
Fax: 04-2622018

STOCK EXCHANGE LISTING

Main Board of Bursa Malaysia Securities Berhad
Stock Name : SUPPORT
Stock Code : 7131

Profile of Directors

Lee Kuang Shing

Executive Chairman

Lee Kuang Shing, aged 50, a Malaysian, was appointed to the Board as the Executive Director on 27 February 2008. He is the founder of Supportive Technology Sdn Bhd ("ST") and has been in the audio speaker industry for more than 10 years.

He is involved in the formulation and monitoring of the ST's goals and oversees the management and operational matters of ST besides setting ST's sales and marketing strategies. At present, he is the Managing Director of ST, he also sits on the board of several other private limited companies. He does not hold any directorship in any other public listed companies. He is the husband of Tan Siew Hong.

Tan Siew Hong

Executive Director

Tan Siew Hong, aged 40, a Malaysian, was appointed to the Board as an Executive Director on 27 February 2008. She obtained a Diploma in Accounting from the London Chamber of Commerce and Industry ("LCCI") qualification in 1990 and started her career as the Accounts Executive in Cherry Sweet Sdn Bhd from 1991 to 1992, thereafter proceeding to Upper mould Sdn Bhd in 1993 as an Accounts Officer. Subsequently, she co-founded Supportive Technology Sdn Bhd ("ST") in 1994 with Lee Kuang Shing. As the Executive Director, she is responsible for the overall Finance and Administration Department of ST. At present, she also sits on the board of several other private limited companies. She does not hold any directorship in any other public listed companies. She is the wife of Lee Kuang Shing.

Lim Chee Khoon

Non-Independent Non-Executive Director

Lim Chee Khoon, aged 33, a Malaysian, was appointed to the Board as an Executive Director on 27 February 2008. He was redesignated to Non-Independent Non-Executive Director on 31 December 2008. He is a member of CPA Australia and Malaysia Institute of Accountants. He graduated with a Bachelor of Commerce degree from University of Sydney, Australia in 1998. He started his career with Hume Industries (M) Berhad as an Audit Executive in 1998 and left to join DeloitteKassim Chan as an Audit Semi Senior in 1999. In 2000, he joined PricewaterhouseCoopers Consulting Sdn Bhd as an Associate Consultant in Corporate Finance and Recovery Services. He joined AmMerchant Bank Berhad as an Executive in Corporate Finance Department in April 2001. He left AmInvestment Bank Berhad as a Manager in Corporate Finance and Advisory in August 2005. He is a member of Audit Committee, Nomination Committee and Remuneration Committee. He does not hold any directorship in any other public listed companies.

Siti Rohani Bt A. Manan

Independent Non-Executive Director

Siti Rohani Bt A. Manan, a Malaysian, aged 54, was appointed as a Non-Independent Non-Executive Director of the Company on 17 October 2000. She was subsequently redesignated to Independent Non-Executive Director on 27 March 2008. She graduated from the University of Malaya with a degree in Economics and secured her first job as an Economic Analyst with Kompleks Kewangan Malaysia Berhad in 1981. In 1984, she joined Lembaga Tabung Haji ('LTH') as a Fund Manager and presently heads the Investment Development Division of LTH with the main responsibility of securing and evaluating investment proposal for LTH's participation. She is a member of the Audit Committee, Nomination Committee and Remuneration Committee. She also sits on the Board of Austral Supreme Berhad, a company listed on the Bursa Securities.

Profile of Directors (cont'd)

Dato' Beh Heng Teong

Independent Non-Executive Director

Dato' Beh Heng Teong, aged 57, a Malaysian, was appointed as an Independent Non-Executive Director of the Company on 7 December 2006. He started his career as a Sales Executive in the family business of Syarikat Weng Aun Wine Merchant in 1967 and Beh Kwang Chee Medical Factory in 1972. He then co-founded Beh Kwang Chee Enterprise Sdn. Bhd. in 1974. He was appointed as the Managing Director of Beh Kwang Chee Enterprise Sdn. Bhd. in 1994 and he holds the position as at to-date. He is also a Director of Sunfresh (M) Sdn. Bhd. and several other private limited companies. He is currently the Chairman of the Sungai Petani Federation of the Chinese Association, the Vice Chairman of Kedah Chinese Assembly Hall and the Vice President of Beng Siew Sean Siah of Sungai Petani. He is a Chairman of Audit Committee, Nomination Committee and Remuneration Committee. He does not hold any directorship in any other public listed companies.

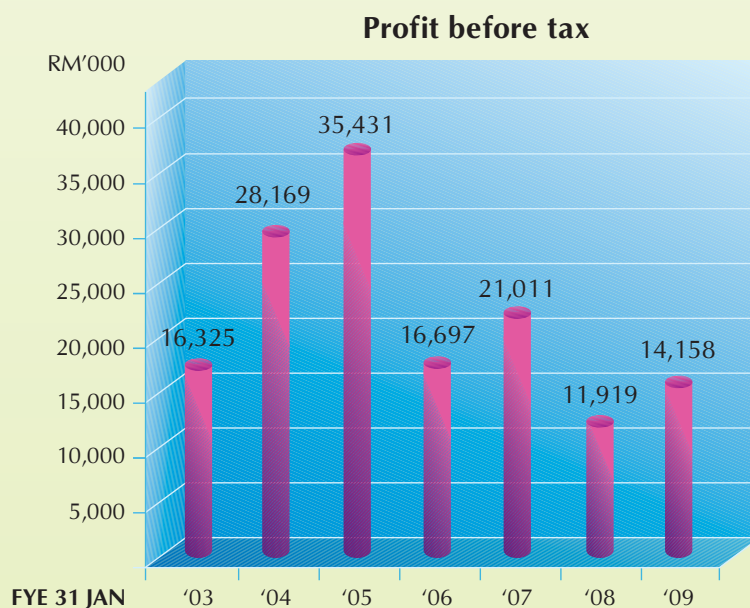
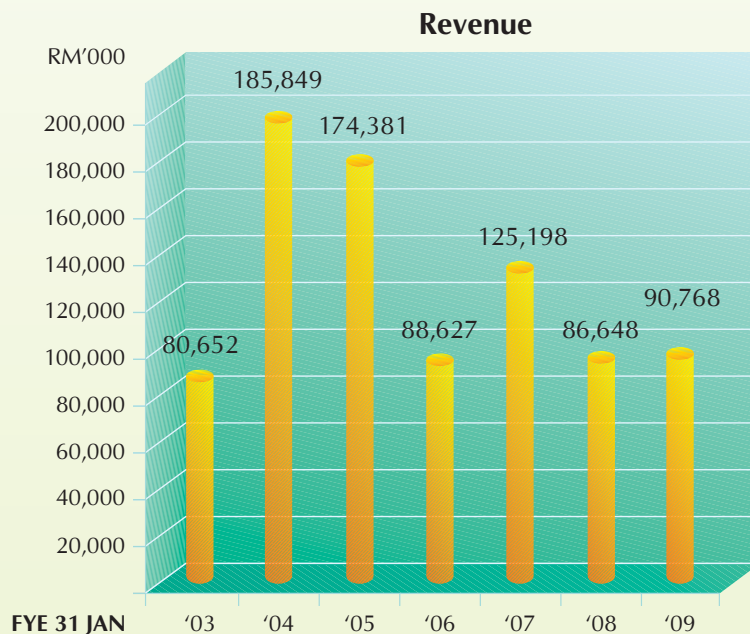
None of the directors has:

- Any family relationship with any director and/or major shareholder of the company except for Lee Kuang Shing and Tan Siew Hong as mentioned above.
- Any conflict of interest with the company.
- Any conviction for offences within the past 10 years other than traffic offences.

Financial Highlights

	2003 RM'000	2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000	2009 RM'000
Financial year ended 31 January							
Revenue	80,652	185,849	174,381	88,627	125,198	86,648	90,768 *
Profit before tax	16,325	28,169	35,431	16,697	21,011	11,919	14,158 **
Profit after tax	12,979	20,587	25,565	11,919	14,913	9,542	12,906

(Based on audited accounts of Supportive Technology Sdn. Bhd. for the Financial Years ended 31 January 2003-2008)



Note:

* including sales from discontinued operations of wires and cables business of RM27.71 million

** including loss from discontinued operations of wires and cables business of RM0.35 million

Chairman's Statement

Dear Stakeholders,

On behalf of the Board of Directors of Supportive International Holdings Berhad ("SUPPORTIVE"), I have the pleasure in presenting the Annual Report of the Group and of the Company for the financial period ended 31 January 2009. This is the first time I am addressing you since our transfer listing to the Main Board of Bursa Malaysia Securities Berhad on 1 April 2008. I want to take this opportunity to give you some background of Supportive Group.

Supportive Technology Sdn. Bhd. is one of the leading one-stop OEM & ODM of plastic and wooden audio speaker systems in Malaysia. We began operations on 12 January 1994 with a start-up capital of RM1 million. With just 5 plastic injection moulding machines, the company gradually grew, adding more machines into its facility and systematically increasing its range of services.

Today, although its core business is manufacturing plastic and wooden audio speaker systems, Supportive Technology is also involved in manufacturing home and house ware products such as kitchenware and toys etc. Our comprehensive knowledge and one-stop facilities make Supportive Technology Sdn. Bhd. an expert in the mass production of quality plastic or wooden products.

On 31 December 2008, Supportive acquired Welcome Properties Sdn Bhd ("Welcome Properties"), the beneficial owner of more than 48 acres of freehold sea facing land at Teluk Air Tawar, in Butterworth, Penang. Welcome Properties is undertaking a RM360 million mix development project called Project Aman Bayu consisting of residential and commercial properties. Project Aman Bayu is expected to contribute positively to the future earnings of Supportive over the next few years.



Marketing Network



Chairman's Statement (cont'd)

FINANCIAL REVIEW

For the twelve months financial year ended 31 January 2009, the Group achieved a turnover of RM90.77 million, consists of RM63.06 million sales from manufacturing of home theatre systems and plastic homeware and RM27.71 million sales from the discontinued wire and cable operations, an increase of 4.8% compared to the last financial year. The Group achieved a profit after tax of RM12.91 million, an increase of 35.3% compared to the last financial year. This translated into weighted average earning per share of 6 sen per share, while net assets rose from RM28.35 million to RM66.37 million as the results of the acquisition of Welcome Properties.

DIVIDENDS

During the financial year under review, the Board does not recommend any dividend.

CORPORATE GOVERNANCE

The Board of Directors continues to ensure that the principles of corporate governance and best practices are observed and practiced throughout the Group.

PROSPECTS

Moving forward, the financial year ending 31 January 2010 would be the recovery year for global economies. We will be well prepared to face the challenges ahead with strategies in business penetration, cost management, enlarging customer base and forex management. We will continue to focus on strengthening financial position and remain relevant in core manufacturing competency. The strategies of improving and innovating more efficient manufacturing processes, better facilities and material utilization rate and faster production cycles would continue to be enforced and implemented.

The Group will also embark on profitable businesses and focus on higher margin products especially for the overseas markets. Further to this, the Group and the management remain committed to continuously pursue excellence in its business and strive to increase shareholders' value.



APPRECIATION

On behalf of the Board, I would like to acknowledge and recognize the contribution by all the Directors, management and employees of the Group for their continuous support and commitment towards our achievements. I also would like to thank our shareholders, clients, business associates, partners and the relevant government authorities for their continuing support for the Group.

LEE KUANG SHING
Executive Chairman

29 May 2009



Statement of Internal Control

Pursuant to Paragraph 15.27(b) of the Bursa Securities Listing Requirement, the Board of Directors of Supportive International Holdings Berhad is pleased to provide the following statement on the state of internal control of the Group, which has been prepared in accordance with the Statement of Internal Control: Guidance for Directors of Public Listed Companies ('Internal Control Guidance') issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Securities.

RESPONSIBILITY FOR RISK AND INTERNAL CONTROL

The Board recognises the importance of a structured risk management and risk-based internal audit to establish and maintain a sound system of internal control. The Board affirms its overall responsibility for the Group's systems of internal control and for reviewing the adequacy and integrity of those systems. Because of the limitations that are inherent in any systems of internal control, those systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced, or potentially exposed to, by the Group in pursuing its business objectives. This process has been in place throughout the financial year and up to the date of approval of the annual report. The adequacy and effectiveness of these processes have been continually reviewed by the Board and are in accordance with the Internal Control Guidance.

RISK MANAGEMENT

The Board and management practice proactive significant risks identification on quarterly basis or earlier as appropriate, particularly any major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment which may entail different risks, and put in place the appropriate risk response strategies and control until those risks are managed to, and maintained at a level acceptable to the Board.

INTERNAL CONTROL STRUCTURE AND ENVIRONMENT

Apart from risk management and internal audit, the Group has put in place the following elements of internal control:-

- An organization structure with well-defined scopes of responsibility, clear lines of accountability and appropriate levels of delegated authority;
- A process of hierarchical reporting which provides for a documented and auditable trail of accountability;
- A set of documented internal policies and procedures for operational, financial, human resource management and regulatory requirement which is subject to regular review and improvement;
- Regular and comprehensive information provided to management, covering financial and operational performance and key business indicators, for effective monitoring and decision making;
- A comprehensive business planning and detailed budgeting process where operating units prepare budgets for the coming year which are approved both at operating unit level and by the Board; and
- Monthly monitoring of results against budget, with major variances being followed up and management action taken where necessary.

Statement of Internal Control (cont'd)

Based on the internal auditor's report for the financial period ended 31 January 2009, there is a reasonable assurance that the Group's systems of internal control are generally adequate and appear to be working satisfactorily. A number of minor internal control weaknesses were identified during the financial period, all of which have been, or are being, addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.

The Board continues to review and implement measures to strengthen the internal control environment of the Group. This statement has been reviewed by the external auditors in compliance with Paragraph 15.24 of Bursa Securities Listing Requirements.

This statement is issued in accordance with a Resolution of Directors dated 25 May 2009.

Directors' Responsibility Statement

The Directors acknowledge their responsibility in ensuring that the financial statements of the Company and the Group give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of their results and cash flows for that year ended. The Directors have also ensured those applicable approved accounting standards in Malaysia and the accounting provisions of the Companies Act, 1965 have been compiled with. In preparing the financial statement, the Directors have:-

- applied consistently the appropriate accounting policies adopted;
- made reasonable and prudent judgments and estimates; and
- maintained proper accounting records to enable the preparation of the financial statements with reasonable accuracy.

In addition, the Directors are also responsible for keeping proper accounting records, which are disclosed with reasonable accuracy at any time the financial position of the Company and of the Group and taking reasonable steps to safeguard the assets of the Company and the Group and to prevent and detect frauds and other irregularities.

Corporate Social Responsibility ("CSR")

The Group is committed to integrate CSR practice into its day to day business operations. The Group is committed to protect the environment throughout the manufacturing activities to conform to the environmental requirements through the following principles:

1. Prevent pollution by controlling emissions to land, water and air.
2. Reduce waste and the consumption of resources to minimum level.
3. Comply with relevant Environment legislation and other requirements.
4. Ensure working environment is safe and healthy to our employees.
5. Communicate the above statements to our employees through training.
6. Communicate and promote the environmental awareness to our suppliers and sub-contractors and make the Environmental Policy available to the public upon request.
7. Periodically review our environmental performance and the achievement of objectives and targets for continual improvement.

In 2004, Supportive Technology Sdn Bhd was accredited the ISO 14001 Environmental Management System by BM TRADA Certification Body. This certification is a strong indication of our professional commitment to quality in environmental management and manufacturing.

Audit Committee Report

Chairman

Dato' Beh Heng Teong (*Independent Non-Executive Director*)

Members

Siti Rohani Bt A. Manan (*Independent Non-Executive Director*)

Lim Chee Khoo (*Non-Independent Non-Executive Director*)

TERMS OF REFERENCE

The terms and reference of the Audit Committee as set out below:-

1. Objectives

The primary function of the Committee is to assist the Board of Directors in fulfilling the following oversight objectives on the Group's activities.

- Assess the Group's process relating to its risk and control environment;
- Oversee the financial reporting; and
- Evaluate the internal and external audit process.

2. Composition

The Committee shall be appointed by the Board of Directors from among its members and shall comprise a minimum of three (3) members, all of whom shall be non-executive directors with a majority of the Committee being Independent Directors, and at least one member of the Committee:-

- must be a member of the Malaysian Institute of Accountant; or
- if he is not a member of the Malaysian Institute of Accountant, he must have at least three (3) years working experience; and
 - he must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
 - he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967.

3. Authority

In carrying out its duties and responsibilities, the Committee shall have the following rights:

- (a) explicit authority to investigate any matter within its terms of reference;
- (b) adequate resources which are required to perform its duties;
- (c) full and unrestricted access to any information pertaining to the Company and of any other companies within the Group;
- (d) direct communication channels with external and internal auditors;
- (e) obtain external independent professional advise and to invite external parties with relevant experience to attend the Committee meetings for advice;
- (f) discretion to invite other Directors and/or employees of the Company to attend any particular Committee meeting to discuss specific issues; and
- (g) convene meetings with external and internal auditors, excluding the attendance of the executive members of the Committee whenever deemed necessary.

Audit Committee Report (cont'd)

4. Duties and Responsibilities

In fulfilling its primary objectives, the Committee shall undertake the following duties and responsibilities:

- (a) Review with the external auditors, the audit scope and plan, including any changes to the planned scope of the audit plan;
- (b) Review the adequacy of the internal audit scope and plan, functions and resources of the internal audit function and that it has the necessary authority to carry out its work;
- (c) Review the external and internal audit reports to ensure that appropriate and prompt remedies action is taken by management on major deficiencies in controls and procedures that are identified;
- (d) Review major audit findings and the management's response during the year with management, external auditors and internal auditors, including the status of previous audit recommendations;
- (e) Review the assistance given by the Group's staffs to the auditors, and any difficulties encountered in the course of the audit work, including any restrictions on the scope of the activities or access to required information;
- (f) Review the independence and objectivity of the external auditors and their services, including non-audit services and the professional fees, so as to ensure a proper balance between objectivity and value for money;
- (g) Review the independence and objectivity of the external auditors, the audit fee and any question of resignation and dismissal before making recommendations to the Board;
- (h) Review the budget and staffing of the internal audit functions;
- (i) Review the adequacy and integrity of the internal control systems, including enterprise risk management, management information system, and the internal auditors' and/or external auditors' evaluation of the said systems;
- (j) Direct and where appropriate supervise any special projects of investigation considered necessary, and review investigation reports on any major defalcations, frauds and thefts;
- (k) Review the quarterly results and the year end financial statements, prior to the approval by the Board focusing particularly on:
 - changes in or implementation of major accounting policy changes;
 - significant or unusual events; and
 - compliance with accounting standards and other legal requirements.
- (l) Review procedures in place to ensure that the Group is in compliance with the Companies Act 1965, Listing Requirements of Bursa Malaysia Securities Berhad and other legislative and reporting environments;
- (m) Review any related party transaction and conflict of interest situation that may arise within the work performed in fulfilling the Committee's primary responsibilities; and
- (n) Any other activities, as authorized by the Board.

5. Quorum and Committee's Procedures

Meeting shall be held not less than four times a year. A quorum shall consists of two members and shall comprise of independent directors.

6. Secretary of the Audit Committee

The Company Secretary or any other person appointed by the Committee for this purpose shall act as secretary for the Committee. The secretary shall ensure that reasonable notices of meetings be given to members of the Committee and shall include the minutes of meetings of the Committee to all members of the Board.

Audit Committee Report (cont'd)

SUMMARY OF ACTIVITIES

During the year, the Committee carried out the following activities in discharging their duties and responsibilities:

- recommended the Board's adoption of the terms of reference of the Committee which duly incorporated with the relevant provisions under the Malaysian Code on Corporate Governance and Listing Requirements of Bursa Malaysia Securities Berhad;
- reviewed the adequacy and relevance of the scope, functions, resources, internal audit plan and results of internal audit processes with the internal auditor;
- reviewed the quarterly financial reports and year-end financial statements with management and recommend the same to the Board for approval before release to Bursa Malaysia Securities Berhad;
- reviewed with external auditors on their audit plan (including system evaluation, audit fee, issues raised and management's response) prior to the commencement of audit;
- reviewed the financial statements, the audit report, issues and reservations arising from audits and the management letter with the external auditors and recommend the same to the Board;
- reviewed the disclosure of related party transactions and any conflict of interest situation and questionable transactions;
- prepared the Audit Committee Report for inclusion in the Company's Annual Report;
- reviewed the latest changes of pronouncements issued by accountancy, statutory and regulatory bodies;
- reported to and updated the Board on significant issues and concerns discussed during the Committee's meetings and where appropriate, made the necessary recommendations to the Board. Minutes of the Committee's meetings were made available to all board members; and
- reviewed the disclosure statements on compliance of Malaysian Code on Corporate Governance, Board's responsibility on the annual audited financial statements and the state of internal control and other relevant documents for publication in the Company's Annual Report.

ATTENDANCE OF MEETINGS

The detail of attendance of each member at the Audit Committee meetings held during the financial period ended 31 January 2009 are as follows:

Name of Director	Attendance
Dato' Beh Heng Teong (<i>Chairman</i>) (Appointed on 24 September 2008)	5/5
Siti Rohani Binti A. Manan (<i>Member</i>)	2/2
Lim Chee Khoo (<i>Member</i>) (Appointed on 31 December 2008)	1/1
Ng Phaik Lee (<i>Member</i>) (Resigned on 5 November 2008)	4/4
Ho Kok Loon (<i>Chairman</i>) (Resigned on 16 September 2008)	3/3

Audit Committee Report (cont'd)

INTERNAL AUDIT

The Board acknowledges the importance of internal audit function and has engaged the services of an independent professional accounting and consulting firm, Messrs UHY Diong to provide much of the assurance it requires regarding the effectiveness as well as the adequacy and integrity of the Group's systems of internal control. The internal audit adopts a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile. Scheduled internal audits are carried out by the internal auditors based on the audit plan presented to and approved by the Audit Committee. The audit focuses on areas with high risk and inadequate controls to ensure that an adequate action plan has in place to improve the controls. For those areas with high risk and adequate controls, the audit ascertains that the risks are effectively mitigated by the controls. On a quarterly basis or earlier as appropriate, the internal auditors report to the Audit Committee on areas for improvement and will subsequently follow up to determine the extent of their recommendations that have been implemented.

Statement on Corporate Governance

The Malaysian Code on Corporate Governance (“The Code”) sets out principle and best practices on structures and processes that companies may use in their operations towards achieving the optimal governance framework.

The Board of Directors of Supportive International Holdings Berhad (“the Board”) has always recognized the importance of adopting good corporate governance. The Board is committed to ensure that the highest standards of corporate governance are practiced throughout the Group. The Board views this as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and the performance of the Group.

The Board is fully committed to the maintenance of high standards of corporate governance by supporting and implementing the prescriptions of the principles and best practices set out in Part 1 and Part 2 of the Code.

The statement below sets out how the Group has applied the principles and the extent of its compliance with the best practices of good governance throughout the financial period ended 31 January 2009.

1. THE BOARD OF DIRECTORS

The Board

The Board is responsible for the control and proper management of the Company. The Board has delegated specific responsibilities to three main committees namely Audit, Remuneration and Nomination committees which operate within approved terms of reference. These Committees have the authority to examine particular issues and report to the Board with their recommendations. The ultimate responsibility for the final decision on all matters however lies with the entire Board.

Board Composition

During the financial year under review the Board consisted of two (2) Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Independent Non-Executive Directors. The composition of the Board complies with Paragraph 15.02 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”)

The Group is led and managed by an experienced Board, many of whom have intimate knowledge of the business and industry. There is a clear division of responsibilities in the Company to ensure a balance of authority and power. Mr. Lee Kuang Shing lead the Board as the Chairman and is assisted by the Executive Director in the day to-day running of business and implementation of Board’s policies and decisions. The Board is also complemented by the Non-Executive Directors who contribute with a mix of industry-specific knowledge, broad based business and commercial experience together with independent judgement on matters of strategy, operations, resources and business conduct. The Non-Executive Directors also have the breadth and depth of experience to ensure that the strategies proposed by the management are independently and objectively deliberated and examined, taking into account the interests of all stakeholders.

The Board considers that the current size of the Board is adequate and facilitates effective decision making. The Nomination Committee has reviewed the present composition of the Board and the three main existing committees and is satisfied that they have adequately carried out their functions within their scope of work.

Board meetings are scheduled in advance at the beginning of each calendar year to enable Directors to fit the year’s meeting into their own schedule. The Board meets at least four (4) times a year at quarterly intervals with formal schedule matters reserved to it. Additional meetings shall be convened whenever there is urgent and important decisions need to be taken between the scheduled meetings. At each regularly scheduled meeting, full financial business review including business performance is carried out. Beside Board meetings, the Board also exercises control on matters that require Board’s approval through Directors’ Circular Resolutions. Amongst others, key matters such as approval of annual and quarterly results, financial statements, major acquisitions and disposals, major expenditure, risk management polices and appointment of Directors are discussed and decided by the Board.

Statement on Corporate Governance (cont'd)

During the financial period ended 31 January 2009, five (5) Board Meetings were held. The attendance record of each Director is as follows:-

Name of Director	Attendance
Siti Rohani Binti A. Manan	4/5
Dato' Beh Heng Teong	5/5
Lee Kuang Shing (Appointed on 27 February 2008)	4/4
Tan Siew Hong (Appointed on 27 February 2008)	3/4
Lim Chee Khoon (Appointed on 27 February 2008)	4/4
Ng Phaik Lee (Resigned on 5 November 2008)	4/4
Ho Kok Loon (Resigned on 16 September 2008)	3/3
Hiroichi Matsumoto (Retired on 27 March 2008)	1/1
Mohd Fauzi Bin Yon (Retired on 27 March 2008)	0/1
Dato' Paduka Ismail Bin Shafie (Appointed on 27 February 2008 and Retired on 27 March 2008)	N/A

Supply of Information

The Board is supplied with full and timely information to discharge their duties and responsibilities effectively. All Directors are supplied with an agenda and a set of Board Papers issued in sufficient time prior to Board Meetings to ensure that the Directors can appreciate the issues to be deliberated and to obtain necessary further explanations and proper briefing before the meeting. The Board reports provide amongst others periodical financial and corporate information, significant operational, financial and corporate issues, performance of the various business units and management proposals that require Board's approval. In addition there is a schedule of matters reserved specifically for the Board's decision which included the approval of corporate policies and procedures, Group operational plan and budget, acquisitions and disposals of assets that are material to the Group, major investment, risk management policies, changes to management and control structure of the Group. Information provided to the Board goes beyond quantitative performance data to include other qualitative information such as major operational and financial issues. Where a potential conflict of interest may arise, it is mandatory practice for the Director concerned to declare his interest and abstain from the decision-making. In exercising their duties, the Directors have access to all information within the Company. All Directors have access to the advice and services of the Company Secretary and may also seek independent professional advice from external consultants at the Company's expenses if deemed reasonable and necessary. At Board meetings, the Management updates the Board on the business and market factors relevant to the Group.

Directors' Training

The Board as a whole recruits to the Board only individuals of sufficient caliber, knowledge and experience to fulfill the duties of the Director appropriately. As required by the Listing Requirements of BMSB, all Directors except Ms Tan Siew Hong have attended the Mandatory Accreditation Programme ("MAP") within the required time frame under listing requirement of BMSB. They have also participated in the Continuing Education Programme ("CEP") organized by the relevant regulatory authorities and professional bodies and as at when required. The Board shall determine the training needs of the Directors on a continuous basis.

Statement on Corporate Governance (cont'd)

Details of the Directors' Remuneration

Details of the remuneration of the Directors for the financial period under review are as follows:-

Category of Remuneration	Executive Director RM'000	Non-Executive Director RM'000
Directors' Fees	148,000	128,500
Other Emoluments	1,616,130	0
Benefit-in-kind	0	0
Total	1,764,130	128,500

A breakdown of Directors' remuneration for the financial period in successive bands of RM50,000 are as follows:

Range of remuneration	Number of Director	
	Executive Director	Non-Executive Director
Less than RM50,000	1	5
RM50,001 – RM100,000	1	0
RM200,001 – RM250,000	1	0
RM350,001 – RM400,000	1	0
RM1,000,000 – RM1,050,000	1	0
Total	5	5

The above Directors' remuneration included Directors who had resigned during the financial period ended 31 January 2009.

3. COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Board values and encourages dialogues with shareholders to facilitate better understanding of the Group's objectives and financial performance. The Annual General Meeting will be the principal forum for dialogues with individual shareholders, as it provides shareholders the opportunity to ask questions about the resolutions being proposed or about the Company's operations in general, the Board recognizes there is a need to maintain an open and continuous communication outside the general meetings. Apart from the commitment of the Group to ensure that all material information relating to the Group is disclosed in a timely manner through announcements to BSMB, the Board plans to establish an investor relations programme as a channel for regular communication with shareholders, stakeholders, investment analysts, fund managers and the media.

Statement on Corporate Governance (cont'd)

4. ACCOUNTABILITY AND AUDIT

Financial Reporting

In presenting the annual financial statements and quarterly consolidated results, the Board aims to provide a true and fair view of the state of affairs of the Group and the Company, as well as the results and cash flows of the Group and of the Company. In the preparation of the financial statements, the Group is in compliance of the appropriate accounting policies and approved accounting standards. In addition, the Audit Committee assists the Board in examining information to be disclosed to the public and relevant regulatory bodies to ensure the accuracy and authenticity of such information.

State of Internal Control

The Board acknowledges its responsibility for maintaining a sound system of internal control. The Board also recognises that reviewing of the Group's systems of internal control is a concerted and continuing process designed to manage rather than eliminate the risk of failure to achieve business objectives.

A separate statement of internal control is provided on pages 12 to 13.

Relationship with the Auditors

The Board has established a formal and transparent arrangement with the Group's auditors in seeking professional advice and ensuring compliance with the approved accounting standards in Malaysia.

STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE

The Group is committed to achieve high standards of corporate governance throughout the Group and to the highest level of integrity and ethical standards in its business dealings. After review, the Board is satisfied that all the Best Practices as set out in the Code have been complied with.

This statement is issued in accordance with a Resolution of Directors dated 25 May 2009.

OTHER INFORMATION

- **Share buy-backs**
There was no share buy-back during the financial period ended 31 January 2009.
- **American Depository Receipt (ADR) or Global Depository Receipt (GDR) programme**
The Company did not sponsor any of those programmes during the financial period under review.
- **Sanctions and/or penalties**
There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial period under review.
- **Non-audit fees**
The amount of non-audit fees incurred for services rendered to the Company or its subsidiaries for the financial period by the Company's auditor or a firm or a company affiliate to the auditors' firm was RM24,500.
- **Variation in Results**
There is no material variance between the audited results for the financial period ended 31 January 2009 and the un-audited results previously announced.

Statement on Corporate Governance (cont'd)

- **Profit estimate, forecast or projection**

There were no estimates, forecast or projection reported during the financial period ended 31 January 2009.

- **Profit guarantee**

During the financial year, there were no profit guarantees given by the Company or its subsidiaries.

- **Material contracts or loans**

Save as disclosed below, neither the Company and/or its subsidiaries have entered into any material contracts (not being contracts entered into in the ordinary course of business) within the two (2) years preceding the date of this Annual Report.

- a. A Conditional Share Sale Agreement (SSA) dated 15 December 2006 was entered between the Company and the vendors namely Lee Kuang Shing, Tan Siew Hong, Khaw Hooi Huang, Arena Nilam Sdn. Bhd. (744512-W), Dato' Paduka Ismail bin Shafie, Fazrin Azwar bin Md. Nor, Low Hock Huat and Ong See Wah for the Proposed Acquisition by the Company of the entire issued and paid-up share capital of Supportive Technology Sdn. Bhd. (286657-M) for a total purchase consideration of RM235.0 million, to be satisfied by the issuance of 212.0 million new ordinary Shares of RM1.00 each in the Company at an issue price of RM1.00 per share and a cash consideration of RM23.0 million, subject to the approval by the relevant authorities (Proposed Acquisition).
- b. A Supplemental Share Sale Agreement dated 31 October 2007 was entered between the Company and the Vendors to supplement the SSA in relation to the Proposed Acquisition.
- c. A Share Sale Agreement dated 26 September 2008 for the disposal of 100,000 ordinary shares of RM1.00 each ("the Shares"), representing 100% of the issued and paid up share capital in a wholly owned subsidiary, SDKM Technologies Sdn. Bhd. to unrelated third parties, namely, Messrs. Kameda Shin and Kumakiri Teppei for the purchase consideration of RM1.
- d. On 26 September 2008, Supportive entered into a Sub-Lease Agreement to sub-lease the factory bearing assessment address of Lot 1-4, KEDA Industrial Building, Kawasan Perusahaan KEDA, Pekan Baru Sik, 08200 Sik, Kedah to SDKM for a period of 5 years from 26 September 2008 to 25 September 2013 for a monthly rental of RM10,000 subject to the state authority's consent.
- e. A Conditional Share Sale Agreement dated 3 October 2008 between Supportive International Holdings Berhad with the vendors of Welcome Properties Sdn. Bhd. ("WPSB"), namely Lee Kuang Shing, Dato' Beh Heng Teong and Tan Siew Hong for the Proposed Acquisition of the entire issued and paid-up share capital of WPSB comprising 7,500,000 ordinary shares of RM1.00 each for a total cash consideration of RM10,000,000.

- **Revaluation of landed properties**

The Group has not adopted any revaluation policy on landed properties.

- **Options, Warrants or Convertible Securities**

The Company has not issued any warrants or convertible securities during the financial year under review.

- **Status of Utilisation of Proceeds**

During the financial year under review, there were no proceeds from any corporate exercises.

- **Recurrent Related Party Transactions**

There is no recurrent related party transactions entered into by the Group during the financial year ended 31 January 2009.

List of Properties

Location	Description/ existing use	Tenure	Land area/Floor area (Sq. Meter)	Approximate age of building(s) (years)	Net Book Value as at 31.01.09 (RM million)
Lot 5805 H.S. (D) 5828 Mukim 1, Daerah Seberang Perai Tengah, Pulau Pinang	Industrial Building	Leasehold for 60 years (Expiry on 7 Nov 2049)	23,708.50 (land) 10,231.65 (building)	20 years	0.68 (land) 5.82 (building)
Lot PT 3699, Mukim Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 24 Apr 2058)	2,394.30 (land)	18 years	0.05 (land) 3.37 (building)
Lot PT 3700, Mukim Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 24 Apr 2058)			
Lot PT 3701, Mukim Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 24 Apr 2058)			
Lot PT 3702, Mukim Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 24 Apr 2058)			
Lot PT 3723, Bandar Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 31 Dec 2053)			
Lot PT 3724, Bandar Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 31 Dec 2053)	557.33 (land)		
Lot PT 3725, Bandar Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 31 Dec 2053)			
Lot PT 3726, Mukim Sik, Pekan Sik, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 31 Dec 2053)			

List of Properties (cont'd)

Location	Description/ existing use	Tenure	Land area/Floor area (Sq. Meter)	Approximate age of building(s) (years)	Net Book Value as at 31.01.09 (RM million)
H.S.(M) 521/94, PT 24338, Mukim Sungai Petani, Kuala Muda, Kedah Darul Aman	Residential Building	Freehold	464.50 (land) 250.83 (building)	15 years	0.05 (land) 0.30 (building)
Lot PT 17611, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman	Industrial Building	Freehold	4,285.62 (land) 3,994.83 (building)	20 years	0.55 (land) 1.51 (building)
H.S (D) 10271, PT 66400, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 4 Apr 2055)	17,511.90 (land) 13,675.33 (building)	8 years	1.79 (land) 8.44 (building)
H.S (D) 10272, PT66401, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 4 Apr 2055)			
H.S. (D) 10277, PT 66406, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 4 Apr 2055)			
H.S (D) 10278, PT 66407, Bandar of Sungai Petani, District of Kuala Mudah, Kedah Darul Aman	Industrial Building	Leasehold for 60 years (Expired on 4 Apr 2055)			
Lot 6104, 6106 to 6108, 6110-6136, Mukim 7, Seberang Perai Utara, Pulau Pinang	Development Land	Freehold	189,586.32 (land)	-	55.31

Analysis of Shareholdings as at 13 May 2009

Authorised Share Capital	:	RM500,000,000.00
Issued and Paid-up Capital	:	RM218,488,000.00
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One vote per ordinary share

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS AS AT 13 MAY 2009

No. of Holders	Size of Holdings	Total Holdings	% of Total Issued Capital
2	less than 100 shares	100	0.00
466	100 to 1,000 shares	452,200	0.21
555	1,001 to 10,000 shares	2,462,355	1.13
143	10,001 to 100,000 shares	4,510,602	2.06
39	100,001 to 10,924,400	65,762,662	30.10
1	10,924,401 and above	145,300,081	66.50
1,206		218,488,000	100.00

DIRECTORS' SHAREHOLDINGS

	Name	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1	Lee Kuang Shing	6,000,000	2.75	145,300,081*	66.50
2	Tan Siew Hong	-	-	145,300,081*	66.50
3	Lim Chee Khoon	6,607,400	3.02	-	-
4	Siti Rohani Bt A. Manan	-	-	-	-
5	Dato' Beh Heng Teong	-	-	-	-

* Deemed interested by virtue of his/her shareholdings in Supptech Holdings Sdn. Bhd., a substantial shareholder of the Company

SUBSTANTIAL SHAREHOLDERS

	Name	No. of Shares	%
1	Supptech Holdings Sdn Bhd	145,300,081	66.50

Analysis of Shareholdings as at 13 May 2009 (cont'd)

THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS AT 13 MAY 2009

Name	Shareholdings	% of Total Issued Capital
1 SUPPTECH HOLDINGS SDN BHD	145,300,081	66.50
2 H.M. WEALTH MANAGEMENT SDN. BHD.	10,000,000	4.58
3 ISMAIL BIN SHAFIE	8,899,973	4.07
4 LEMBAGA TABUNG HAJI	8,885,400	4.07
5 KUCHINTA VENTURES SDN BHD	8,399,973	3.84
6 AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD FOR LEE KUANG SHING	6,000,000	2.75
7 KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW HOCK HUAT	4,493,900	2.06
8 KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHEE KHOON	3,757,400	1.72
9 CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR LIM CHEE KHOON (MY0560)	2,000,000	0.92
10 POSITIVE PALMS SDN. BHD.	2,000,000	0.92
11 LOW HOCK HUAT	1,421,473	0.65
12 MAYBAN SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AHMAD SUKIMI BIN IBRAHI (REM 669)	1,290,000	0.59
13 LOW BENG HEOH	1,000,000	0.46
14 JAIC ASIA HOLDINGS PTE LTD	872,643	0.40
15 KENANGA NOMINEES (TEMPATAN) SDN BHD KENANGA CAPITAL SDN BHD FOR LIM CHEE KHOON	850,000	0.39
16 ALC MANAGEMENT SDN.BHD.	700,000	0.32
17 TEH ENG HIN	607,000	0.28
18 HLG NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FAZRIN AZWAR BIN MD.NOR	500,000	0.23
19 ECML NOMINEES (TEMPATAN) SDN. BHD WONG SIEW FONG (T27)	320,000	0.15
20 TEOH CHOO EE	270,000	0.12
21 MOHD AISERI BIN ALIAS	260,000	0.12
22 NG PHAIK LEE	255,400	0.12
23 RIZANI BINTI OMAR	250,000	0.11
24 YEOH KEAN HUA	250,000	0.11
25 MAYBAN SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MUHAZLI BIN MUHAMAD (REM 669)	235,400	0.11
26 YONG THIEN YEW	218,100	0.10
27 CHIA UI CHONG	174,500	0.08
28 HASNAN BIN ABDULLAH	173,000	0.08
29 GOH KIU THENG @ GOH KIM THENG	172,000	0.08
30 LEE TZU JIANG	161,400	0.07
TOTAL	209,717,643	96.00

Directors' Report

The directors have pleasure in submitting their report and the audited financial statements of the Group and the Company for the financial period ended 31 January 2009.

CHANGE OF NAME AND FINANCIAL YEAR END

Following the reverse acquisition by Supportive Technology Sdn. Bhd. as disclosed in Note 2.1 to the financial statements, the name of the Company was changed from SDKM Fibres, Wires & Cables Berhad to Supportive International Holdings Berhad with effect from 2 June 2008 and its financial year end was also changed from 30 September to 31 January.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and property letting. Prior to April 2008, the Company was principally engaged in the manufacture of accessory cables and connectors, AC sockets, optical digital cables, security intercom, elevator interphones and TV door phones. In April 2008, the Company transferred its entire manufacturing operation to a former subsidiary, SDKM Technologies Sdn. Bhd. (formerly known as TSDK Techno Sdn. Bhd.). The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

RESULTS

	The Group 1.2.2008 to 31.1.2009 RM	The Company 1.10.2007 to 31.1.2009 RM
Net profit/(loss) for the financial year/period	<u>12,905,817</u>	<u>(366,211)</u>

DIVIDENDS

No dividends were proposed, declared or paid by the Company since the end of the previous financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial period apart from those disclosed in the financial statements.

ISSUE OF SHARES OR DEBENTURES

During the financial period, the issued and fully paid-up share capital of the Company was increased from RM40,000,000 to RM218,488,000 by way of the following allotments:-

- (i) allotment of 488,000 new ordinary shares of RM1.00 each at an issue price of RM1.15 per share for cash consideration pursuant to the Employees' Share Option Scheme; and
- (ii) allotment of 178,000,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per share as consideration for the acquisition of the entire equity interest in Supportive Technology Sdn. Bhd. as disclosed in Note 7 to the financial statements.

There was no issue of debentures by the Company during the financial period.

Directors' Report (cont'd)

EMPLOYEES' SHARE OPTION SCHEME

The Employees' Share Option Scheme ("ESOS") of the Company was approved by the shareholders at the Extraordinary General Meeting held on 26 February 2004. The ESOS became effective on 21 April 2004 and should have been in force for a period of 5 years from the effective date. However, the ESOS has been terminated on 15 January 2008 as approved by the shareholders at the Extraordinary General Meeting held on 8 January 2008.

The movements in the number of options during the financial period are disclosed in Note 16 to the financial statements.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would require the writing off of bad debts or render the amount of the allowance made for doubtful debts inadequate to any substantial extent.

CURRENT ASSETS

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps to ascertain whether any current assets which would be unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.

At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Group and the Company misleading.

VALUATION METHOD

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (i) any charge on the assets of the Group or the Company that has arisen since the end of the financial period which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or the Company that has arisen since the end of the financial period.

No contingent liability or other liability of the Group or the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the directors, will or may substantially affect the ability of the Group and the Company to meet their obligations as and when they fall due.

Directors' Report (cont'd)

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or in the financial statements of the Group and the Company that would render any amount stated in the respective financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and the Company for the financial period were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

DIRECTORS OF THE COMPANY

The directors who served since the date of the last report are:-

Hiroichi Matsumoto	(retired on 27.3.2008)
Mohd Fauzi Bin Yon	(retired on 27.3.2008)
Ho Kok Loon	(resigned on 16.9.2008)
Siti Rohani Bt A. Manan	
Dato' Beh Heng Teong	
Ng Phaik Lee	(resigned on 5.11.2008)
Lee Kuang Shing	(appointed on 27.2.2008)
Tan Siew Hong	(appointed on 27.2.2008)
Lim Chee Khoon	(appointed on 27.2.2008)
Dato' Paduka Ismail Bin Shafie	(appointed on 27.2.2008; retired on 27.3.2008)

Particulars of the interests in shares in the Company of the directors in office at the end of the financial period, as shown in the Register of Directors' Shareholdings, are as follows:-

Name of Director	Number of Ordinary Shares of RM1.00 Each					
	Direct Interest			Deemed Interest		
	At 1.10.2007/*	Allotted	Bought/ (Sold)	At 31.1.2009	At 1.10.2007/*	At 31.1.2009
Lee Kuang Shing	0*	64,080,064	(58,080,064)	6,000,000	0*	106,800,108
Tan Siew Hong	0*	21,360,000	(21,360,000)	0	0*	106,800,108
Lim Chee Khoon	0*	0	5,729,000	5,729,000	0*	0

* Date of appointment

By virtue of their interests in shares in the Company, Lee Kuang Shing and Tan Siew Hong are also deemed to have interests in shares in the subsidiaries to the extent of the Company's interests, pursuant to Section 6A of the Companies Act 1965.

Save as disclosed above, none of the directors in office at the end of the financial period held any interests in shares in the Company or its related corporations during the financial period.

Directors' Report (cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than the directors' remuneration disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to have arisen by virtue of those related party transactions as disclosed in Note 24 to the financial statements.

Neither during nor at the end of the financial period, was the Company a party to any arrangement, apart from the Company's ESOS, whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

AUDITORS

The auditors, Messrs. Horwath, have expressed their willingness to continue in office.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 20 MAY 2009**

Lee Kuang Shing

Tan Siew Hong

Statement by Directors

We, Lee Kuang Shing and Tan Siew Hong, being two of the directors of Supportive International Holdings Berhad (formerly known as SDKM Fibres, Wires & Cables Berhad), do hereby state that, in the opinion of the directors, the financial statements set out on pages 36 to 74 have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and the Company as at 31 January 2009 and of their financial performance and cash flows for the financial period then ended.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 20 MAY 2009**

Lee Kuang Shing

Tan Siew Hong

Statutory Declaration

I, Tan Siew Hong, being the director primarily responsible for the financial management of Supportive International Holdings Berhad (formerly known as SDKM Fibres, Wires & Cables Berhad), do solemnly and sincerely declare that the financial statements set out on pages 36 to 74 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared
by Tan Siew Hong at Georgetown
in the State of Penang on this
20 May 2009

Tan Siew Hong

Before me

Karupayee Kamalam A/P R. Mottai
Commissioner for Oaths

Independent Auditors' Report

to the Members of Supportive International Holdings Berhad
(formerly known as SDKM Fibres, Wires & Cables Berhad)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Supportive International Holdings Berhad (formerly known as SDKM Fibres, Wires & Cables Berhad) ("the Company") and its subsidiaries ("the Group") set out on pages 36 to 74, which comprise the balance sheets as at 31 January 2009, and the income statements, statements of changes in equity and cash flow statements for the financial period then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia ("the Act"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Act so as to give a true and fair view of the financial position of the Group and the Company as at 31 January 2009 and of their financial performance and cash flows for the financial period then ended.

Independent Auditors' Report

to the Members of Supportive International Holdings Berhad
(formerly known as SDKM Fibres, Wires & Cables Berhad) (cont'd)
(Incorporated in Malaysia)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Act, we also report the following:-

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (c) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Act and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Horwath

Firm No: AF 1018
Chartered Accountants

Penang
20 May 2009

Eddy Chan Wai Hun

Approval No: 2182/10/09(J)
Partner

Consolidated Balance Sheet

as at 31 January 2009

	Note	31.1.2009 RM	31.1.2008 RM
NON-CURRENT ASSETS			
Property, plant and equipment	4	18,599,157	19,648,859
Prepaid lease payments	5	2,516,634	1,827,778
Investment property	6	9,189,036	0
Property development costs	9	42,910,577	0
		73,215,404	21,476,637
CURRENT ASSETS			
Property development costs	9	18,389,423	0
Inventories	10	4,860,050	3,785,109
Receivables	11	3,719,551	8,118,369
Current tax assets		1,004,996	0
Cash and cash equivalents	12	8,913,911	11,511,524
		36,887,931	23,415,002
CURRENT LIABILITIES			
Payables	13	15,176,874	12,863,597
Bank borrowings - secured	14	2,190,661	934,443
Current tax liabilities		0	906,338
		17,367,535	14,704,378
NET CURRENT ASSETS			
		19,520,396	8,710,624
NON-CURRENT LIABILITIES			
Bank borrowings - secured	14	19,904,672	0
Deferred tax liabilities	15	6,465,066	1,834,000
		26,369,738	1,834,000
NET ASSETS			
		66,366,062	28,353,261
FINANCED BY:-			
Share capital	16	218,488,000	1,666,665
Share premium		1,481,958	0
Reverse acquisition reserve		(193,196,309)	0
Retained profits		39,592,413	26,686,596
SHAREHOLDERS' EQUITY			
		66,366,062	28,353,261

The annexed notes form an integral part of these financial statements.

Consolidated Income Statement
for the financial year ended 31 January 2009

	Note	1.2.2008 to 31.1.2009			1.2.2007 to 31.1.2008		
		Continuing Operations RM	Discontinued Operation (Note 22) RM	Total RM	Continuing Operations RM	Discontinued Operation (Note 22) RM	Total RM
Revenue	17	63,057,861	27,710,057	90,767,918	86,647,585	0	86,647,585
Negative goodwill		9,473,211	0	9,473,211	0	0	0
Other income		2,305,597	791,333	3,096,930	722,938	0	722,938
Changes in inventories of finished goods and work-in-progress		149,295	134,917	284,212	46,076	0	46,076
Raw materials and consumables used		(40,683,101)	(18,427,338)	(59,110,439)	(50,156,108)	0	(50,156,108)
Amortisation and depreciation		(2,890,247)	(721,420)	(3,611,667)	(3,058,891)	0	(3,058,891)
Employee benefits expense	18	(7,350,803)	(6,808,186)	(14,158,989)	(8,230,700)	0	(8,230,700)
Finance costs		(13,775)	0	(13,775)	(24,449)	0	(24,449)
Other expenses		(9,541,365)	(3,028,124)	(12,569,489)	(14,027,892)	0	(14,027,892)
Profit/(Loss) before tax	19	14,506,673	(348,761)	14,157,912	11,918,559	0	11,918,559
Tax (expense)/income	20	(1,313,029)	60,934	(1,252,095)	(2,376,471)	0	(2,376,471)
Net profit/(loss) for the year		<u>13,193,644</u>	<u>(287,827)</u>	<u>12,905,817</u>	<u>9,542,088</u>	<u>0</u>	<u>9,542,088</u>
Basic and diluted earnings/(loss) per share (sen)	21	<u>6.13</u>	<u>(0.13)</u>	<u>6.00</u>	<u>5.36</u>	<u>0.00</u>	<u>5.36</u>

The annexed notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

for the financial year ended 31 January 2009

	Share capital RM	Non-distributable		Distributable	
		Share premium RM	Reverse acquisition reserve RM	Retained profits RM	Total RM
Balance at 1 February 2007	1,666,665	0	0	17,144,508	18,811,173
Net profit for the year	0	0	0	9,542,088	9,542,088
Balance at 31 January 2008	1,666,665	0	0	26,686,596	28,353,261
Adjustment arising from reverse acquisition	216,821,335	3,122,605	(193,196,309)	0	26,747,631
Share issue expenses	0	(1,640,647)	0	0	(1,640,647)
Net profit for the year	0	0	0	12,905,817	12,905,817
Total recognised (expense)/income	0	(1,640,647)	0	12,905,817	11,265,170
Balance at 31 January 2009	218,488,000	1,481,958	(193,196,309)	39,592,413	66,366,062

The annexed notes form an integral part of these financial statements.

Consolidated Cash Flow Statement

for the financial year ended 31 January 2009

	Note	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before tax			
- Continuing operations		14,506,673	11,918,559
- Discontinued operation		(348,761)	0
		14,157,912	11,918,559
Adjustments for:-			
Allowance for doubtful debts		0	183,120
Allowance for doubtful debts written-back		(49,544)	0
Amortisation and depreciation		3,611,667	3,058,891
Gain on disposal of property, plant and equipment		(99,969)	0
Interest expense		13,775	24,449
Interest income		(180,285)	(147,943)
Loss on disposal of subsidiary		110,010	0
Negative goodwill		(9,473,211)	0
Property, plant and equipment written-off		6,735	0
Unrealised loss on foreign exchange		0	717,310
Operating profit before working capital changes		8,097,090	15,754,386
Increase in inventories		(959,169)	(1,361,513)
Decrease in receivables		6,710,742	2,979,051
Decrease in payables		(583,986)	(13,504,212)
Cash generated from operations		13,264,677	3,867,712
Tax paid		(3,393,284)	(3,576,623)
Tax refunded		448,064	0
Net cash from operating activities		10,319,457	291,089
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash outflow arising from business combinations	23	(6,932,290)	0
Disposal of subsidiary, net of cash disposed of	23	(1,580,963)	0
Interest received		180,285	147,943
Proceeds from disposal of property, plant and equipment		166,148	0
Purchase of property, plant and equipment		(2,161,385)	(174,868)
Share issue expenses paid		(1,640,647)	0
Net cash used in investing activities		(11,968,852)	(26,925)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(13,775)	(24,449)
Repayment of term loan		0	(192,297)
Net cash used in financing activities		(13,775)	(216,746)
Effect of exchange rate changes on cash and cash equivalents		0	(555,892)
Net decrease in cash and cash equivalents		(1,663,170)	(508,474)
Cash and cash equivalents brought forward		10,577,081	11,085,555
Cash and cash equivalents carried forward	23	8,913,911	10,577,081

The annexed notes form an integral part of these financial statements.

Balance Sheet

as at 31 January 2009

	Note	31.1.2009 RM	30.9.2007 RM
NON-CURRENT ASSETS			
Property, plant and equipment	4	0	12,819,531
Prepaid lease payments	5	727,746	751,427
Investment property	6	9,189,036	0
Investment in subsidiaries	7	207,372,928	100,000
Other investment	8	0	95,000
		217,289,710	13,765,958
CURRENT ASSETS			
Inventories	10	0	6,796,608
Receivables	11	4,263,489	15,561,413
Current tax assets		221,000	474,719
Cash and cash equivalents	12	402,705	15,481,782
		4,887,194	38,314,522
CURRENT LIABILITIES			
Payables	13	417,383	6,821,301
		417,383	6,821,301
NET CURRENT ASSETS			
		4,469,811	31,493,221
NON-CURRENT LIABILITIES			
Deferred tax liabilities	15	0	54,000
NET ASSETS			
		221,759,521	45,205,179
FINANCED BY:-			
Share capital	16	218,488,000	40,000,000
Share premium		1,481,958	3,049,405
Retained profits		1,789,563	2,155,774
SHAREHOLDERS' EQUITY			
		221,759,521	45,205,179

The annexed notes form an integral part of these financial statements.

Income Statement
for the financial period ended 31 January 2009

	Note	1.10.2007 to 31.1.2009			1.10.2006 to 30.9.2007		
		Continuing Operations RM	Discontinued Operation (Note 22) RM	Total RM	Continuing Operations RM	Discontinued Operation (Note 22) RM	Total RM
Revenue	17	280,000	32,085,943	32,365,943	0	50,724,169	50,724,169
Other income		0	278,572	278,572	0	511,631	511,631
Changes in inventories of finished goods and work-in-progress		0	(2,618,975)	(2,618,975)	0	(1,309,930)	(1,309,930)
Raw materials and consumables used		0	(20,950,285)	(20,950,285)	0	(29,496,450)	(29,496,450)
Amortisation and depreciation		(86,569)	(780,334)	(866,903)	0	(1,400,375)	(1,400,375)
Employee benefits expense	18	0	(5,734,305)	(5,734,305)	0	(12,044,933)	(12,044,933)
Other expenses		(405,869)	(2,495,323)	(2,901,192)	0	(11,607,751)	(11,607,751)
Loss before tax	19	(212,438)	(214,707)	(427,145)	0	(4,623,639)	(4,623,639)
Tax income/(expense)	20	0	60,934	60,934	0	(93,748)	(93,748)
Net loss for the period/year		(212,438)	(153,773)	(366,211)	0	(4,717,387)	(4,717,387)

The annexed notes form an integral part of these financial statements.

Statement of Changes in Equity

for the financial period ended 31 January 2009

	Share capital RM	Non- distributable	Distributable	Total RM
		Share premium RM	Retained profits RM	
Balance at 1 October 2006	40,000,000	3,049,405	6,873,161	49,922,566
Net loss for the year	0	0	(4,717,387)	(4,717,387)
Balance at 30 September 2007	40,000,000	3,049,405	2,155,774	45,205,179
Issue of shares	178,488,000	73,200	0	178,561,200
Share issue expenses	0	(1,640,647)	0	(1,640,647)
Net loss for the period	0	0	(366,211)	(366,211)
Total recognised expense	0	(1,640,647)	(366,211)	(2,006,858)
Balance at 31 January 2009	218,488,000	1,481,958	1,789,563	221,759,521

The annexed notes form an integral part of these financial statements.

Cash Flow Statement

for the financial period ended 31 January 2009

	Note	10.1.2007 to 31.1.2009 RM	10.1.2006 to 30.9.2007 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax			
- Continuing operations		(212,438)	0
- Discontinued operation		(214,707)	(4,623,639)
		(427,145)	(4,623,639)
Adjustments for:-			
Allowance for doubtful debts		0	5,339,840
Amortisation and depreciation		866,903	1,400,375
Gain on disposal of property, plant and equipment		(96,603)	(57,143)
Gain on disposal of subsidiary		(1)	0
Interest income		(102,563)	(321,340)
Inventories written-off		0	4,188
Property, plant and equipment written-off		777	351
Unrealised loss on foreign exchange		0	164,333
Operating profit before working capital changes		241,368	1,906,965
Decrease in inventories		6,796,608	415,216
Decrease/(Increase) in receivables		11,297,924	(666,462)
(Decrease)/Increase in payables		(6,403,918)	35,606
Cash generated from operations		11,931,982	1,691,325
Tax paid		(187,411)	(259,996)
Tax refunded		448,064	299,719
Net cash from operating activities		12,192,635	1,731,048
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of subsidiaries		(29,272,928)	0
Disposal of subsidiary		1	0
Interest received		102,563	305,206
Proceeds from disposal of other investment		95,000	0
Proceeds from disposal of property, plant and equipment		3,018,470	61,887
Purchase of other investment		0	(10,000)
Purchase of property, plant and equipment		(135,371)	(2,153,040)
Share issue expenses paid		(1,640,647)	0
Net cash used in investing activities		(27,832,912)	(1,795,947)
CASH FLOWS FROM FINANCING ACTIVITY			
Proceeds from issue of shares		561,200	0
Net cash from financing activity		561,200	0
Net decrease in cash and cash equivalents		(15,079,077)	(64,899)
Cash and cash equivalents brought forward		15,481,782	15,546,681
Cash and cash equivalents carried forward	23	402,705	15,481,782

The annexed notes form an integral part of these financial statements.

Notes to the Financial Statements

for the financial period ended 31 January 2009

1. GENERAL INFORMATION

The Company is a public company limited by shares, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad.

Following the reverse acquisition by Supportive Technology Sdn. Bhd. as disclosed in Note 2.1 to the financial statements, the name of the Company was changed from SDKM Fibres, Wires & Cables Berhad to Supportive International Holdings Berhad with effect from 2 June 2008 and its financial year end was also changed from 30 September to 31 January.

The principal activities of the Company are those of investment holding and property letting. Prior to April 2008, the Company was principally engaged in the manufacture of accessory cables and connectors, AC sockets, optical digital cables, security intercom, elevator interphones and TV door phones. In April 2008, the Company transferred its entire manufacturing operation to a former subsidiary, SDKM Technologies Sdn. Bhd. (formerly known as TSDK Techno Sdn. Bhd.). The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

The registered office of the Company is located at 57-1, Persiaran Bayan Indah, Bayan Bay, Sungai Nibong, 11900 Penang and its principal place of business is located at No. 1, 2, 7 & 8, Jalan PKNK 3, Kawasan Perusahaan LPK Fasa 3, 08000 Sungai Petani, Kedah.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 20 May 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

Basis of Preparation of Financial Statements

The financial statements of the Group and the Company are prepared under the historical cost convention, modified to include other bases of measurement as disclosed in other sections of the significant accounting policies, and in accordance with Financial Reporting Standards ("FRSs") and the Companies Act 1965 in Malaysia.

The financial statements are presented in Ringgit Malaysia (RM).

During the financial period, the Group and the Company adopted the following revised FRSs and new IC Interpretation which are relevant to their operations and effective for financial periods beginning on or after 1 July 2007:-

FRS 107 *Cash Flow Statements*
FRS 112 *Income Taxes*
FRS 118 *Revenue*
FRS 134 *Interim Financial Reporting*
FRS 137 *Provisions, Contingent Liabilities and Contingent Assets*
IC Interpretation 8 *Scope of FRS2*

The adoption of these revised FRSs and new IC Interpretation did not result in any significant changes in the accounting policies of the Group and the Company.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Accounting (cont'd)

Basis of Preparation of Financial Statements (cont'd)

The Group and the Company have not applied the following FRSs and IC Interpretations which have been issued as at the balance sheet date but are not yet effective:-

Standard/Interpretation	Effective for financial periods beginning on or after
FRS 4 <i>Insurance Contracts</i>	1 January 2010
FRS 7 <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 8 <i>Operating Segments</i>	1 July 2009
FRS 139 <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
IC Interpretation 9 <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 10 <i>Interim Financial Reporting and Impairment</i>	1 January 2010

FRS 4 and IC Interpretation 9 will not be applicable to the Group and the Company. The adoption of FRS 8 and IC Interpretation 10 is not expected to have any significant impacts on the financial statements. By virtue of the exemptions given by FRS 7 and FRS 139, the impacts on the financial statements upon initial application of these FRSs are not disclosed.

Reverse Acquisition

In March 2008, the Company acquired the entire equity interest in Supportive Technology Sdn. Bhd. ("Supportive Technology") for a total purchase consideration of RM197,000,000. The purchase consideration was satisfied by the allotment of 178,000,000 new ordinary shares of RM1.00 each in the Company at an issue price of RM1.00 per share and cash consideration of RM19,000,000.

Upon completion of the acquisition, the Company became the legal holding company of Supportive Technology whereas the former shareholders of Supportive Technology to whom the 178,000,000 shares were allotted became the majority shareholders of the Company. In accordance with FRS 3 Business Combinations, the substance of such business combination between the Company and Supportive Technology constituted a reverse acquisition whereby the acquirer and acquiree of the transaction for accounting purposes should be Supportive Technology (i.e. the legal subsidiary) and the Company (i.e. the legal holding company) respectively.

Under the reverse acquisition accounting, the consolidated financial statements, although issued under the name of the legal holding company, i.e. the Company, represent a continuation of the financial statements of the legal subsidiary, i.e. Supportive Technology. Accordingly, the consolidated financial statements set out on pages 36 to 39 together with the notes thereto cover Supportive Technology (as the accounting acquirer) and the Company together with its other subsidiaries (as the accounting acquiree). All comparative amounts relate to Supportive Technology solely prior to the business combination and the reporting periods also follow its normal financial year end, i.e. one-year period ended 31 January 2009 and 31 January 2008 respectively.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of Accounting (cont'd)

Reverse Acquisition (cont'd)

The reverse acquisition accounting does not apply in the separate financial statements of the Company set out on pages 40 to 43 together with the notes thereto. As the Company changed its financial year end from 30 September to 31 January to coincide with that of Supportive Technology, the separate financial statements of the Company have been presented for a 16-month period from 1 October 2007 to 31 January 2009. Therefore, the comparative amounts for the income statement, statement of changes in equity, cash flow statement and related notes are not entirely comparable as they cover a one-year period ended 30 September 2007.

2.2 Basis of Consolidation

All business combinations are accounted for using the purchase method which requires the identification of an acquirer for accounting purposes. As explained in Note 2.1 to the financial statements, the Group adopts the reverse acquisition accounting in preparing the consolidated financial statements which incorporate the financial statements of Supportive Technology Sdn. Bhd. (as the accounting acquirer) and the Company together with its other subsidiaries (as the accounting acquiree).

Under the purchase method, the results of the entity acquired or disposed of during the financial period are included in the consolidated financial statements from the date of acquisition or up to the date of disposal. Intragroup balances, transactions, income and expenses are eliminated in full on consolidation.

The excess of the cost of acquisition over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree at the acquisition date represents goodwill. Goodwill is recognised as an asset at cost less accumulated impairment losses, if any. When the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree at the acquisition date exceeds the cost of acquisition, the excess (hereinafter referred to as "negative goodwill"), after reassessment, is recognised in the income statement.

2.3 Financial Instruments

Recognised Financial Instruments

The accounting policies for recognised financial instruments are disclosed in the individual policies associated with each item.

Unrecognised Financial Instruments

The Group and the Company do not have any unrecognised financial instruments.

Fair Values

The carrying amounts of financial assets and liabilities with short maturity periods are assumed to approximate their fair values.

The fair values of long-term loans and borrowings are estimated based on the current rates offered to the Group for loans and borrowings with the same remaining maturities.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land is not depreciated. Other property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets using the following annual rates:-

Buildings	2%
Machinery and equipment	10%
Electrical installation and signboard	10%
Office equipment, furniture and fittings	10%
Motor vehicles	20%

The residual value, useful life and depreciation method of an asset are reviewed at least at each balance sheet date and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

2.5 Prepaid Lease Payments

The upfront payments for a lease of land under an operating lease are classified as prepaid lease payments and amortised on a straight-line basis over the lease term.

2.6 Investment Property

Investment property, being a property held to earn rentals and/or for capital appreciation, is stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Buildings are depreciated on a straight-line basis over their estimated useful lives of 50 years.

2.7 Investment in Subsidiaries

A subsidiary is an entity that is controlled by the Group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

As required by the Companies Act 1965, the Company prepares separate financial statements in addition to the consolidated financial statements. In the separate financial statements of the Company, investment in subsidiaries is stated at cost less impairment loss, if any.

2.8 Property Development Activities

Land held for property development is stated at cost less accumulated impairment losses, if any.

Property development revenue comprises the selling price agreed in the sale and purchase agreement and any additional revenue due to variation in development work. Property development costs comprise costs associated with the acquisition of land, costs related directly to a specific development project and other costs attributable to development activities in general and can be allocated to such activities. The portion of property development costs for development projects where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle is classified as non-current assets. All other property development costs are classified as current assets.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.8 Property Development Activities (cont'd)

When the outcome of a development activity can be estimated reliably, property development revenue and costs attributable to the development units sold are recognised in the income statement by reference to the stage of completion of the development activity at the balance sheet date. The stage of completion is determined by reference to the proportion that property development costs incurred to date bear to the estimated total costs.

When the outcome of a development activity cannot be estimated reliably, property development revenue is recognised in the income statement only to the extent of property development costs incurred that are probable to be recoverable whereas property development costs attributable to the development units sold are recognised in the income statement in the period in which they are incurred. Any expected loss on a development project is recognised as an expense immediately.

2.9 Impairment of Assets

The carrying amounts of assets, other than inventories and financial assets within the scope of FRS 139 Financial Instruments: Recognition and Measurement, are reviewed at each balance sheet date to determine whether there is any indication that an item of asset may be impaired. If any such indication exists, the recoverable amount of the asset, being the higher of its fair value less costs to sell and its value in use, is estimated. Any excess of the carrying amount of the asset over its recoverable amount represents an impairment loss and is recognised as an expense in the income statement.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised. The reversal is recognised in the income statement.

2.10 Inventories

Inventories are valued at the lower of cost (determined principally on the first-in, first-out basis) and net realisable value. Cost consists of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

2.11 Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

2.12 Payables

Payables are recognised at cost which is the fair value of the consideration to be paid in the future for goods and services received.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.13 Loans and Borrowings

All loans and borrowings are initially recognised at cost which is the fair value of the proceeds received. The loans and borrowings are subsequently stated at amortised cost using the effective interest method. The effective interest rate is the historical rate for a fixed rate instrument and the current market rate for a floating rate instrument.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, which is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset, until such time as the asset is substantially ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2.14 Foreign Currency Transactions and Translation

The consolidated financial statements and separate financial statements of the Company are presented in Ringgit Malaysia, which is also the Company's functional currency, being the currency of the primary economic environment in which the entity operates. Items included in the financial statements of each individual entity within the Group are measured using the individual entity's own functional currency.

A foreign currency transaction is recorded in the functional currency using the exchange rate at transaction date. At the balance sheet date, foreign currency monetary items are translated into the functional currency using the closing rate. Foreign currency non-monetary items measured at cost are translated using the exchange rate at transaction date whereas those measured at fair value are translated using the exchange rate at valuation date. Exchange differences arising from the settlement or translation of monetary items are recognised in the income statement. Any exchange component of the gain or loss on a non-monetary item is recognised on the same basis as that of the gain or loss, i.e. directly in equity or in the income statement.

2.15 Share Capital

Ordinary shares are classified as equity. Transaction costs that relate to the issue of new shares are accounted for as a deduction from equity.

Dividends on shares declared and unpaid at the balance sheet date are recognised as a liability whereas dividends proposed or declared after the balance sheet date are disclosed by way of note to the financial statements.

2.16 Income Recognition

Income from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

Rental income is recognised on an accrual basis.

Interest income is recognised using the effective interest method.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Income Taxes

Income taxes for the period comprise current tax and deferred tax.

Current tax represents the expected amount of income taxes payable in respect of the taxable profit for the period and is measured using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided for under the balance sheet liability method in respect of all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base except for those temporary differences associated with goodwill, negative goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting nor taxable results at the time of the transaction.

A deferred tax liability is recognised for all taxable temporary differences whereas a deferred tax asset is recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the balance sheet date.

2.18 Employee Benefits

Short-term Employee Benefits

Short-term employee benefits such as wages, salaries, bonuses and social security contributions are recognised as an expense in the period in which the associated services are rendered by the employees.

Defined Contribution Plans

As required by law, employers in Malaysia make contributions to the state pension scheme, Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the period in which the associated services are rendered by the employees.

2.19 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

3. CRITICAL JUDGEMENTS AND ESTIMATION UNCERTAINTY

Critical Judgements

In the process of applying the accounting policies of the Group and the Company, the management makes the following judgements that can significantly affect the amounts recognised in the financial statements:-

(i) **Allowance for Inventories**

Reviews are made periodically by the management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. These reviews require the use of judgements and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(ii) **Allowance for Doubtful Debts**

The Group and the Company make allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowance is applied to receivables where events or changes in circumstances indicate that the balances may not be recoverable. The management specifically analyses historical bad debts, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for doubtful debts. Where expectations are different from previous estimates, the difference will impact the carrying amounts of receivables.

Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

(i) **Depreciation of Property, Plant and Equipment and Investment Property**

Property, plant and equipment and investment property are depreciated on a straight-line basis over the estimated useful lives of the assets. The management estimates the useful lives to be within 5 to 50 years. Changes in the expected level of usage and technological development will impact the economic useful lives and residual values of the assets and therefore, future depreciation charges may be revised.

(ii) **Impairment of Assets**

When the recoverable amount of an asset is determined based on its value in use, estimates on future cash flows and appropriate discount rate are required to determine the present value of those cash flows.

(iii) **Property Development**

The Group recognises property development revenue and costs by reference to the stage of completion of the development activity. The determination of the stage of completion involves estimating the outcome of the development activity based on past experience and work of specialists.

(iv) **Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimates. The Group and the Company recognise tax liabilities based on their understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final tax outcome of these matters is different from the amounts initially recognised, the difference will impact the tax provisions in the period in which the outcome is determined.

Notes to the Financial Statements
for the financial period ended 31 January 2009 (cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

The Group

	Freehold land RM	Buildings RM	Machinery and equipment RM	Electrical installation, signboard, office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
At Cost						
Balance at 1 February 2007	602,000	12,156,299	20,510,852	1,905,147	3,821,957	38,996,255
Additions	0	0	147,269	27,599	0	174,868
Balance at 31 January 2008	602,000	12,156,299	20,658,121	1,932,746	3,821,957	39,171,123
Acquisition through business combinations	0	12,987,888	30,832,168	2,519,520	1,756,148	48,095,724
Additions	0	0	1,838,263	129,941	193,181	2,161,385
Disposal of subsidiary	0	0	(2,418,272)	(517,547)	(358,403)	(3,294,222)
Disposals/Write-off	0	0	(67,137)	(14,814)	(373,991)	(455,942)
Transfer to investment property	0	(12,987,888)	0	0	0	(12,987,888)
Balance at 31 January 2009	602,000	12,156,299	50,843,143	4,049,846	5,038,892	72,690,180
Accumulated Depreciation						
Balance at 1 February 2007	0	1,449,059	11,462,295	1,122,497	2,468,410	16,502,261
Depreciation	0	229,439	1,929,491	177,262	683,811	3,020,003
Balance at 31 January 2008	0	1,678,498	13,391,786	1,299,759	3,152,221	19,522,264
Acquisition through business combinations	0	3,560,739	28,464,933	2,076,278	1,582,768	35,684,718
Depreciation	0	380,983	2,322,749	240,584	525,612	3,469,928
Disposal of subsidiary	0	0	(343,800)	(86,724)	(60,052)	(490,576)
Disposals/Write-off	0	0	0	(9,045)	(373,983)	(383,028)
Transfer to investment property	0	(3,712,283)	0	0	0	(3,712,283)
Balance at 31 January 2009	0	1,907,937	43,835,668	3,520,852	4,826,566	54,091,023
Carrying Amount						
Balance at 1 February 2007	602,000	10,707,240	9,048,557	782,650	1,353,547	22,493,994
Balance at 31 January 2008	602,000	10,477,801	7,266,335	632,987	669,736	19,648,859
Balance at 31 January 2009	602,000	10,248,362	7,007,475	528,994	212,326	18,599,157

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The carrying amounts of property, plant and equipment of the Group pledged to a bank for banking facilities granted to the Group are as follows:-

	31.1.2009 RM	31.1.2008 RM
Freehold land	552,000	552,000
Buildings	9,950,490	10,172,405
	10,502,490	10,724,405

The Company

	Buildings RM	Machinery and equipment RM	Office equipment, furniture and fittings RM	Motor vehicles RM	Total RM
At Cost					
Balance at 1 October 2006	12,669,884	29,230,604	2,314,828	2,022,403	46,237,719
Additions	298,105	1,505,033	220,222	129,680	2,153,040
Disposals/Write-off	0	(285)	(47,566)	(251,498)	(299,349)
	12,967,989	30,735,352	2,487,484	1,900,585	48,091,410
Balance at 30 September 2007	12,967,989	30,735,352	2,487,484	1,900,585	48,091,410
Additions	19,899	44,057	45,319	26,096	135,371
Disposals/Write-off	0	(30,779,409)	(2,532,803)	(1,926,681)	(35,238,893)
Transfer to investment property	(12,987,888)	0	0	0	(12,987,888)
	0	0	0	0	0
Balance at 31 January 2009	0	0	0	0	0
Accumulated Depreciation					
Balance at 1 October 2006	3,198,507	27,446,497	1,869,352	1,669,162	34,183,518
Depreciation	254,068	725,713	183,698	219,136	1,382,615
Disposals/Write-off	0	(284)	(45,801)	(248,169)	(294,254)
	3,452,575	28,171,926	2,007,249	1,640,129	35,271,879
Balance at 30 September 2007	3,452,575	28,171,926	2,007,249	1,640,129	35,271,879
Depreciation	259,708	329,966	91,254	75,725	756,653
Disposals/Write-off	0	(28,501,892)	(2,098,503)	(1,715,854)	(32,316,249)
Transfer to investment property	(3,712,283)	0	0	0	(3,712,283)
	0	0	0	0	0
Balance at 31 January 2009	0	0	0	0	0
Carrying Amount					
Balance at 1 October 2006	9,471,377	1,784,107	445,476	353,241	12,054,201
	9,515,414	2,563,426	480,235	260,456	12,819,531
Balance at 30 September 2007	9,515,414	2,563,426	480,235	260,456	12,819,531
	0	0	0	0	0
Balance at 31 January 2009	0	0	0	0	0

Notes to the Financial Statements
 for the financial period ended 31 January 2009 (cont'd)

5. PREPAID LEASE PAYMENTS

The Group

	Short-term leasehold land RM
At Cost	
Balance at 1 February 2007	2,100,000
Movement during the year	0
Balance at 31 January 2008	2,100,000
Acquisition through business combination	1,063,509
Balance at 31 January 2009	3,163,509
Accumulated Amortisation	
Balance at 1 February 2007	233,334
Amortisation	38,888
Balance at 31 January 2008	272,222
Acquisition through business combination	319,483
Amortisation	55,170
Balance at 31 January 2009	646,875
Carrying Amount	
Balance at 1 February 2007	1,866,666
Balance at 31 January 2008	1,827,778
Balance at 31 January 2009	2,516,634

Certain short-term leasehold land of the Group with carrying amount of RM1,788,888 (31.1.2008 : RM1,827,778) has been pledged to a bank for banking facilities granted to the Group.

Notes to the Financial Statements
for the financial period ended 31 January 2009 (cont'd)

5. PREPAID LEASE PAYMENTS (cont'd)

The Company

	Long-term leasehold land RM	Short-term leasehold land RM	Total RM
At Cost			
Balance at 1 October 2006	21,910	1,041,599	1,063,509
Movement during the year	0	0	0
Balance at 30 September 2007	21,910	1,041,599	1,063,509
Reclassification	(21,910)	21,910	0
Balance at 31 January 2009	0	1,063,509	1,063,509
Accumulated Amortisation			
Balance at 1 October 2006	4,056	290,266	294,322
Amortisation	365	17,395	17,760
Balance at 30 September 2007	4,421	307,661	312,082
Amortisation	487	23,194	23,681
Reclassification	(4,908)	4,908	0
Balance at 31 January 2009	0	335,763	335,763
Carrying Amount			
Balance at 1 October 2006	17,854	751,333	769,187
Balance at 30 September 2007	17,489	733,938	751,427
Balance at 31 January 2009	0	727,746	727,746

Notes to the Financial Statements
for the financial period ended 31 January 2009 (cont'd)

6. INVESTMENT PROPERTY

The Group and the Company

	Buildings RM
At Cost	
Balance at 1 October 2007/1 February 2008	0
Transfer from property, plant and equipment	12,987,888
Balance at 31 January 2009	12,987,888
Accumulated Depreciation	
Balance at 1 October 2007/1 February 2008	0
Transfer from property, plant and equipment	3,712,283
Depreciation	86,569
Balance at 31 January 2009	3,798,852
Carrying Amount	
Balance at 1 October 2007/1 February 2008	0
Balance at 31 January 2009	9,189,036
Fair Value	
Estimated fair value at 31 January 2009	9,100,000

The fair value of investment property was determined based on management's estimate by reference to market information.

7. INVESTMENT IN SUBSIDIARIES

The Company

	31.1.2009 RM	30.9.2007 RM
Unquoted shares, at cost	207,372,928	200,000
Impairment loss	0	(100,000)
	207,372,928	100,000

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

7. INVESTMENT IN SUBSIDIARIES (cont'd)

The details of the subsidiaries, all of which were incorporated in Malaysia, are as follows:-

Name of Subsidiary	Ownership Interest Held		Principal Activity
	31.1.2009	30.9.2007	
Supportive Technology Sdn. Bhd.	100%	0%	Manufacture of plastic components
Welcome Properties Sdn. Bhd.	100%	0%	Property development
ASCALL Sdn. Bhd.	100%	100%	Dormant
SDKM Technologies Sdn. Bhd. (formerly known as TSDK Techno Sdn. Bhd.)	0%	100%	Manufacture of accessory cables and connectors, AC sockets, optical digital cables, security intercom, elevator interphones and TV door phones

Acquisition of Supportive Technology Sdn. Bhd.

In March 2008, the Company acquired the entire equity interest in Supportive Technology Sdn. Bhd. for a total purchase consideration of RM197,000,000. The purchase consideration was satisfied by the allotment of 178,000,000 new ordinary shares of RM1.00 each in the Company at an issue price of RM1.00 per share and cash consideration of RM19,000,000. The acquisition constituted a reverse acquisition by Supportive Technology Sdn. Bhd. as explained in Note 2.1 to the financial statements.

The post-acquisition consolidated loss of the accounting acquiree, i.e. the Company, included in the Group's net profit for the financial year amounted to approximately RM504,000. Had the acquisition date been 1 February 2008, the management estimates that the Group's revenue and net profit for the financial year would have been approximately RM95,379,000 and RM12,955,000 respectively.

The carrying amounts of the accounting acquiree's consolidated assets and liabilities immediately before the acquisition, determined in accordance with Financial Reporting Standards and approximating their fair values recognised at the acquisition date, are as follows:-

	RM
Property, plant and equipment	12,409,170
Prepaid lease payments	744,026
Inventories	5,746,935
Receivables	11,119,798
Current tax assets	290,209
Cash and cash equivalents	2,903,502
Payables	(6,412,009)
Deferred tax liabilities	(54,000)
Net assets acquired	<u>26,747,631</u>

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

7. INVESTMENT IN SUBSIDIARIES (cont'd)

Acquisition of Welcome Properties Sdn. Bhd.

In January 2009, the Company acquired the entire equity interest in Welcome Properties Sdn. Bhd. for a cash consideration of RM10,272,928 (including incidental cost of RM272,928). The acquisition gave rise to negative goodwill of RM9,473,211.

No post-acquisition profit or loss of the acquiree has been included in the Group's net profit for the financial year. Had the acquisition date been 1 February 2008, the management estimates that the Group's revenue and net profit for the financial year would have been approximately RM90,768,000 and RM11,516,000 respectively.

The carrying amounts of the acquiree's assets and liabilities immediately before the acquisition, determined in accordance with Financial Reporting Standards and approximating their fair values recognised at the acquisition date, are as follows:-

	RM
Property, plant and equipment	1,836
Property development costs	61,300,000
Receivables	168,841
Cash and cash equivalents	437,136
Payables	(15,456,275)
Bank borrowings	(22,095,333)
Deferred tax liabilities	(4,610,066)
Net assets acquired	<u>19,746,139</u>

Disposal of SDKM Technologies Sdn. Bhd.

In September 2008, the Company disposed of its entire equity interest in SDKM Technologies Sdn. Bhd. for a cash consideration of RM1.

8. OTHER INVESTMENT

The Company

	31.1.2009 RM	30.9.2007 RM
Investment in club membership, at cost	0	<u>95,000</u>

Notes to the Financial Statements
for the financial period ended 31 January 2009 (cont'd)

9. PROPERTY DEVELOPMENT COSTS

The Group

	31.1.2009 RM	31.1.2008 RM
Balance at 1 February	0	0
Acquisition through business combination	61,300,000	0
Balance at 31 January	61,300,000	0
Represented by:-		
- Freehold land, at cost	55,313,907	0
- Development costs	5,986,093	0
	61,300,000	0
Disclosed as:-		
- Non-current portion	42,910,577	0
- Current portion	18,389,423	0
	61,300,000	0

The freehold land has been pledged to a bank for banking facilities granted to the Group.

10. INVENTORIES

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Raw materials	3,958,716	3,033,070	0	4,177,633
Work-in-progress	402,840	359,948	0	1,330,874
Finished goods	498,494	392,091	0	1,288,101
	4,860,050	3,785,109	0	6,796,608

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

11. RECEIVABLES

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Trade receivables	4,760,821	9,265,266	0	7,744,375
Allowance for doubtful debts	(1,509,804)	(1,559,349)	0	0
	3,251,017	7,705,917	0	7,744,375
Subsidiaries	0	0	4,136,054	6,138,737
Allowance for doubtful debts	0	0	0	(5,339,840)
	0	0	4,136,054	798,897
Other receivables, deposits and prepayments	468,534	412,452	127,435	7,018,141
	3,719,551	8,118,369	4,263,489	15,561,413

The currency exposure profile of trade receivables is as follows:-

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Ringgit Malaysia	2,275,728	1,780,919	0	3,340,853
US Dollar	975,289	5,924,998	0	2,558,584
Japanese Yen	0	0	0	1,844,938
	3,251,017	7,705,917	0	7,744,375

The credit terms of trade receivables range from 30 to 60 days.

The amounts owing by subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment.

12. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Term deposits with licensed banks	6,000,000	8,304,881	0	1,025,912
Cash and bank balances	2,913,911	3,206,643	402,705	14,455,870
	8,913,911	11,511,524	402,705	15,481,782

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

12. CASH AND CASH EQUIVALENTS (cont'd)

Included in cash and cash equivalents of the Group is an amount of RM250,281 (31.1.2008 : NIL) held under Housing Development Account opened and maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966.

The currency exposure profile of cash and cash equivalents is as follows:-

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Ringgit Malaysia	8,722,366	577,847	402,705	15,470,081
US Dollar	191,545	10,933,677	0	0
Other currencies	0	0	0	11,701
	8,913,911	11,511,524	402,705	15,481,782

The effective interest rates of term deposits are as follows:-

	The Group		The Company	
	31.1.2009 %	31.1.2008 %	31.1.2009 %	30.9.2007 %
Term deposits with licensed banks	1.85 - 2.60	2.28	0.00	3.05

13. PAYABLES

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Trade payables	3,628,970	7,957,538	0	4,807,377
Other payables and accruals	3,013,950	4,906,059	417,383	2,013,924
Progress billings	386,780	0	0	0
Director	5,643,374	0	0	0
Other related party*	2,503,800	0	0	0
	15,176,874	12,863,597	417,383	6,821,301

* Being a company in which certain directors of the Company have substantial financial interests.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

13. PAYABLES (cont'd)

The currency exposure profile of trade payables is as follows:-

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Ringgit Malaysia	2,055,366	5,628,034	0	1,895,010
US Dollar	1,573,604	2,329,504	0	1,952,932
Japanese Yen	0	0	0	942,285
Singapore Dollar	0	0	0	17,150
	<u>3,628,970</u>	<u>7,957,538</u>	<u>0</u>	<u>4,807,377</u>

The credit terms of trade payables range from 30 to 60 days.

The amounts owing to a director and other related party are unsecured, non-interest bearing and have no fixed terms of repayment.

14. BANK BORROWINGS - SECURED

The Group

	31.1.2009 RM	31.1.2008 RM
Bank overdraft	0	934,443
Long-term loan	22,095,333	0
	<u>22,095,333</u>	<u>934,443</u>
Non-current portion of long-term loan	(19,904,672)	0
	<u>2,190,661</u>	<u>934,443</u>

The repayment analysis of long-term loan is as follows:-

	31.1.2009 RM	31.1.2008 RM
Not later than one year	2,190,661	0
Later than one year and not later than five years	19,255,889	0
Later than five years	648,783	0
	<u>22,095,333</u>	<u>0</u>

Bank borrowings are secured against certain land and buildings of the Group as mentioned in Notes 4, 5 and 9 to the financial statements. The effective interest rate is 5.28% (31.1.2008 : 8.75%) per annum.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

15. DEFERRED TAX LIABILITIES

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Balance at 1 February/1 October	1,834,000	2,103,000	54,000	0
Addition through business combinations	4,664,066	0	0	0
Deferred tax (income)/ expense relating to:-				
- origination and reversal of temporary differences	(134,000)	(187,000)	0	54,000
- reduction in tax rate	0	(82,000)	0	0
Deferred tax liabilities under/ (over) provided in prior year	101,000	0	(54,000)	0
Balance at 31 January/30 September	6,465,066	1,834,000	0	54,000

The deferred tax liabilities are in respect of the following items:-

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Taxable temporary differences of:-				
- property, plant and equipment	1,901,000	2,059,000	0	571,000
- property development costs	4,610,066	0	0	0
Deductible temporary differences of financial instruments	(46,000)	(225,000)	0	(44,000)
Unused capital allowances	0	0	0	(133,000)
Unused tax losses	0	0	0	(340,000)
	6,465,066	1,834,000	0	54,000

Save as disclosed above, as at 31 January 2009, deferred tax liabilities and deferred tax assets have also effectively been recognised and offset against each other by the Group and the Company to the extent of approximately RM411,000. No further deferred tax assets have been recognised for the excess of the unused capital allowances and tax losses over the taxable temporary differences as follows:-

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Unused capital allowances	636,000	N/A	635,000	N/A
Unused tax losses	3,035,000	N/A	1,262,000	N/A
Taxable temporary differences of investment property	(1,642,000)	N/A	(1,642,000)	N/A
	2,029,000	N/A	255,000	N/A

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

16. SHARE CAPITAL

	31.1.2009		30.9.2007	
	No. of Ordinary Shares of RM1 Each	RM	No. of Ordinary Shares of RM1 Each	RM
Authorised:-				
Balance at 1 October	50,000,000	50,000,000	50,000,000	50,000,000
Increased during the period/year	450,000,000	450,000,000	0	0
Balance at 31 January/ 30 September	500,000,000	500,000,000	50,000,000	50,000,000
Issued and fully paid-up:-				
Balance at 1 October	40,000,000	40,000,000	40,000,000	40,000,000
Issued during the period/year	178,488,000	178,488,000	0	0
Balance at 31 January/ 30 September	218,488,000	218,488,000	40,000,000	40,000,000

During the financial period, the issued and fully paid-up share capital of the Company was increased from RM40,000,000 to RM218,488,000 by way of the following allotments:-

- (i) allotment of 488,000 new ordinary shares of RM1.00 each at an issue price of RM1.15 per share for cash consideration pursuant to the Employees' Share Option Scheme; and
- (ii) allotment of 178,000,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per share as consideration for the acquisition of the entire equity interest in Supportive Technology Sdn. Bhd. as disclosed in Note 7 to the financial statements.

Employees' Share Option Scheme

The Employees' Share Option Scheme ("ESOS") of the Company was approved by the shareholders at the Extraordinary General Meeting held on 26 February 2004. The ESOS became effective on 21 April 2004 and should have been in force for a period of 5 years from the effective date. However, the ESOS has been terminated on 15 January 2008 as approved by the shareholders at the Extraordinary General Meeting held on 8 January 2008.

The movements in the number of options (with exercise price of RM1.15 per option) during the financial period are as follows:-

	31.1.2009 No. of Options	30.9.2007 No. of Options
Outstanding at 1 October	2,687,000	3,779,000
Exercised	(488,000)	0
Terminated/Forfeited	(2,199,000)	(1,092,000)
Outstanding at 31 January/30 September	0	2,687,000
Exercisable at 31 January/30 September	0	2,687,000

Notes to the Financial Statements
for the financial period ended 31 January 2009 (cont'd)

17. REVENUE

	The Group		The Company	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM	1.10.2007 to 31.1.2009 RM	1.10.2006 to 30.9.2007 RM
Continuing Operations				
Income from sale of goods	62,777,861	86,647,585	0	0
Rental income	280,000	0	280,000	0
	63,057,861	86,647,585	280,000	0
Discontinued Operation				
Income from sale of goods	27,710,057	0	32,085,943	50,724,169
	90,767,918	86,647,585	32,365,943	50,724,169

18. EMPLOYEE BENEFITS EXPENSE

	The Group		The Company	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM	1.10.2007 to 31.1.2009 RM	1.10.2006 to 30.9.2007 RM
Continuing Operations				
Short-term employee benefits	6,809,968	7,630,737	0	0
Defined contribution plans	540,835	599,963	0	0
	7,350,803	8,230,700	0	0
Discontinued Operation				
Short-term employee benefits	6,381,227	0	5,369,707	11,294,382
Defined contribution plans	426,959	0	364,598	750,551
	6,808,186	0	5,734,305	12,044,933
	14,158,989	8,230,700	5,734,305	12,044,933

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

19. PROFIT/(LOSS) BEFORE TAX

	The Group		The Company	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM	1.10.2007 to 31.1.2009 RM	1.10.2006 to 30.9.2007 RM
Profit/(Loss) before tax is arrived at after charging:-				
Allowance for doubtful debts	0	183,120	0	5,339,840
Amortisation of prepaid lease payments	55,170	38,888	23,681	17,760
Auditors' remuneration				
- current year/period	81,000	40,000	28,000	22,000
- prior year	2,000	(22,000)	2,000	0
Depreciation of investment property	86,569	0	86,569	0
Depreciation of property, plant and equipment	3,469,928	3,020,003	756,653	1,382,615
Directors' remuneration				
- fees	37,500	0	276,500	174,000
- short-term employee benefits	1,310,730	1,231,820	97,200	804,462
- defined contribution plans	208,632	199,200	11,664	15,216
	1,556,862	1,431,020	385,364	993,678
Interest expense	13,775	24,449	0	0
Inventories written-off	0	0	0	4,188
Loss on disposal of subsidiary	110,010	0	0	0
Loss on foreign exchange				
- realised	1,302,200	229,465	119,050	711,996
- unrealised	0	717,310	0	164,333
Property, plant and equipment written-off	6,735	0	777	351
Rental of equipment	50,274	0	32,520	41,470
Rental of premises	204,071	81,140	100,081	190,991
and crediting:-				
Allowance for doubtful debts written-back	49,544	0	0	0
Gain on disposal of property, plant and equipment	99,969	0	96,603	57,143
Gain on disposal of subsidiary	0	0	1	0
Interest income	180,285	147,943	102,563	321,340
Rental of investment property	280,000	0	280,000	0

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

20. TAX EXPENSE/(INCOME)

	The Group		The Company	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM	1.10.2007 to 31.1.2009 RM	1.10.2006 to 30.9.2007 RM
Tax based on results for the year/period:-				
Malaysian income tax	1,716,000	3,823,000	0	23,614
Overseas income tax	0	0	0	16,134
Deferred tax	(134,000)	(269,000)	0	54,000
	1,582,000	3,554,000	0	93,748
Tax (over)/under provided in prior year:-				
Malaysian income tax	(430,905)	(1,177,529)	(6,934)	0
Deferred tax	101,000	0	(54,000)	0
	1,252,095	2,376,471	(60,934)	93,748
Attributed to:-				
- Continuing operations	1,313,029	2,376,471	0	0
- Discontinued operation	(60,934)	0	(60,934)	93,748
	1,252,095	2,376,471	(60,934)	93,748

The numerical reconciliation between the applicable tax rate, which is the statutory income tax rate, and the average effective tax rate is as follows:-

	The Group		The Company	
	1.2.2008 to 31.1.2009 %	1.2.2007 to 31.1.2008 %	1.10.2007 to 31.1.2009 %	1.10.2006 to 30.9.2007 %
Applicable tax rate	25.00	26.00	(25.00)	(27.00)
Non-deductible expenses	3.12	4.69	18.95	33.98
Non-taxable income	(16.98)	0.00	(8.44)	(1.56)
Expenses eligible for double deduction	0.00	0.00	0.00	(0.55)
Increase/(Decrease) in unrecognised deferred tax assets	0.03	0.00	14.49	(2.84)
Effect of lower tax rate	0.00	(0.87)	0.00	0.00
Average effective tax rate	11.17	29.82	0.00	2.03

Pursuant to the Finance Act 2007 (Act 683) gazetted on 28 December 2007, the statutory income tax rate has been reduced to 25% for the financial year/period under review.

As at 31 January 2009, the Company has sufficient tax credits and tax exempt income to frank/distribute its entire retained profits if paid out as dividends.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

21. EARNINGS/(LOSS) PER SHARE

The Group

The basic earnings/(loss) per share is calculated by dividing the Group's net profit/(loss) for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:-

	1.2.2008 to 31.1.2009	1.2.2007 to 31.1.2008
Net profit/(loss) for the year (RM)		
- Continuing operations	13,193,644	9,542,088
- Discontinued operation	(287,827)	0
	<u>12,905,817</u>	<u>9,542,088</u>
Weighted average number of ordinary shares	<u>215,114,000</u>	<u>178,000,000</u>
Basic earnings/(loss) per share (sen)		
- Continuing operations	6.13	5.36
- Discontinued operation	(0.13)	0.00
	<u>6.00</u>	<u>5.36</u>

For the purpose of calculating the weighted average number of ordinary shares in issue during the financial year in which the reverse acquisition by Supportive Technology Sdn. Bhd. occurred, the number of shares in issue from the beginning of the financial year to the acquisition date is deemed to be the number of shares issued by the Company to the shareholders of Supportive Technology Sdn. Bhd., i.e. 178,000,000 shares, whereas the number of shares in issue from the acquisition date to the end of the financial year is the actual number of shares in issue during that period, i.e. 218,488,000 shares.

The diluted earnings/(loss) per share equals the basic earnings/(loss) per share as Supportive Technology Sdn. Bhd. did not have any dilutive potential ordinary shares during the financial year.

22. DISCONTINUED OPERATION

The Group and the Company

Prior to April 2008, the Company was principally engaged in the manufacture of accessory cables and connectors, AC sockets, optical digital cables, security intercom, elevator interphones and TV door phones. In April 2008, the Company transferred its entire manufacturing operation to a former subsidiary, SDKM Technologies Sdn. Bhd. (formerly known as TSDK Techno Sdn. Bhd.). The Company has subsequently disposed of its entire equity interest in SDKM Technologies Sdn. Bhd. in September 2008.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

22. DISCONTINUED OPERATION (cont'd)

The cash flows attributed to the aforementioned discontinued operation are as follows:-

	The Group		The Company	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM	1.10.2007 to 31.1.2009 RM	1.10.2006 to 30.9.2007 RM
Net cash from operating activities	5,028,449	0	5,891,682	1,731,048
Net cash (used in)/from investing activities	(1,830,463)	0	3,080,663	(1,795,947)
Net cash from financing activities	0	0	0	0
Net cash inflow/(outflow)	3,197,986	0	8,972,345	(64,899)

23. NOTES TO CASH FLOW STATEMENTS

Cash Outflow Arising from Business Combinations

The cash flow effects of the business combinations as mentioned in Note 7 to the financial statements are as follows:-

	The Group	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM
Property, plant and equipment	12,411,006	0
Prepaid lease payments	744,026	0
Property development costs	61,300,000	0
Inventories	5,746,935	0
Receivables	11,288,639	0
Current tax assets	290,209	0
Cash and cash equivalents	3,340,638	0
Payables	(21,868,284)	0
Bank borrowings	(22,095,333)	0
Deferred tax liabilities	(4,664,066)	0
Net assets acquired	46,493,770	0
Negative goodwill	(9,473,211)	0
Adjustment arising from reverse acquisition	(26,747,631)	0
Cash consideration paid	10,272,928	0
Cash and cash equivalents acquired	(3,340,638)	0
Net cash outflow	6,932,290	0

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

23. NOTES TO CASH FLOW STATEMENTS (cont'd)

Disposal of Subsidiary

The cash flow effects of the disposal of subsidiary as mentioned in Note 7 to the financial statements are as follows:-

	The Group	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM
Property, plant and equipment	2,803,646	0
Inventories	5,631,163	0
Receivables	9,026,259	0
Current tax assets	39,000	0
Cash and cash equivalents	1,580,964	0
Payables	(18,971,021)	0
Net assets disposed of	110,011	0
Loss on disposal	(110,010)	0
Cash consideration received	1	0
Cash and cash equivalents disposed of	(1,580,964)	0
Disposal of subsidiary, net of cash disposed of	(1,580,963)	0

Cash and Cash Equivalents

	The Group		The Company	
	31.1.2009 RM	31.1.2008 RM	31.1.2009 RM	30.9.2007 RM
Term deposits with licensed banks	6,000,000	8,304,881	0	1,025,912
Cash and bank balances	2,913,911	3,206,643	402,705	14,455,870
Bank overdraft	0	(934,443)	0	0
	8,913,911	10,577,081	402,705	15,481,782

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

24. RELATED PARTY DISCLOSURES

Other than the directors' remuneration as disclosed in Note 19 to the financial statements, significant transactions with related parties during the financial year/period are as follows:-

	The Group		The Company	
	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM	1.10.2007 to 31.1.2009 RM	1.10.2006 to 30.9.2007 RM
Allowance for doubtful debts on amounts owing by subsidiaries	0	0	0	5,339,840
Purchase of goods from subsidiary	0	0	0	387,771
Purchase of property, plant and equipment from subsidiary	0	0	0	1,005,947
Sale of goods to subsidiary	0	0	5,596,113	297,000
Sale of property, plant and equipment to subsidiary	0	0	2,898,259	0
License fee charged by other related party*	53,962	0	359,389	689,683
Purchase of goods from other related party*	339,774	0	3,972,094	4,538,720
Sale of goods to other related party*	290,011	0	3,097,567	6,699,761

Being a corporation in which a former director of the Company and his close family members have substantial financial interests.

25. SEGMENT REPORTING

The Group

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment revenue, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets, interest-bearing liabilities, income tax assets and liabilities and their related income and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

25. SEGMENT REPORTING (cont'd)

Business Segments

The Group's principal activities can be categorised into the following business segments:-

- (i) Manufacture of plastic components
- (ii) Manufacture of cabling products
- (iii) Property letting
- (iv) Property development

2009

	Manufacture of plastic components RM	Manufacture of cabling products RM	Property letting RM	Property development RM	Consolidation Adjustment RM	Consolidated RM
Continuing Operations						
REVENUE						
External revenue	62,777,861	0	280,000	0	0	63,057,861
RESULTS						
Segment results	5,225,103	0	(216,088)	0	9,363,200	14,372,215
Interest income						148,233
Interest expense						(13,775)
Tax expense						(1,313,029)
Net profit for the year						13,193,644
Discontinued Operation						
REVENUE						
External revenue	0	27,710,057	0	0	0	27,710,057
RESULTS						
Segment results	0	(380,813)	0	0	0	(380,813)
Interest income						32,052
Tax income						60,934
Net loss for the year						(287,827)
Other Information						
ASSETS						
Segment assets	30,743,013	0	10,447,513	61,907,813	0	103,098,339
Interest-earning assets						6,000,000
Income tax assets						1,004,996
Total assets						110,103,335

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

25. SEGMENT REPORTING (cont'd)

Business Segments (cont'd)

2009 (cont'd)

	Manufacture of plastic components RM	Manufacture of cabling products RM	Property letting RM	Property development RM	Consolidation Adjustment RM	Consolidated RM
Other Information (cont'd)						
LIABILITIES						
Segment liabilities	5,272,216	0	418,383	9,486,275	0	15,176,874
Interest-bearing liabilities						22,095,333
Income tax liabilities						6,465,066
Total liabilities						43,737,273
Capital expenditure	1,713,935	447,450	0	0	0	2,161,385
Amortisation and depreciation	2,803,678	721,420	86,569	0	0	3,611,667
Other non-cash expenses	0	6,735	0	0	0	6,735

Business segment information for the financial year ended 31 January 2008 has not been presented as the Group's revenue, results, assets, liabilities, capital expenditure, amortisation and depreciation and other non-cash expenses were mainly confined to one business segment, i.e. manufacture of plastic components.

Geographical Segments

Information on segment assets and capital expenditure based on the geographical location of assets has not been presented as the Group operates predominantly in Malaysia. Segment revenue based on the geographical location of customers is analysed as follows:-

	1.2.2008 to 31.1.2009 RM	1.2.2007 to 31.1.2008 RM
Malaysia	30,216,572	14,823,733
Singapore	42,720,825	71,823,852
Japan	17,830,521	0
	90,767,918	86,647,585

Notes to the Financial Statements

for the financial period ended 31 January 2009 (cont'd)

26. FINANCIAL INSTRUMENTS

Recognised Financial Instruments

The information about the extent and nature of significant recognised financial instruments is disclosed in the individual notes associated with each item.

Unrecognised Financial Instruments

The Group and the Company do not have any unrecognised financial instruments.

Fair Values

The carrying amounts of financial assets and liabilities of the Group and the Company as at the balance sheet date approximate their fair values.

27. FINANCIAL RISK MANAGEMENT

The activities of the Group expose it to certain financial risks, including currency risk, interest rate risk, credit risk and liquidity risk. The overall financial risk management objective of the Group is to maximise shareholders' value by minimising the potential adverse impacts of these risks on its financial position, performance and cash flows.

The Board of Directors explicitly assumes the responsibilities of financial risk management which is carried out mainly through risk reviews and internal control systems.

Currency risk

The Group's exposure to currency risk arises mainly from transactions entered into by individual entities within the Group in currencies other than their functional currencies. Such exposure is partly mitigated in the following ways:-

- (i) The Group's foreign currency sales and purchases provide a natural hedge against fluctuations in foreign currencies.
- (ii) The Group maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

Interest Rate Risk

The Group's exposure to interest rate risk arises mainly from borrowings.

The Group manages its exposure to interest rate risk by seeking to obtain the most favourable interest rates available without increasing its other financial risk exposures.

Credit Risk

The Group's exposure to credit risk arises mainly from receivables. The maximum credit risk exposure is best represented by the total carrying amount of these financial assets in the balance sheet. An approximately 94% of the total trade receivables of the Group as at the balance sheet date were due from four major customers.

The Group manages its exposure to credit risk by assessing counter parties' financial standings on an ongoing basis, setting and monitoring counter parties' limits and credit terms.

Liquidity Risk

The Group practises prudent liquidity risk management by maintaining sufficient cash and the availability of funding through certain committed credit facilities.

Form of Proxy

I/We _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

being a member/members of **SUPPORTIVE INTERNATIONAL HOLDINGS BERHAD (formerly known as SDKM Fibres, Wires & Cables Berhad)**, hereby appoint

_____ (FULL NAME IN BLOCK LETTERS)

of _____ (FULL ADDRESS)

or failing him/her, the Chairman of the meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Nineteenth Annual General Meeting of the Company to be held at Gurney Room, Ground Floor, Evergreen Laurel Hotel, No. 53, Persiaran Gurney, 10250 Penang on Monday, 22 June 2009 at 10.00 a.m. and at every adjournment thereof.

My/our proxy is to vote on the resolution as indicated by an "X" in the appropriate spaces below. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.

RESOLUTION	FOR	AGAINST
1. To approve an increase of Directors' Fees from RM174,000.00 to RM276,500.00 for the financial period ended 31 January 2009 and payment of such Fees to the Directors of the Company.		
2. To approve approve the Directors' Fee of RM276,500.00 for the financial year ending 31 January 2010 and payment of such fees to the Directors.		
To re-elect the following Directors retiring under the provision of Article 97(1) of the Articles of Association of the Company, and who, being eligible offer themselves for re-election:-		
3. Puan Siti Rohani Bt A. Manan		
4. Dato' Beh Heng Teong		
5. To re-appoint Messrs. Horwath as Auditors of the Company and to authorise the Board of Directors to fix their remuneration.		
To pass the following resolutions as Special Business:- Ordinary Resolution		
6. Authority to Issue Shares pursuant to Section 132D of the Companies Act, 1965.		

The Proportions of 'my/our holding to be represented by 'my/our proxy/proxies 'is/are as follows:-

First Proxy : _____ %

Second Proxy : _____ %

_____ %

* Strike out whichever is not desired.

No of shares held

Signed this _____ day of _____, 2009.

Signature of Member(s)

Notes:

A proxy need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

To be valid, this form duly completed must be deposited at the registered office of the Company at 57-1 & 57-2, Persiaran Bayan Indah, Bayan Bay, Sungai Nibong, 11900 Bayan Lepas, Penang, not less than forty-eight (48) hours before the time fixed for holding the meeting.

A member shall be entitled to appoint up to two (2) proxies to attend and vote at the same meeting.

Where a member appoints up to two (2) proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

If the appointor is a corporation, the proxy form must be executed under its Common Seal or under the hand of its attorney.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

THE COMPANY SECRETARIES

SUPPORTIVE INTERNATIONAL HOLDINGS BERHAD

(formerly known SDKM Fibres, Wires & Cables Berhad)

57-1 & 57-2, Persiaran Bayan Indah

Bayan Indah, Sungai Nibong

11900 Bayan Lepas, Penang.

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Supportive International Holdings Berhad (189740-X)

(formerly known as SDKM Fibres, Wires & Cables Berhad)
(Incorporated in Malaysia)

Factory 1:
6448, Jalan Ayam Didik 3, Kaw. Perindustrian Ringan,
Taman Ria Jaya, 08000 Sungai Petani, Kedah.

Factory 2:
1, 2, 7 & 8 Jalan PKNK 3, Kaw. Perindustrian LPK Fasa 3,
08000 Sungai Petani, Kedah.

Tel: 604-442 6888 Fax: 604-442 6448

www.supportivetech.com