



## **SUPREME CONSOLIDATED RESOURCES BHD**

(Company No. 1194146-D)

(Incorporated in Malaysia under the Companies Act, 2016)

**UNAUDITED FINANCIAL STATEMENTS FOR 6-MONTHS FINANCIAL PERIOD ENDED  
("FPE") 31 MARCH 2021 ("FPE 2021")**

**(APPENDIX 6A, PART A OF THE LEAP MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD)**

### **CHARACTERISTICS OF THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")**

**THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE ACE MARKET OR MAIN MARKET OF BURSA SECURITIES. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY SUPREME CONSOLIDATED RESOURCES BHD ("SUPREME" OR THE "COMPANY"). SOPHISTICATED INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.**

**SUPREME CONSOLIDATED RESOURCES BHD**

(Incorporated in Malaysia)

Company No: 1194146-D

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

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	<b>UNAUDITED 31.03.2021 RM'000</b>	<b>AUDITED 30.09.2020 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	26,556	24,142
Investment properties	1,578	1,594
Right-of-use assets	7,839	7,989
Intangible assets	112	140
Goodwill	21,992	21,992
	<u>58,077</u>	<u>55,856</u>
<b>CURRENT ASSETS</b>		
Inventories	26,932	15,335
Trade receivables	27,994	22,417
Other receivables, deposits and prepayments	366	785
Current tax assets	195	312
Fixed deposits with licensed banks	2,887	4,050
Cash and bank balances	12,954	15,896
	<u>71,328</u>	<u>58,795</u>
<b>TOTAL ASSETS</b>	<u>129,405</u>	<u>114,651</u>

**SUPREME CONSOLIDATED RESOURCES BHD**

(Incorporated in Malaysia)

Company No: 1194146-D

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2021**

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	<b>UNAUDITED</b> <b>31.03.2021</b> RM'000	<b>AUDITED</b> <b>30.09.2020</b> RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	59,867	59,867
Retained profits	14,855	14,025
<b>TOTAL EQUITY</b>	<u>74,722</u>	<u>73,892</u>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	8,448	8,239
Lease liabilities	87	164
Deferred tax liabilities	445	445
	<u>8,980</u>	<u>8,848</u>
<b>CURRENT LIABILITIES</b>		
Bank borrowings	36,573	23,008
Lease liabilities	123	98
Trade payables	5,210	5,127
Other payables and accruals	3,059	3,470
Current tax liabilities	738	208
	<u>45,703</u>	<u>31,911</u>
<b>TOTAL LIABILITIES</b>	<u>54,683</u>	<u>40,759</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>129,405</u>	<u>114,651</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial report.

**SUPREME CONSOLIDATED RESOURCES BHD**

(Incorporated in Malaysia)  
Company No: 1194146-D

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2021**

	<b>Individual 6 months ended</b>	
	<b>31.03.2021</b>	<b>31.03.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
REVENUE	93,989	82,155
COST OF SALES	<u>(80,635)</u>	<u>(70,416)</u>
GROSS PROFIT	13,354	11,739
OTHER INCOME	<u>383</u>	<u>282</u>
	13,737	12,021
ADMINISTRATIVE EXPENSES	(7,476)	(6,700)
FINANCE COSTS	<u>(656)</u>	<u>(737)</u>
PROFIT BEFORE TAXATION	5,605	4,584
INCOME TAX EXPENSES	<u>(1,775)</u>	<u>(1,250)</u>
PROFIT AFTER TAXATION REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	3,830	3,334
EARNINGS PER SHARE (SEN)	<u>3.19</u>	<u>2.78</u>
NO OF SHARES ('000)	<u>120,000</u>	<u>120,000</u>
EBITDA	7,061	5,847
GP MARGIN (%)	14.2%	14.3%
PBT MARGIN (%)	6.0%	5.6%
PAT MARGIN (%)	4.1%	4.1%

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial report.

**SUPREME CONSOLIDATED RESOURCES BHD**

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Company No: 1194146-D

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2021**

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	<b>Share Capital RM'000</b>	<b>Retained Profits RM'000</b>	<b>Total Equity RM'000</b>
<b>The Group</b>			
Balance as at 01.10.2019	59,867	8,802	68,669
Profit after taxation, representing total comprehensive income for the financial year	-	6,723	6,723
Dividend	-	(1,500)	(1,500)
Balance as at 30.09.2020/1.10.2020	59,867	14,025	73,892
Dividend		(3,000)	(3,000)
Profit after taxation, representing total comprehensive income for the financial period		3,830	3,830
Balance as at 31.03.2021	59,867	14,855	74,722

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The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial report.

**SUPREME CONSOLIDATED RESOURCES BHD**

(Incorporated in Malaysia)  
Company No: 1194146-D

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2021**

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	<b>6 MONTHS UNAUDITED</b>	
	<b>31.03.2021</b>	<b>31.03.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,605	4,584
Adjustments for -		
Provision for obsolete inventories	600	600
Allowance for impairment losses on trade receivables	516	-
Depreciation of property, plant & equipment	773	498
Amortisation of intangible assets	28	14
Interest expense	656	736
Gain on disposal of property, plant and equipment	(129)	(8)
Interest income	(65)	(75)
Operating profit before working capital changes	<u>7,984</u>	<u>6,349</u>
Increase in inventories	(12,197)	(4,033)
Increase in trade and other receivables	(5,674)	(6,971)
(Decrease)/Increase in trade and other payables	<u>(328)</u>	<u>1,410</u>
<b>CASH FOR OPERATIONS</b>	<b>(10,215)</b>	<b>(3,245)</b>
Interest paid	(656)	(736)
Interest received	65	75
Income tax paid	<u>(1,127)</u>	<u>(914)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(11,933)</b>	<b>(4,820)</b>

**SUPREME CONSOLIDATED RESOURCES BHD**

(Incorporated in Malaysia)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2021**

	6 MONTHS UNAUDITED	
	31.03.2021	31.03.2020
	RM'000	RM'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,042)	(6,880)
Withdrawal of fixed deposits	1,163	1,643
Proceeds from disposal of property, plant and equipment	148	52
NET CASH FOR INVESTING ACTIVITIES	<u>(1,731)</u>	<u>(5,185)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(3,000)	(1,500)
Increase in bank borrowings	13,298	10,019
Repayment of lease liabilities	(51)	(54)
Repayment of term loans	(1,041)	(719)
Drawdown of term loan	1,516	1,469
NET CASH FROM FINANCING ACTIVITIES	<u>10,722</u>	<u>9,215</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(2,942)	(790)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	15,896	8,349
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>12,954</u>	<u>7,559</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to this interim financial report.

# SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Company No: 1194146-D

## PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

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### 1. BASIS OF PREPARATION

- 1.1 These condensed consolidated interim financial statements, for the six months FPE 2021 are unaudited and have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standard Board (“**MASB**”), paragraph 6.12 and Appendix 6A of the LEAP Market Listing Requirements of Bursa Malaysia Securities Berhad.

These interim financial statements should be read in conjunction with the audited consolidated financial statements for the financial year ended 30 September 2020 and the accompanying explanatory notes attached to this unaudited interim financial statements.

- 1.2 The accounting standards and/or interpretations adopted by the Group in this interim financial statements are consistent with those adopted in the most recent audited consolidated financial statements for the financial year ended 30 September 2020.
- 1.3 During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendments to MFRS 3: Definition of a Business

Amendments to MFRS 4: Extension of the Temporary Exemption from Applying MFRS 9

Amendments to MFRS 9, MFRS 139 and MFRS 7: Interest Rate Benchmark Reform

Amendments to MFRS 101 and MFRS 108: Definition of Material

Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standards and/or interpretations not have any material impact on the Group’s financial statements.

- 1.4 The Group has not applied in advance the following accounting standards and/or interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

#### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

	<b>Effective Date</b>
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2	1 January 2021
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred



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### **PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**

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Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022

#### **2. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the FPE 2021.

#### **3. CHANGES IN CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

There were no material changes in critical accounting estimates and judgements during the FPE 2021.

#### **4. DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases or repayments of debt and equity securities during the FPE 2021.

#### **5. DIVIDENDS PAID**

On 27 November 2020, the Company declared a final dividend of 2.5 sen per ordinary share amounting to RM3,000,000. The dividend was paid on 15 January 2021.

## SUPREME CONSOLIDATED RESOURCES BHD

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### PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

#### 6. SEGMENTAL INFORMATION

##### 6.1 Business Segments

The Group's business operations comprise the distribution and warehousing of F&B products focusing on Frozen Food, Chilled Food, Dairy Products and Dry F&B as follows:

	Unaudited 6 months			
	31.03.2021		31.03.2020	
	RM'000	%	RM'000	%
<b>Food and beverages distributed:-</b>				
Frozen food	63,906	68%	56,224	68%
Chilled food	19,460	21%	16,248	20%
Dairy products	6,902	7%	4,712	6%
Dry F&B	3,721	4%	4,971	6%
<b>TOTAL GROUP</b>	<b>93,989</b>	<b>100%</b>	<b>82,155</b>	<b>100%</b>

##### 6.2 Geographical Information

The Group's revenue is based on the customers who are located in Sarawak and Sabah.

#### 7. VALUATION OF PROPERTY AND EQUIPMENT

There was no valuation on property and equipment during the FPE 2021.

#### 8. CAPITAL COMMITMENTS

	31.03.2021 RM'000	31.03.2020 RM'000
Contracted but not provided for:		
Purchase of property, plant and equipment	538	5,307

#### 9. CONTINGENT ASSETS AND LIABILITIES

There were no material contingent assets and liabilities.

#### 10. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the FPE 2021.

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Company No: 1194146-D

## PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

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### B1. REVIEW OF PERFORMANCE

The Group recorded revenue of RM94.0 million for the FPE 2021 which represents an increase of RM11.8 million or 14.4% compared to RM82.2million for the FPE 31 March 2020 (“**FPE 2020**”). The increase is mainly due to additional revenue of RM7.7million generated from the sale of Frozen Food and RM3.2 million from the sale of Chilled Food. The drop in Dry F&B products of RM1.3million for FPE 2021 is mainly due to lower offtake from food service customers such as, food store and restaurant operators due to the COVID pandemic.

#### **Group Profit (“GP”) and GP Margin**

Our Group recorded a GP of RM13.4million (GP margin of 14.2%) for FPE 2021 as compared to RM11.7million (GP margin of 14.3%) for the FPE 2020. The slight increase of RM1.6 million was mainly contributed by the increase in the sale volume of Frozen Food.

#### **Profit after Taxation (“PAT”) and PAT Margin**

The Group recorded higher PAT of RM3.8 million (PAT margin of 4.1 %) for the FPE 2021 as compared to RM3.3 million (PAT margin of 4.1%) for the FPE 2020. The higher PAT for FPE 2021 is mainly due to higher gross profit together with the decrease in finance costs due to lower effective interest rate.

### B2. COMMENTARY ON PROSPECTS

The COVID-19 pandemic has disrupted the supply chain which contributed to market uncertainty and product shortages. This situation may have an adverse impact on the Company’s financial and operational performance for the second half of the financial year.

Nevertheless, the Group will continue to work closely with our suppliers, focus on customer service and cost containment to maintain its competitiveness. We will continue to expand our product line including attracting new agencies to complement our products portfolio.

Amid the growing concern over the economic damage caused by the pandemic, the Board expects the Group’s performance for the remaining period of this financial year to be challenging.

## **SUPREME CONSOLIDATED RESOURCES BHD**

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### **PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS**

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**B3. VARIANCE OF ACTUAL PROFIT FROM PROFIT FORECAST AND PROFIT GUARANTEE**

The Group has not issued any profit forecast or profit guarantee in any form of public documentation and announcement.

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## **SUPREME CONSOLIDATED RESOURCES BHD**

(Incorporated in Malaysia)  
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### **PART C: OTHER INFORMATION**

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#### **C1. STATUS OF CORPORATE PROPOSALS**

There was no corporate proposal announced but pending completion as at the date of this report.

#### **C2. MATERIAL LITIGATION**

There is no material litigation as at the date of this report.

#### **C3. DIVIDEND**

The Directors approved an interim single tier dividend of 0.85 sen per ordinary share, amounting to RM1,020,000 for the FYE 2021 on 20 May 2021. The entitlement date for the interim single tier dividend is 4 June 2021 and will be paid on 15 June 2021.

#### **C4. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE PERIOD UNDER REVIEW**

There were no material events subsequent to the end of the current financial period.

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