



SUPREME CONSOLIDATED RESOURCES BHD

Registration No. 201601023207 (1194146-D)
(Incorporated in Malaysia under the Companies Act, 2016)

**UNAUDITED FINANCIAL STATEMENTS FOR 6-MONTHS FINANCIAL PERIOD ENDED
("FPE") 31 MARCH 2022 ("FPE 2022")**

**(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)

Registration No. 201601023207 (1194146-D)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	UNAUDITED	AUDITED
	31.03.2022	30.09.2021
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	26,363	26,970
Investment in properties	1,548	1,563
Right-of-use assets	7,653	7,788
Intangible assets	50	78
Goodwill	21,992	21,992
	<u>57,606</u>	<u>58,391</u>
CURRENT ASSETS		
Inventories	27,104	32,097
Trade receivables	26,245	24,470
Other receivables, deposits and prepayments	277	1,769
Short-term investments	1,576	2,562
Current tax assets	692	684
Fixed deposits with licensed banks	1,331	1,573
Cash and bank balances	12,099	11,416
	<u>69,324</u>	<u>74,571</u>
TOTAL ASSETS	<u>126,930</u>	<u>132,962</u>

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	UNAUDITED 31.03.2022 RM'000	AUDITED 30.09.2021 RM'000
EQUITY AND LIABILITIES		
EQUITY		
Share capital	59,867	59,867
Retained profits	18,700	17,651
TOTAL EQUITY	<u>78,567</u>	<u>77,518</u>
NON-CURRENT LIABILITIES		
Bank borrowings	7,625	8,416
Lease liabilities	139	207
Deferred tax liabilities	727	727
	<u>8,491</u>	<u>9,350</u>
CURRENT LIABILITIES		
Bank borrowings	34,901	37,532
Lease liabilities	86	114
Trade payables	2,489	4,448
Other payables and accruals	2,396	3,949
Current tax liabilities	-	51
	<u>39,872</u>	<u>46,094</u>
TOTAL LIABILITIES	<u>48,363</u>	<u>55,444</u>
TOTAL EQUITY AND LIABILITIES	<u>126,930</u>	<u>132,962</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 2021 and the accompanying explanatory notes attached to this interim financial report.

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2022**

	Individual 6 months ended	
	31.03.2022 RM'000	31.03.2021 RM'000
REVENUE	94,581	93,989
COST OF SALES	<u>(82,409)</u>	<u>(80,635)</u>
GROSS PROFIT	12,172	13,354
OTHER INCOME	<u>304</u>	<u>383</u>
	12,476	13,737
ADMINISTRATIVE EXPENSES	(6,815)	(7,476)
FINANCE COSTS	<u>(602)</u>	<u>(656)</u>
PROFIT BEFORE TAXATION	5,059	5,605
INCOME TAX EXPENSES	<u>(1,514)</u>	<u>(1,775)</u>
PROFIT AFTER TAXATION REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	<u>3,545</u>	<u>3,830</u>
EARNINGS PER SHARE (SEN)	<u>2.95</u>	<u>3.19</u>
NO OF SHARES ('000)	<u>120,000</u>	<u>120,000</u>
EBITDA	7,024	7,061
GP MARGIN (%)	12.9%	14.2%
PBT MARGIN (%)	5.3%	6.0%
PAT MARGIN (%)	3.7%	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 2021 and the accompanying explanatory notes attached to this interim financial report.

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2022**

	Share Capital RM'000	Retained Profits RM'000	Total Equity RM'000
<u>The Group</u>			
Balance as at 01.10.2020	59,867	14,025	73,892
Profit after taxation, representing total comprehensive income for the financial year	-	7,646	7,646
Dividend	-	(4,020)	(4,020)
Balance as at 30.09.2021/1.10.2021	59,867	17,651	77,518
Dividend		(2,496)	(2,496)
Profit after taxation, representing total comprehensive income for the financial period		3,545	3,545
Balance as at 31.03.2022	59,867	18,700	78,567

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 2021 and the accompanying explanatory notes attached to this interim financial report.

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2022**

	6 MONTHS UNAUDITED	
	31.03.2022	31.03.2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,059	5,605
Adjustments for -		
Provision for inventories	518	600
Allowance for impairment losses on trade receivables	-	516
Depreciation of property, plant & equipment	1,334	773
Amortisation of intangible assets	28	28
Interest expense	602	656
Gain on disposal of property, plant and equipment	(4)	(129)
Interest income	(41)	(65)
Operating profit before working capital changes	<u>7,496</u>	<u>7,984</u>
Decrease/(Increase) in inventories	4,475	(12,197)
Increase in trade and other receivables	(283)	(5,674)
(Decrease)/Increase in trade and other payables	<u>(3,512)</u>	<u>(328)</u>
CASH FOR OPERATIONS	<u>8,176</u>	<u>(10,215)</u>
Interest paid	(602)	(656)
Interest received	41	65
Income tax paid	<u>(1,574)</u>	<u>(1,127)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>6,041</u>	<u>(11,933)</u>

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2022**

	6 MONTHS UNAUDITED	
	31.03.2022	31.03.2021
	RM'000	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(572)	(3,042)
Disposal of short-term investment	986	0
Withdrawal of fixed deposits	242	1,163
Proceeds from disposal of property, plant and equipment	-	148
NET CASH FOR INVESTING ACTIVITIES	656	(1,731)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(2,496)	(3,000)
Increase in bank borrowings	(2,543)	13,298
Repayment of lease liabilities	(96)	(51)
Repayment of term loans	(1,429)	(1,041)
Drawdown of term loan	550	1,516
NET CASH FROM FINANCING ACTIVITIES	(6,014)	10,722
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	683	(2,942)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	11,416	15,896
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	12,099	12,954

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 September 2021 and the accompanying explanatory notes attached to this interim financial report.

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

1. BASIS OF PREPARATION

- 1.1 These condensed consolidated interim financial statements, for the six months FPE 2022 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 2021 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 2021.
- 1.3 During the current financial year, the Group has adopted the following new accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any):-

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

Amendment to MFRS 16: Covid-19-Related Rent Concessions

Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform – Phase 2

The adoption of the above accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

- 1.4 The Group has not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) 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)

Effective Date

MFRS 17 Insurance Contracts

1 January 2023

Amendments to MFRS 3: Reference to the Conceptual Framework

1 January 2022

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 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 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	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 2022.

3. CHANGES IN CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

There were no material changes in critical accounting estimates and judgements during the FPE 2022.

4. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases or repayments of debt and equity securities during the FPE 2022.

5. DIVIDENDS PAID

On 29 November 2021, the Company declared an interim dividend of 2.08 sen per ordinary share amounting to RM2,496,000. The dividend was paid on 26 January 2022.

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

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			
	31.03.2022		31.03.2021	
	RM'000	%	RM'000	%
Food and beverages distributed:-				
Frozen food	67,581	72%	63,906	68%
Chilled food	16,378	17%	19,460	21%
Dairy products	6,917	7%	6,902	7%
Dry F&B	3,705	4%	3,721	4%
TOTAL GROUP	94,581	100%	93,989	100%

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 2022.

8. CAPITAL COMMITMENTS

	31.03.2022 RM'000	31.03.2021 RM'000
Contracted but not provided for:		
Purchase of property, plant and equipment	<u>289</u>	<u>538</u>

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 2022.

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

The Group recorded revenue of RM94.5 million for the FPE 2022 which represents a slight increase of RM0.5 million or 0.6% compared to RM94million for the FPE 31 March 2021 (“**FPE 2021**”). The increase is mainly due to additional revenue of RM3.7million generated from the sale of Frozen Food. The drop in Chilled Food of RM3.1 mainly from butter and cheese due to change of consumer demand and poor market sentiments.

Dairy Food and Dry F&B products remain at RM6.9 million and RM3.7 million respectively.

Group Profit (“GP”) and GP Margin

Our Group recorded a GP of RM12.2million (GP margin of 12.9%) for FPE 2022 as compared to RM13.3million (GP margin of 14.2%) for the FPE 2021. The slight decrease of RM1.2 million was mainly contributed by the lower margin in sales of Chilled Food Product.

Profit after Taxation (“PAT”) and PAT Margin

The Group recorded lower PAT of RM3.5 million (PAT margin of 3.7 %) for the FPE 2022 as compared to RM3.8million (PAT margin of 4.1%) for the FPE 2021. The lower PAT for FPE 2022 is mainly due to lower gross profit.

B2. COMMENTARY ON PROSPECTS

The conflict in Ukraine, labour, container shortages and logistical uncertainty have disrupted the global supply chain. These have resulted in market uncertainties, product shortages and rising food cost. The unfavourable market conditions as well as the recent implementation of minimum wage will have an adverse impact on the Group’s financial and operational performance.

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

As Malaysia enters into the endemic phase of Covid 19, it is expected to have a robust economy recovery in 2022, the Group is cautiously positive on the business prospects of the Group and its financial performance for financial year ending 30 September 2022.

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

PART B: ADDITIONAL INFORMATION REQUIRED UNDER THE LISTING REQUIREMENTS

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.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

SUPREME CONSOLIDATED RESOURCES BHD

(Incorporated in Malaysia)

Registration No. 201601023207 (1194146-D)

PART C: OTHER INFORMATION

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 2022 on 30 June 2022. The entitlement date for the interim single tier dividend is 10 June 2022 and will be paid on 24 June 2022.

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.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]