

SERN KOU RESOURCES BERHAD

(Company No.519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2013

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30-Sep-13 RM'000	Preceding Year Corresponding Quarter 30-Sep-12 RM'000	Current Year To-date 30-Sep-13 RM'000	Preceding Year Corresponding Period 30-Sep-12 RM'000
Continuing operations				
Revenue	23,231	23,746	23,231	23,746
Cost of sales	(22,662)	(21,442)	(22,662)	(21,442)
Gross profit	569	2,304	569	2,304
Other income	505	192	505	192
Selling and distribution expenses	(697)	(1,407)	(697)	(1,407)
Administrative expenses	(1,457)	(1,238)	(1,457)	(1,238)
Other expenses	(143)	(249)	(143)	(249)
Finance Costs	(352)	(333)	(352)	(333)
Loss before taxation	(1,575)	(731)	(1,575)	(731)
Income tax expense	(16)	65	(16)	65
Loss after taxation	(1,591)	(666)	(1,591)	(666)
Other Comprehensive Income	-	-	-	-
Total Comprehensive expenses for the financial period	(1,591)	(666)	(1,591)	(666)
Loss after taxation attributable to:-				
-Owner of the Company	(1,591)	(666)	(1,591)	(666)
-Non-controlling interest	-	-	-	-
	(1,591)	(666)	(1,591)	(666)
Total Comprehensive Expenses Attributable to:-				
-Owner of the Company	(1,591)	(666)	(1,591)	(666)
-Non-controlling interest	-	-	-	-
	(1,591)	(666)	(1,591)	(666)
Loss Per Share				
-Basic (Sen)	(1.33)	(0.56)	(1.33)	(0.56)
-Diluted	Not applicable	Not applicable	Not applicable	Not applicable

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for period ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

SERN KOU RESOURCES BERHAD

(Company No.519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2013

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013**

	As at End of Current Quarter 30-Sep-13 (Unaudited)	As at Preceding Financial Year End 30-Jun-13 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	34,755	35,507
Goodwill on consolidation	-	-
	<u>34,755</u>	<u>35,507</u>
Current assets		
Inventories	13,488	11,798
Trade receivables	24,013	22,700
Other receivables, deposits and prepayments	17,715	20,204
Derivative assets	25	
Tax refundable	1,113	1,124
Short term deposits with licensed banks	-	455
Cash and bank balances	3,943	5,301
	<u>60,297</u>	<u>61,582</u>
Total assets	<u>95,052</u>	<u>97,089</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	60,000	60,000
Retained (losses)/ profits	(79)	1,512
TOTAL EQUITY	59,921	61,512
Non-current liabilities		
Long-term borrowings	4,284	5,109
Deferred tax liabilities	1,594	1,594
	<u>5,878</u>	<u>6,703</u>
Current liabilities		
Trade payables	2,495	2,398
Other payables and accruals	1,912	2,281
Derivative liabilities	-	13
Short-term borrowings	23,800	22,454
Bank overdrafts	1,046	1,728
	<u>29,253</u>	<u>28,874</u>
Total liabilities	35,131	35,577
TOTAL EQUITY AND LIABILITIES	<u>95,052</u>	<u>97,089</u>
Net assets per share (RM)	0.50	0.51

The unaudited Condensed Statement of Financial Position should be read in conjunction with the audited Financial Statements for period ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

SERN KOU RESOURCES BERHAD

(Company No.519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2013

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	Share Capital	Retained (Losses)/Profits	Total
	RM'000	RM'000	RM'000
For the period ended 30 September 2014			
Balance at 1.7.2013	60,000	1,512	61,512
Loss after taxation/Total comprehensive expenses for the financial period	-	(1,591)	(1,591)
Balance at 30.9.2013	60,000	(79)	59,921
For the period ended 30 September 2013			
Balance at 1.7.2012	60,000	5,429	65,429
Loss after taxation/Total comprehensive expenses for the financial period		(666)	(666)
Balance at 30.9.2012	60,000	4,763	64,763

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for period ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.

SERN KOU RESOURCES BERHAD

(Company No.519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2013

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	Current Year To-date 30-Sep-13 RM'000	Preceding Year Corresponding Period 30-Sep-12 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
Loss before tax	(1,575)	(731)
Adjustments for:		
Depreciation of property, plant & equipment	780	772
Interest expense	289	269
Fair value profit	(38)	-
Gain on disposal of property, plant & machinery	(2)	-
Interest income	(6)	(2)
Operating (loss)/ profit before working capital changes	(552)	308
Changes in working capital:		
Inventories	(1,690)	(3,069)
Trade and other receivables	1,176	3,897
Trade and other payables	(272)	(5)
Cash generated (used in)/from operations	(1,338)	1,131
Interest paid	(289)	(269)
Income tax paid	(5)	(165)
Net cash (used in)/from operating activities	(1,632)	697
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	6	2
Proceeds from disposal of property, plant and equipment	12	-
Purchase of property, plant and equipment	(38)	(102)
Net cash used in investing activities	(20)	(100)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of hire purchase obligations	(148)	(108)
Net repayment of bankers' acceptances	(1,671)	(1,084)
Net drawdown/(repayment) of term loan	2,340	(57)
Net cash from/(used in) financing activities	521	(1,249)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,131)	(652)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	4,028	4,557
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,897	3,905
CASH AND CASH EQUIVALENTS COMPRISE:-		
Cash and bank balances	3,943	4,337
Short term deposits with licensed banks	-	691
Bank overdraft	(1,046)	(1,123)
	2,897	3,905

The unaudited Condensed Statement of Cash Flow should be read in conjunction with the audited Financial Statements for period ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements.