



SERN KOU RESOURCES BERHAD

200001016496 (519103-X)

UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2019

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SERN KOU RESOURCES BERHAD

Company No. 200001016496 (519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30-Sep-19 RM'000	Preceding Year Corresponding Quarter 30-Sep-18 RM'000	Current Year To-date 30-Sep-19 RM'000	Preceding Year Corresponding Period 30-Sep-18 RM'000
Revenue	78,904	57,809	78,904	57,809
Cost of sales	(68,233)	(52,339)	(68,233)	(52,339)
Gross profit	10,671	5,470	10,671	5,470
Other income	543	334	543	334
Selling and distribution expenses	(728)	(851)	(728)	(851)
Administrative expenses	(2,180)	(1,812)	(2,180)	(1,812)
Other expenses	(300)	(99)	(300)	(99)
Finance costs	(1,087)	(1,058)	(1,087)	(1,058)
Profit before taxation	6,919	1,984	6,919	1,984
Taxation	(759)	(197)	(759)	(197)
Profit after taxation	6,160	1,787	6,160	1,787
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial period	6,160	1,787	6,160	1,787
Profit after taxation attributable to:-				
-Owners of the company	6,154	1,784	6,154	1,784
-Non-controlling interests	6	3	6	3
	6,160	1,787	6,160	1,787
Total comprehensive income attributable to:-				
-Owners of the company	6,154	1,784	6,154	1,784
-Non-controlling interests	6	3	6	3
	6,160	1,787	6,160	1,787
Earnings per ordinary share attributable to owners of the company				
-Basic (Sen)	2.56	0.74	2.56	0.74
-Diluted (Sen)	2.16	0.63	2.16	0.63

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited Financial Statements for year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

SERN KOU RESOURCES BERHAD

Company No. 200001016496 (519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019**

	As at End of Current Quarter 30-Sep-19 (Unaudited)	As at Preceding Financial Year End 30-Jun-19 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	61,982	61,566
Investment property	2,319	2,336
Right of use assets	612	-
	<hr/> 64,913	<hr/> 63,902
Current assets		
Inventories	20,982	23,726
Trade receivables	83,350	68,936
Other receivables, deposits and prepayments	18,432	19,930
Tax refundable	1,258	931
Cash and bank balances	5,206	11,919
	<hr/> 129,228	<hr/> 125,442
TOTAL ASSETS	<hr/> 194,141	<hr/> 189,344
EQUITY AND LIABILITIES		
Equity		
Share capital	60,000	60,000
Retained profits	33,333	27,197
Non-controlling interests	1,103	1,097
TOTAL EQUITY	<hr/> 94,436	<hr/> 88,294
LIABILITIES		
Non-current liabilities		
Borrowings	17,436	18,391
Deferred tax liabilities	1,120	1,120
	<hr/> 18,556	<hr/> 19,511
Current liabilities		
Trade payables	18,588	19,308
Other payables and accruals	5,710	5,864
Lease liabilities	634	-
Provision for taxation	1,752	1,881
Borrowings	54,465	54,486
	<hr/> 81,149	<hr/> 81,539
TOTAL LIABILITIES	<hr/> 99,705	<hr/> 101,050
TOTAL EQUITY AND LIABILITIES	<hr/> 194,141	<hr/> 189,344
Net assets per share (RM)	<hr/> 0.39	<hr/> 0.37

The unaudited Condensed Statement of Financial Position should be read in conjunction with the audited Financial Statements for year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

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Company No. 200001016496 (519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

	Share Capital	Retained Profits	Non- Controlling interests	Total
	RM'000	RM'000	RM'000	RM'000
For the period ended 30 September 2019				
Balance at 1.7.2019, as previously reported	60,000	27,197	1,097	88,294
Adoption of MFRS 16 Leases	-	(18)	-	(18)
Balance at 1.7.2019, as restated	60,000	27,179	1,097	88,276
Profit after taxation/total comprehensive income for the financial period	-	6,154	6	6,160
Balance at 30.9.2019	60,000	33,333	1,103	94,436
For the period ended 30 September 2018				
Balance at 1.7.2018	60,000	15,636	776	76,412
Profit after taxation/total comprehensive income for the financial period	-	1,784	3	1,787
Balance at 30.9.2018	60,000	17,420	779	78,199

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.

SERN KOU RESOURCES BERHAD

Company No. 200001016496 (519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2019

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

	Current Year To-date 30-Sep-19 RM'000	Preceding Year Corresponding Period 30-Sep-18 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	6,919	1,984
Adjustments for:		
Depreciation of property, plant and equipment	877	791
Depreciation of investment property	17	17
Amortisation of right of use assets	135	-
Gain on disposal of property, plant and machinery	(70)	-
Interest expenses on borrowings	1,075	1,011
Interest expenses on accretion of lease liabilities	12	-
Interest income	(2)	-
Operating profit before changes in working capital	<u>8,963</u>	<u>3,803</u>
Changes in working capital:		
Inventories	2,744	(943)
Trade and other receivables	(12,916)	(13,929)
Trade and other payables	(874)	792
Cash used in operations	<u>(2,083)</u>	<u>(10,277)</u>
Tax paid	<u>(1,215)</u>	<u>(89)</u>
Net cash used in operating activities	(3,298)	(10,366)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	2	-
Purchase of property, plant and equipment	(1,293)	(2,629)
Proceeds from disposal of property, plant and equipment	70	165
Net cash used in investing activities	(1,221)	(2,464)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(1,075)	(1,011)
Net drawdown of hire purchase obligation	162	1,416
Net drawdown/(repayment) of bankers' acceptances	697	(624)
Net (repayment)/drawdown of term loans	(714)	2,202
Principal elements of Lease Payment	(143)	-
Net cash (used in)/generating from financing activities	<u>(1,073)</u>	<u>1,983</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,592)	(10,847)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	<u>5,496</u>	<u>8,954</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u><u>(96)</u></u>	<u><u>(1,893)</u></u>
CASH AND CASH EQUIVALENTS COMPRISE:-		
Cash and bank balances	5,206	5,724
Bank overdrafts	(5,302)	(7,617)
	<u>(96)</u>	<u>(1,893)</u>

The unaudited Condensed Statement of Cash Flows should be read in conjunction with the audited Financial Statements for year ended 30 June 2019 and the accompanying explanatory notes attached to the interim financial statements.