



# **SERN KOU RESOURCES BERHAD**

REGISTRATION NO. : 200001016496 (519103-X)

**UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THIRD QUARTER ENDED  
31 MARCH 2022**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2022**

	Individual Quarter		Cumulative Quarter	
	Current Quarter  31-Mar-22 RM'000	Preceding Year Corresponding Quarter  31-Mar-21 RM'000	Current Year To-date  31-Mar-22 RM'000	Preceding Year Corresponding Period <i>Restated</i>  31-Mar-21 RM'000
Revenue	83,772	66,934	242,452	232,478
Cost of sales	(74,744)	(56,113)	(219,197)	(201,198)
Gross profit	9,028	10,821	23,255	31,280
Other income	441	505	1,449	1,515
Selling and distribution expenses	(983)	(929)	(2,586)	(2,971)
Administrative expenses	(2,370)	(1,940)	(6,562)	(5,916)
Other expenses	(267)	(113)	(554)	(1,461)
Finance costs	(769)	(744)	(2,048)	(2,519)
Profit before taxation	5,080	7,600	12,954	19,928
Taxation	(2,031)	(1,422)	(4,421)	(3,506)
Profit after taxation	3,049	6,178	8,533	16,422
Other comprehensive income				
Revaluation surplus of land and building	-	-	-	58,839
Deferred taxation relating to revaluation surplus of land and building	-	-	-	(12,857)
Total other comprehensive income for the financial period, net of tax	-	-	-	45,982
Total comprehensive income for the financial period	3,049	6,178	8,533	62,404
<b>Profit after taxation for the financial year attributable to:</b>				
-Owners of the company	2,903	5,986	7,901	16,049
-Non-controlling interests	146	192	632	373
	3,049	6,178	8,533	16,422
<b>Total comprehensive income attributable to:</b>				
-Owners of the company	2,903	5,986	7,901	62,031
-Non-controlling interests	146	192	632	373
	3,049	6,178	8,533	62,404
<b>Earnings per ordinary share attributable to owners of the company (sen)</b>				
-Basic	0.35	0.76	0.96	2.06
-Diluted	0.28	0.59	0.78	1.59

*The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited Financial Statements for year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.*

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

	As at End of Current Quarter 31-Mar-22 (Unaudited) RM'000	As at Preceding Financial Year End 30-Jun-21 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	89,523	90,369
Right-of-use assets	28,017	27,945
Investment property	13,030	20,530
	130,570	138,844
<b>Current assets</b>		
Inventories	27,987	23,873
Trade receivables	111,491	79,419
Other receivables, assets and prepayments	12,809	13,564
Current tax assets	800	769
Fixed deposit with licensed bank	422	-
Cash and bank balances	26,374	36,282
	179,883	153,907
<b>TOTAL ASSETS</b>	310,453	292,751
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	75,097	69,863
Reserve	46,294	46,294
Retained profits	78,600	70,699
Non-controlling interests	2,052	1,175
<b>TOTAL EQUITY</b>	202,043	188,031
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	13,076	13,278
Lease liabilities	4,210	3,187
Deferred tax liabilities	16,345	16,782
	33,631	33,247
<b>Current liabilities</b>		
Trade payables	17,346	11,637
Other payables and accruals	3,196	5,484
Borrowings	52,053	50,977
Lease liabilities	1,787	1,461
Current tax liabilities	397	1,914
	74,779	71,473
<b>TOTAL LIABILITIES</b>	108,410	104,720
<b>TOTAL EQUITY AND LIABILITIES</b>	310,453	292,751
Net assets per share (RM)	0.24	0.24

The unaudited Condensed Statement of Financial Position should be read in conjunction with the audited Financial Statements for year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 MARCH 2022

	I ----- Attributable to Owners of The Company ----- I					
	I -- Non-Distributable -- I	Distributable		Total	Non-Controlling Interests	Total Equity
	Share Capital	Revaluation Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>For the period ended 31 March 2022</b>						
Balance at 1.7.2021	69,863	46,294	70,699	186,856	1,175	188,031
Profit after taxation/total comprehensive income for the financial period	-	-	7,901	7,901	632	8,533
Exercise of warrants	5,234	-	-	5,234	-	5,234
Acquisition of a subsidiary	-	-	-	-	245	245
<b>Balance at 31.3.2022</b>	<b>75,097</b>	<b>46,294</b>	<b>78,600</b>	<b>199,991</b>	<b>2,052</b>	<b>202,043</b>
<b>For the period ended 31 March 2021</b>						
Balance at 1.7.2020, as restated	66,324	-	53,138	119,462	822	120,284
Comprehensive income						
Net profit for the financial period, as restated	-	-	16,049	16,049	373	16,422
Other comprehensive income						
Revaluation surplus, net of deferred tax, as restated	-	45,982	-	45,982	-	45,982
Total comprehensive income for the financial period	-	45,982	16,049	62,031	373	62,404
Exercise of warrants	2,719	-	-	2,719	-	2,719
<b>Balance at 31.3.2021</b>	<b>69,043</b>	<b>45,982</b>	<b>69,187</b>	<b>184,212</b>	<b>1,195</b>	<b>185,407</b>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.

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

	Current Year To-date  31-Mar-22 RM'000	Preceding Year Corresponding Period  <i>Restated</i> 31-Mar-21 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	12,954	19,928
Adjustments for:		
Depreciation	4,123	3,482
Gain on disposal of property, plant and equipment	(19)	(52)
Property, plant and equipment written off	-	268
Interest expenses	2,048	2,519
Interest income	(10)	(2)
<b>Operating profit before changes in working capital</b>	<u>19,096</u>	<u>26,143</u>
Changes in working capital:		
Inventories	(4,114)	(10,053)
Trade and other receivables	(31,317)	4,280
Trade and other payables	3,421	(2,129)
<b>Cash (used in)/generated from operations</b>	<u>(12,914)</u>	<u>18,241</u>
Tax paid	<u>(6,406)</u>	<u>(4,499)</u>
<b>Net cash (used in)/generated from operating activities</b>	(19,320)	13,742
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	10	2
Purchase of property, plant and equipment	(2,872)	(2,225)
Consideration from non-controlling interest on subscription of new shares of a subsidiary	245	-
Proceeds from disposal of property, plant and equipment	7,522	52
<b>Net cash generated from/(used in) investing activities</b>	4,905	(2,171)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(2,048)	(2,519)
Proceeds from exercise of warrant	5,234	2,719
Net drawdown/(repayment) of lease liabilities	869	(950)
Net drawdown/(repayment) of bankers' acceptances	5,512	(5,102)
Net drawdown/(repayment) of term loans	2,288	(7,828)
Placement of fixed deposit	(422)	-
<b>Net cash generated from/(used in) financing activities</b>	<u>11,433</u>	<u>(13,680)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(2,982)	(2,109)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<u>26,274</u>	<u>(1,324)</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<u><u>23,292</u></u>	<u><u>(3,433)</u></u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:-</b>		
Fixed deposit with licensed bank	422	-
Cash and bank balances	26,374	10,860
Bank overdrafts	(3,082)	(14,293)
	<u>23,714</u>	<u>(3,433)</u>
Less : Fixed deposit pledged to licensed bank	<u>(422)</u>	<u>-</u>
	<u><u>23,292</u></u>	<u><u>(3,433)</u></u>

*The unaudited Condensed Statement of Cash Flows should be read in conjunction with the audited Financial Statements for year ended 30 June 2021 and the accompanying explanatory notes attached to the interim financial statements.*