



SERN KOU RESOURCES BERHAD

REGISTRATION NO. : 200001016496 (519103-X)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR FOURTH QUARTER ENDED
30 JUNE 2022**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 JUNE 2022

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30-Jun-22 RM'000	Preceding Year Corresponding Quarter <i>Restated</i> 30-Jun-21 RM'000	Current Year To-date 30-Jun-22 RM'000	Preceding Year Corresponding Period 30-Jun-21 RM'000
Revenue	95,815	92,221	338,267	324,699
Cost of sales	(89,358)	(83,181)	(308,555)	(284,379)
Gross profit	6,457	9,040	29,712	40,320
Other income	734	827	2,183	2,342
Selling and distribution expenses	(1,028)	(809)	(3,614)	(3,780)
Administrative expenses	(2,343)	(3,426)	(8,905)	(9,342)
Other expenses	(59)	(121)	(613)	(1,582)
Finance costs	(750)	(704)	(2,798)	(3,223)
Profit before taxation	3,011	4,807	15,965	24,735
Taxation	(1,717)	(3,315)	(6,138)	(6,821)
Profit after taxation	1,294	1,492	9,827	17,914
Other comprehensive income				
Revaluation surplus of land and building	-	411	-	59,250
Deferred taxation relating to revaluation surplus of land and building	-	(99)	-	(12,956)
Total other comprehensive income for the financial period, net of tax	-	312	-	46,294
Total comprehensive income for the financial period	1,294	1,804	9,827	64,208
Profit after taxation for the financial year attributable to:				
-Owners of the company	1,313	1,512	9,214	17,561
-Non-controlling interests	(19)	(20)	613	353
	1,294	1,492	9,827	17,914
Total comprehensive income attributable to:				
-Owners of the company	1,313	1,824	9,214	63,855
-Non-controlling interests	(19)	(20)	613	353
	1,294	1,804	9,827	64,208
Earnings per ordinary share attributable to owners of the company (sen)				
-Basic	0.16	0.19	1.12	2.25
-Diluted	0.13	0.15	0.91	1.74

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 30 JUNE 2022

	As at End of Current Quarter 30-Jun-22 (Unaudited) RM'000	As at Preceding Financial Year End 30-Jun-21 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	88,608	90,369
Right-of-use assets	28,375	27,945
Investment property	13,030	20,530
	130,013	138,844
Current assets		
Inventories	30,619	23,873
Trade receivables	94,894	79,419
Other receivables, assets and prepayments	7,611	13,564
Current tax assets	1,318	769
Fixed deposit with licensed bank	563	-
Cash and bank balances	56,381	36,282
	191,386	153,907
TOTAL ASSETS	321,399	292,751
EQUITY AND LIABILITIES		
Equity		
Share capital	76,709	69,863
Reserve	46,294	46,294
Retained profits	79,913	70,699
Non-controlling interests	2,033	1,175
TOTAL EQUITY	204,949	188,031
LIABILITIES		
Non-current liabilities		
Borrowings	12,490	13,278
Lease liabilities	4,522	3,187
Deferred tax liabilities	16,688	16,782
	33,700	33,247
Current liabilities		
Trade payables	16,573	11,637
Other payables and accruals	7,993	5,484
Borrowings	55,501	50,977
Lease liabilities	1,841	1,461
Current tax liabilities	842	1,914
	82,750	71,473
TOTAL LIABILITIES	116,450	104,720
TOTAL EQUITY AND LIABILITIES	321,399	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 30 JUNE 2022

	I ----- Attributable to Owners of The Company ----- I					
	I -- Non-Distributable -- I Share Capital RM'000	Revaluation Reserve RM'000	Distributable Retained Profits RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
For the period ended 30 June 2022						
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	-	-	9,214	9,214	613	9,827
Exercise of warrants	6,846	-	-	6,846	-	6,846
Acquisition of a subsidiary	-	-	-	-	245	245
Balance at 30.6.2022	76,709	46,294	79,913	202,916	2,033	204,949
For the period ended 30 June 2021						
Balance at 1.7.2020, as restated	66,324	-	53,138	119,462	822	120,284
Comprehensive income						
Net profit for the financial period	-	-	17,561	17,561	353	17,914
Other comprehensive income						
Revaluation surplus, net of deferred tax	-	46,294	-	46,294	-	46,294
Total comprehensive income for the financial period	-	46,294	17,561	63,855	353	64,208
Exercise of warrants	3,539	-	-	3,539	-	3,539
Balance at 30.6.2021	69,863	46,294	70,699	186,856	1,175	188,031

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 30 JUNE 2022

	Current Year To-date 30-Jun-22 RM'000	Preceding Year Corresponding Period 30-Jun-21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	15,965	24,735
Adjustments for:		
Depreciation	5,512	4,598
Gain on disposal of property, plant and equipment	(44)	(66)
Impairment loss on property, plant and equipment	-	1,648
Property, plant and equipment written off	2	-
Interest expenses	2,798	3,223
Interest income	(44)	(10)
Impairment loss on trade receivables	100	(361)
Provision for slow moving inventories	400	-
Net fair value gain on investment property	-	(76)
Operating profit before changes in working capital	24,689	33,691
Changes in working capital:		
Inventories	(7,146)	(5,606)
Trade and other receivables	(9,622)	25,996
Trade and other payables	7,445	(5,539)
Cash generated from operations	15,366	48,542
Tax paid	(7,853)	(6,465)
Net cash generated from operating activities	7,513	42,077
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	44	10
Purchase of property, plant and equipment	(3,560)	(5,588)
Consideration from non-controlling interest on subscription of new shares of a subsidiary	245	-
Proceeds from disposal of property, plant and equipment	7,547	66
Net cash generated from/(used in) investing activities	4,276	(5,512)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,798)	(3,223)
Proceeds from exercise of warrant	6,846	3,539
Net drawdown/(repayment) of lease liabilities	1,089	(1,434)
Net drawdown of bankers' acceptances	10,573	704
Net drawdown/(repayment) of term loans	1,140	(8,553)
Placement of fixed deposit	(563)	-
Net cash generated from/(used in) financing activities	16,287	(8,967)
NET INCREASE IN CASH AND CASH EQUIVALENTS	28,076	27,598
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	26,274	(1,324)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	54,350	26,274
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposit with licensed bank	563	-
Cash and bank balances	56,381	36,282
Bank overdrafts	(2,031)	(10,008)
	54,913	26,274
Less : Fixed deposit pledged to licensed bank	(563)	-
	54,350	26,274

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.