



SERN KOU RESOURCES BERHAD

REGISTRATION NO. : 200001016496 (519103-X)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR FIRST QUARTER ENDED
30 SEPTEMBER 2022**

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

	Individual Quarter		Cumulative Quarter	
	Current Quarter 30-Sep-22 RM'000	Preceding Year Corresponding Quarter 30-Sep-21 RM'000	Current Year To-date 30-Sep-22 RM'000	Preceding Year Corresponding Period 30-Sep-21 RM'000
Revenue	112,034	77,961	112,034	77,961
Cost of sales	(105,281)	(72,175)	(105,281)	(72,175)
Gross profit	6,753	5,786	6,753	5,786
Other income	715	426	715	426
Selling and distribution expenses	(999)	(718)	(999)	(718)
Administrative expenses	(2,522)	(2,214)	(2,522)	(2,214)
Other expenses	(8)	(33)	(8)	(33)
Finance costs	(738)	(634)	(738)	(634)
Profit before taxation	3,201	2,613	3,201	2,613
Taxation	(1,159)	(1,145)	(1,159)	(1,145)
Profit after taxation	2,042	1,468	2,042	1,468
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the financial period	2,042	1,468	2,042	1,468
Profit after taxation for the financial year				
attributable to:				
-Owners of the company	2,036	1,385	2,036	1,385
-Non-controlling interests	6	83	6	83
	2,042	1,468	2,042	1,468
Total comprehensive income attributable to:				
-Owners of the company	2,036	1,385	2,036	1,385
-Non-controlling interests	6	83	6	83
	2,042	1,468	2,042	1,468
Earnings per ordinary share attributable to owners of the company (sen)				
-Basic	0.14	0.17	0.14	0.17
-Diluted	0.13	0.14	0.13	0.14

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 2022 and the accompanying explanatory notes attached to the interim financial statements.

SERN KOU RESOURCES BERHAD

Registration No. 200001016496 (519103-X)

FIRST QUARTER ENDED 30 SEPTEMBER 2022

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 30 SEPTEMBER 2022**

	As at End of Current Quarter 30-Sep-22 (Unaudited) RM'000	As at Preceding Financial Year End 30-Jun-22 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	87,832	88,608
Right-of-use assets	27,927	28,375
Investment property	13,030	13,030
	128,789	130,013
Current assets		
Inventories	27,401	30,619
Trade receivables	118,653	94,894
Other receivables, assets and prepayments	6,207	7,662
Current tax assets	1,304	1,318
Fixed deposit with licensed bank	706	564
Cash and bank balances	27,752	56,379
	182,023	191,436
TOTAL ASSETS	310,812	321,449
EQUITY AND LIABILITIES		
Equity		
Share capital	80,585	76,709
Reserve	46,294	46,294
Retained profits	81,948	79,912
Non-controlling interests	2,038	2,032
TOTAL EQUITY	210,865	204,947
LIABILITIES		
Non-current liabilities		
Borrowings	12,039	12,490
Lease liabilities	4,287	4,522
Deferred tax liabilities	16,688	16,688
	33,014	33,700
Current liabilities		
Trade payables	12,301	16,624
Other payables and accruals	3,620	7,993
Borrowings	48,487	55,501
Lease liabilities	1,794	1,842
Current tax liabilities	731	842
	66,933	82,802
TOTAL LIABILITIES	99,947	116,502
TOTAL EQUITY AND LIABILITIES	310,812	321,449
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 2022 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 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 September 2022						
Balance at 1-Jul-22	76,709	46,294	79,912	202,915	2,032	204,947
Profit after taxation/total comprehensive income for the financial period	-	-	2,036	2,036	6	2,042
Exercise of warrants	3,876	-	-	3,876	-	3,876
Balance at 30-Sep-22	80,585	46,294	81,948	208,827	2,038	210,865
For the period ended 30 September 2021						
Balance at 1-Jul-21	69,863	46,294	70,699	186,856	1,175	188,031
Profit after taxation/total comprehensive income for the financial period	-	-	1,385	1,385	83	1,468
Exercise of warrants	4,669	-	-	4,669	-	4,669
Balance at 30-Sep-21	74,532	46,294	72,084	192,910	1,258	194,168

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

	Current Year To-date 30-Sep-22 RM'000	Preceding Year Corresponding Period 30-Sep-21 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,201	2,613
Adjustments for:		
Depreciation	1,422	1,337
Gain on disposal of property, plant and equipment	(270)	-
Property, plant and equipment written off	1	-
Interest expenses	738	634
Interest income	(22)	(13)
Operating profit before changes in working capital	<u>5,070</u>	<u>4,571</u>
Changes in working capital:		
Inventories	3,218	(584)
Trade and other receivables	(22,304)	(20,062)
Trade and other payables	(8,696)	2,095
Cash used in operations	<u>(22,712)</u>	<u>(13,980)</u>
Tax paid	(1,256)	(1,847)
Net cash used in operating activities	<u>(23,968)</u>	<u>(15,827)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	22	13
Purchase of property, plant and equipment	(199)	(682)
Proceeds from disposal of property, plant and equipment	270	7,500
Net cash generated from investing activities	93	6,831
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(738)	(634)
Proceeds from exercise of warrant	3,876	4,669
Net repayment of lease liabilities	(283)	(451)
Net repayment of bankers' acceptances	(7,872)	(4,396)
Net (repayment)/drawdown of term loans	(1,516)	1,966
Placement of fixed deposit	(142)	(140)
Net cash (used in)/generated from financing activities	<u>(6,675)</u>	<u>1,014</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(30,550)</u>	<u>(7,982)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	<u>54,348</u>	<u>26,274</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u><u>23,798</u></u>	<u><u>18,292</u></u>
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposit with licensed bank	706	140
Cash and bank balances	27,752	21,706
Bank overdrafts	(3,954)	(3,414)
	<u>24,504</u>	<u>18,432</u>
Less : Fixed deposit pledged to licensed bank	(706)	(140)
	<u><u>23,798</u></u>	<u><u>18,292</u></u>

The unaudited Condensed Statement of Cash Flows should be read in conjunction with the audited Financial Statements for year ended 30 June 2022 and the accompanying explanatory notes attached to the interim financial statements.