



SERN KOU RESOURCES BERHAD

REGISTRATION NO. : 200001016496 (519103-X)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THIRD QUARTER ENDED
31 MARCH 2023**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 31 MARCH 2023

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
	RM'000	RM'000	RM'000	RM'000
Revenue	87,833	83,772	283,060	242,452
Other cost of sales	(81,958)	(74,744)	(265,918)	(219,197)
Loss of inventories destroyed in fire	-	-	(3,515)	-
Cost of sales	(81,958)	(74,744)	(269,433)	(219,197)
Gross profit	5,875	9,028	13,627	23,255
Other income	1,169	441	2,166	1,449
Selling and distribution expenses	(691)	(983)	(2,385)	(2,586)
Administrative expenses	(3,078)	(2,370)	(8,180)	(6,562)
Impairment loss on property, plant and equipment due to fire	(47)	-	(2,377)	-
Other expenses	(35)	(267)	(163)	(554)
Finance costs	(996)	(769)	(2,581)	(2,048)
Profit before taxation	2,197	5,080	107	12,954
Taxation	(1,104)	(2,031)	(3,422)	(4,421)
Profit/(Loss) after taxation	1,093	3,049	(3,315)	8,533
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income/(loss) for the financial period	1,093	3,049	(3,315)	8,533
Profit/(Loss) after taxation for the financial year				
attributable to:				
-Owners of the company	1,170	2,903	(3,398)	7,901
-Non-controlling interests	(77)	146	83	632
	1,093	3,049	(3,315)	8,533
Total comprehensive income/(loss) attributable to:				
-Owners of the company	1,170	2,903	(3,398)	7,901
-Non-controlling interests	(77)	146	83	632
	1,093	3,049	(3,315)	8,533
Earnings/(Loss) per ordinary share attributable to owners of the company (sen)				
-Basic	0.12	0.35	(0.33)	0.96
-Diluted	0.12	0.28	(0.33)	0.78

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)

THIRD QUARTER ENDED 31 MARCH 2023

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT 31 MARCH 2023**

	As at End of Current Quarter 31-Mar-23 (Unaudited) RM'000	As at Preceding Financial Year End 30-Jun-22 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	80,097	88,608
Right-of-use assets	26,757	28,375
Investment property	13,030	13,030
	119,884	130,013
Current assets		
Inventories	18,874	30,619
Trade receivables	122,723	94,894
Other receivables, assets and prepayments	9,731	7,662
Current tax assets	1,395	1,318
Fixed deposit with licensed bank	995	564
Cash and bank balances	55,717	56,379
	209,435	191,436
TOTAL ASSETS	329,319	321,449
EQUITY AND LIABILITIES		
Equity		
Share capital	106,783	76,709
Reserve	42,588	46,294
Retained profits	76,514	79,912
Non-controlling interests	4,075	2,032
TOTAL EQUITY	229,960	204,947
LIABILITIES		
Non-current liabilities		
Borrowings	11,110	12,490
Lease liabilities	3,351	4,522
Deferred tax liabilities	15,518	16,688
	29,979	33,700
Current liabilities		
Trade payables	6,818	16,624
Other payables and accruals	3,517	7,993
Borrowings	57,084	55,501
Lease liabilities	1,725	1,842
Current tax liabilities	236	842
	69,380	82,802
TOTAL LIABILITIES	99,359	116,502
TOTAL EQUITY AND LIABILITIES	329,319	321,449
Net assets per share (RM)	0.21	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 31 MARCH 2023

I ----- Attributable to Owners of The Company ----- I

	I -- Non-Distributable -- I	Distributable		Non-	Total
	Share	Revaluation	Retained	Controlling	Equity
	Capital	Reserve	Profits	Interests	
	RM'000	RM'000	RM'000	RM'000	RM'000
For the period ended 31 March 2023					
Balance at 1-Jul-22	76,709	46,294	79,912	2,032	204,947
(Loss)/Profit after taxation/total (loss)/comprehensive income for the financial period	-	-	(3,398)	83	(3,315)
Exercise of warrants	30,074	-	-	-	30,074
Impairment loss due to fire	-	(3,706)	-	-	(3,706)
Acquisition of a subsidiary	-	-	-	1,960	1,960
Balance at 31-Mar-23	106,783	42,588	76,514	4,075	229,960
For the period ended 31 March 2022					
Balance at 1-Jul-21	69,863	46,294	70,699	1,175	188,031
Profit after taxation/total comprehensive income for the financial period	-	-	7,901	632	8,533
Exercise of warrants	5,234	-	-	-	5,234
Acquisition of a subsidiary	-	-	-	245	245
Balance at 31-Mar-22	75,097	46,294	78,600	2,052	202,043

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 31 MARCH 2023**

	Current Year To-date 31-Mar-23 RM'000	Preceding Year Corresponding Period 31-Mar-22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	107	12,954
Adjustments for:		
Depreciation	4,051	4,123
Property, plant and equipment		
- gain on disposal	(643)	(19)
- written off	6	-
- impairment losses due to fire	2,377	-
Inventories written off due to fire	3,515	-
Interest expenses	2,581	2,048
Interest income	(64)	(10)
Operating profit before changes in working capital	11,930	19,096
Changes in working capital:		
Inventories	8,230	(4,114)
Trade and other receivables	(29,898)	(31,317)
Trade and other payables	(14,282)	3,421
Cash used in operations	(24,020)	(12,914)
Tax paid	(4,105)	(6,406)
Net cash used in operating activities	(28,125)	(19,320)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	64	10
Purchase of property, plant and equipment	(2,134)	(2,872)
Consideration from non-controlling interest on subscription of new shares of a subsidiary	1,960	245
Proceeds from disposal of property, plant and equipment	1,605	7,522
Net cash generated from investing activities	1,495	4,905
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,581)	(2,048)
Proceeds from exercise of warrant	30,074	5,234
Net (repayment)/drawdown of lease liabilities	(1,297)	869
Net (repayment)/drawdown of bankers' acceptances	(6,811)	5,512
Net (repayment)/drawdown of term loans	(3,011)	2,288
Placement of fixed deposit	(431)	(422)
Net cash generated from financing activities	15,943	11,433
NET DECREASE IN CASH AND CASH EQUIVALENTS	(10,687)	(2,982)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	54,348	26,274
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	43,661	23,292
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposit with licensed bank	995	422
Cash and bank balances	55,717	26,374
Bank overdrafts	(12,056)	(3,082)
	44,656	23,714
Less : Fixed deposit pledged to licensed bank	(995)	(422)
	43,661	23,292

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.