



SERN KOU RESOURCES BERHAD

REGISTRATION NO. : 200001016496 (519103-X)

**UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR SECOND QUARTER ENDED
31 DECEMBER 2023**

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

FOR THE QUARTER ENDED 31 DECEMBER 2023

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
	RM'000	RM'000	RM'000	RM'000
Revenue	117,550	83,193	254,688	195,227
Cost of sales	(113,380)	(78,679)	(245,624)	(183,960)
Gross profit	4,170	4,514	9,064	11,267
Other income	483	282	1,025	997
Other income - insurance compensation	400	-	400	
Loss on inventory and property, plant and equipment due to fire incident	-	(5,845)	-	(5,845)
Selling and distribution expenses	(707)	(695)	(1,648)	(1,694)
Administrative expenses	(2,706)	(2,580)	(5,563)	(5,102)
Other expenses	(43)	(120)	(59)	(128)
Finance costs	(1,412)	(847)	(2,611)	(1,585)
Profit/(Loss) before taxation	185	(5,291)	608	(2,090)
Taxation	(71)	(1,159)	(443)	(2,318)
Profit/(Loss) after taxation	114	(6,450)	165	(4,408)
Other comprehensive income, net of tax	-	-	-	-
Total other comprehensive income/(loss) for the financial period, net of tax	114	(6,450)	165	(4,408)
Profit/(Loss) after taxation for the financial year attributable to:				
-Owners of the company	288	(6,604)	386	(4,568)
-Non-controlling interests	(174)	154	(221)	160
	114	(6,450)	165	(4,408)
Total comprehensive income/(loss) attributable to:				
-Owners of the company	288	(6,604)	386	(4,568)
-Non-controlling interests	(174)	154	(221)	160
	114	(6,450)	165	(4,408)
Profit/(Loss) per ordinary share attributable to owners of the company (sen)				
-Basic	0.01	(0.71)	0.02	(0.50)
-Diluted	0.01	(0.63)	0.02	(0.44)

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 2023 and the accompanying explanatory notes attached to the interim financial statements.

SERN KOU RESOURCES BERHAD

Registration No. 200001016496 (519103-X)

SECOND QUARTER ENDED 31 DECEMBER 2023

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

	As at End of Current Quarter 31-Dec-23 (Unaudited) RM'000	As at Preceding Financial Year End 30-Jun-23 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	85,527	82,020
Right-of-use assets	31,946	27,522
Investment property	13,030	13,030
	130,503	122,572
Current assets		
Inventories	21,689	28,805
Trade receivables	160,835	99,128
Other receivables, assets and prepayments	7,983	13,360
Current tax assets	3,512	2,290
Fixed deposit with licensed bank	1,938	1,142
Cash and bank balances	47,474	79,094
	243,431	223,819
TOTAL ASSETS	373,934	346,391
EQUITY AND LIABILITIES		
Equity		
Share capital	106,783	106,783
Reserve	44,863	44,863
Retained profits	81,600	81,214
Non-controlling interests	3,721	3,942
TOTAL EQUITY	236,967	236,802
LIABILITIES		
Non-current liabilities		
Borrowings	9,786	10,711
Lease liabilities	7,083	3,389
Deferred tax liabilities	15,763	15,763
	32,632	29,863
Current liabilities		
Trade payables	10,627	10,200
Other payables and accruals	5,815	4,842
Borrowings	85,196	62,951
Lease liabilities	2,697	1,733
	104,335	79,726
TOTAL LIABILITIES	136,967	109,589
TOTAL EQUITY AND LIABILITIES	373,934	346,391
Net assets per share (RM)	0.22	0.22

The unaudited Condensed Statement of Financial Position should be read in conjunction with the audited Financial Statements for year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 DECEMBER 2023

	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 31 December 2023						
Balance at 1-Jul-23	106,783	44,863	81,214	232,860	3,942	236,802
Profit/(Loss) after taxation/total comprehensive income/(loss) for the financial period	-	-	386	386	(221)	165
Balance at 31-Dec-2023	106,783	44,863	81,600	233,246	3,721	236,967
For the period ended 31 December 2022						
Balance at 1-Jul-22	76,709	46,294	79,912	202,915	2,032	204,947
(Loss)/Profit after taxation/total (loss)/comprehensive income for the financial period	-	-	(4,568)	(4,568)	160	(4,408)
Exercise of warrants	12,858	-	-	12,858	-	12,858
Impairment loss due to fire	-	(3,706)	-	(3,706)	-	(3,706)
Acquisition of a subsidiary	-	-	-	-	1,960	1,960
Balance at 31-Dec-2022	89,567	42,588	75,344	207,499	4,152	211,651

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2023**

	Current Year To-date 31-Dec-23 RM'000	Preceding Year Corresponding Period 31-Dec-22 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	608	(2,090)
Adjustments for:		
Depreciation	3,185	2,792
Property, plant and equipment		
- Loss/(gain) on disposal	4	(270)
- written off	-	1
- impairment loss due to fire	-	2,330
Inventories written off due to fire	-	3,515
Interest expenses	2,611	1,585
Interest income	(336)	(26)
Operating profit before changes in working capital	6,072	7,837
Changes in working capital:		
Inventories	7,116	6,503
Trade and other receivables	(56,330)	(28,135)
Trade and other payables	1,400	(12,925)
Cash used in operations	(41,742)	(26,720)
Tax paid	(1,665)	(2,415)
Net cash used in operating activities	(43,407)	(29,135)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	336	26
Purchase of property, plant and equipment	(11,064)	(514)
Proceeds from disposal of property, plant and equipment	1	270
Consideration from non-controlling interest on subscription of new shares of a subsidiary	-	1,960
Net cash (used in)/generated from investing activities	(10,727)	1,742
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,611)	(1,585)
Proceeds from exercise of warrant	-	12,858
Net drawdown/(repayment) of lease liabilities	4,601	(809)
Net drawdown/(repayment) of bankers' acceptances	19,382	(4,423)
Net repayment of term loans	(925)	(2,547)
Placement of fixed deposit	(796)	(286)
Net cash generated from financing activities	19,651	3,208
NET DECREASE IN CASH AND CASH EQUIVALENTS	(34,483)	(24,185)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	77,215	54,348
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	42,732	30,163
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposit with licensed bank	1,938	850
Cash and bank balances	47,474	39,455
Bank overdrafts	(4,742)	(9,292)
	44,670	31,013
Less : Fixed deposit pledged to licensed bank	(1,938)	(850)
	42,732	30,163

The unaudited Condensed Statement of Cash Flows should be read in conjunction with the audited Financial Statements for year ended 30 June 2023 and the accompanying explanatory notes attached to the interim financial statements.