

# Statements of Cash Flows

For the year ended 30 June 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b>Cash flows from operating activities</b>					
Profit before tax		5,192	3,804	6,169	8,710
Adjustments for:					
Depreciation and amortisation:					
- Property, plant and equipment		16,699	15,530	-	-
- Right-of-use assets		3,924	-	-	-
- Intangible assets		202	123	-	-
Dividend income		-	-	(5,000)	(6,500)
Fair value loss on derivative instruments		361	3	-	-
Finance costs	18	2,490	1,424	51	117
Finance income		(517)	(1,018)	(2,657)	(3,730)
Impairment loss/(Reversal of impairment loss) on trade receivables		46	(88)	-	-
Inventories:					
- Allowance for/(Reversal of) slow moving		2,233	(5)	-	-
- Written off		106	104	-	-
- Written down to net realisable value		975	818	-	-
Property, plant and equipment:					
- Gain on disposal		(23)	(217)	-	-
- Written off		81	157	-	-
<b>Operating profit/(loss) before changes in working capital</b>		31,769	20,635	(1,437)	(1,403)
Change in inventories		(12,570)	1,755	-	-
Change in trade and other receivables		(13,765)	16,386	(2,228)	(4,879)
Change in contract assets		184	(500)	-	-
Change in trade and other payables		17,398	(2,130)	139	54
<b>Cash generated from/(used in) operations</b>		23,016	36,146	(3,526)	(6,228)
Tax refunded/(paid)		5,007	(3,871)	(377)	(465)
<b>Net cash from/(used in) operating activities</b>		28,023	32,275	(3,903)	(6,693)

The accompanying notes form an integral part of the financial statements.

Karex Berhad (Registration No: 201201034091 (1018579-U))

## Statements of Cash Flows

for the year ended 30 June 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<b>Cash flows from investing activities</b>					
Acquisition of:					
- property, plant and equipment	23	(24,186)	(18,244)	-	-
- intangible assets	6	(26)	(802)	-	-
Increase in investment in subsidiaries		-	-	-	(3,810)
Proceeds from disposal of property, plant and equipment		1,182	2,035	-	-
Dividend received		-	-	5,000	6,500
Interest received		517	1,018	2,657	3,730
<b>Net cash (used in)/from investing activities</b>		(22,513)	(15,993)	7,657	6,420
<b>Cash flows from financing activities</b>					
Interest paid		(2,490)	(1,619)	(51)	(117)
Change in pledged deposits		68	(334)	-	-
Dividends paid to owners of the Company	22	(15,036)	(5,012)	(15,036)	(5,012)
Repayments of:					
- hire purchase liabilities		(377)	-	-	-
- finance lease liabilities		-	(677)	-	-
- lease liabilities		(3,033)	-	-	-
- term loans		(4,122)	(2,366)	(1,128)	(1,084)
- export financing		-	(1,372)	-	-
- revolving credits		(1,428)	(56)	-	-
- foreign currency trade loan		(352)	-	-	-
Drawdown of:					
- bankers' acceptances		2,144	6,555	-	-
- export financing		1,600	-	-	-
- foreign currency trade loan		-	352	-	-
- term loans		-	3,857	-	-
- trust receipt		330	61	-	-
<b>Net cash used in financing activities</b>		(22,696)	(611)	(16,215)	(6,213)
Effect of exchange rate fluctuations on cash held		(40)	238	-	-
<b>Net (decrease)/increase in cash and cash equivalents</b>		(17,226)	15,909	(12,461)	(6,486)
<b>Cash and cash equivalents at 1 July</b>		62,243	46,334	23,224	29,710
<b>Cash and cash equivalents at 30 June</b>	11	45,017	62,243	10,763	23,224

The accompanying notes form an integral part of the financial statements.

## Statements of Cash Flows

for the year ended 30 June 2020

### Cash outflows for leases as a lessee

		Group	
	Note	2020 RM'000	2019 RM'000
<b>Included in net cash from operating activities</b>			
Payment relating to short-term leases	20	2,118	-
Payment relating to leases of low-value assets	20	71	-
<b>Included in net cash from financing activities</b>			
Payment of lease liabilities		3,033	-
Interest paid in relation to lease liabilities	18	1,007	-
<b>Total cash outflows for leases</b>		<b>6,229</b>	<b>-</b>

### Reconciliation of movement of liabilities to cash flows arising from financing activities

	At 1 July 2018 RM'000	Net changes from financing cash flows RM'000	Acquisition of new finance lease liabilities (Note 23) RM'000	At 30 June 2019 RM'000	Adjustment on initial application of MFRS 16 RM'000	At 1 July 2019 RM'000	Net changes from Acquisition of new leases cash flows RM'000	Acquisition of new hire purchase liabilities (Note 23) RM'000	At 30 June 2020 RM'000
<b>Group</b>									
Trust receipt	414	61	-	475	-	475	330	-	805
Bankers' acceptances	6,975	6,555	-	13,530	-	13,530	2,144	-	15,674
Finance lease liabilities	1,171	(677)	313	807	(807)	-	-	-	-
Hire purchase liabilities	-	-	-	-	807	807	(377)	179	609
Term loans	14,261	1,491	-	15,752	-	15,752	(4,122)	-	11,630
Export financing	2,161	(1,372)	-	789	-	789	1,600	-	2,389
Revolving credits	2,019	(56)	-	1,963	-	1,963	(1,428)	-	535
Foreign currency trade loan	-	352	-	352	-	352	(352)	-	-
Lease liabilities	-	-	-	-	23,400	23,400	(3,033)	508	20,875
<b>Total liabilities from financing activities</b>	<b>27,001</b>	<b>6,354</b>	<b>313</b>	<b>33,668</b>	<b>23,400</b>	<b>57,068</b>	<b>(5,238)</b>	<b>508</b>	<b>52,517</b>

	At 1 July 2018 RM'000	Net changes from financing cash flows RM'000	At 30 June 2019/ 2019 RM'000	Net changes from financing cash flows RM'000	At 30 June 2020 RM'000
<b>Company</b>					
Term loans/					
<b>Total liabilities from financing activities</b>	<b>3,069</b>	<b>(1,084)</b>	<b>1,985</b>	<b>(1,128)</b>	<b>857</b>

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