

SERSOL BERHAD

Company No. 200201034397 (602062-X)
(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED
31 MARCH 2022**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 31 MARCH 2022	Preceding Year Corresponding Quarter 31 MARCH 2021	Current Year To Date 31 MARCH 2022	Preceding Year Corresponding Period 31 MARCH 2021
	RM'000	RM'000	RM'000	RM'000
Revenue	4,338	4,362	4,338	4,362
Cost of sales	(3,176)	(3,058)	(3,176)	(3,058)
Gross Profit	1,162	1,304	1,162	1,304
Other operating income	39	50	39	50
Operating expenses	(1,552)	(1,143)	(1,552)	(1,143)
(Loss) / Profit from operations	(351)	211	(351)	211
Finance costs	(1)	(1)	(1)	(1)
(Loss) / Profit before tax	(352)	210	(352)	210
Income tax expense	14	5	14	5
(Loss) / Profit for the period	(338)	215	(338)	215
Other comprehensive income, net of tax				
Exchange differences on translation of foreign subsidiaries	22	21	22	21
Total comprehensive (loss) / profit for the period	(316)	236	(316)	236
(Loss) / Profit attributable to:				
Owners of the parent	(338)	215	(338)	215
(Loss) / Profit for the period	(338)	215	(338)	215
Total comprehensive (loss) / profit attributable to:				
Owners of the parent	(316)	236	(316)	236
Total comprehensive (loss) / profit for the period	(316)	236	(316)	236
(Loss) / Profit per share (sen)				
Basic (note B10)	(0.13)	0.10	(0.13)	0.10
Diluted (note B10)	(0.12)	0.09	(0.12)	0.09

(The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial period ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

SERSOL BERHAD

Company No. 200201034397 (602062-X)
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	Unaudited As At 31 MARCH 2022 RM'000	Audited As At 31 DECEMBER 2021 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	7,435	6,373
Development expenditure	6,932	-
Right of Use Asset	54	62
	14,421	6,435
Current assets		
Inventories	6,307	5,620
Trade receivables	2,884	2,806
Other receivables, deposits and prepayments	3,119	3,082
Tax recoverable	20	24
Deposit, Cash and bank balances	7,697	8,027
	20,027	19,559
TOTAL ASSETS	34,448	25,994
EQUITY AND LIABILITIES		
Equity		
Share capital	28,466	21,308
Exchange translation reserve	122	100
Warrants reserve	6,902	7,253
Other reserve	(6,902)	(7,253)
Accumulated losses	(2,426)	(2,102)
Revaluation reserve	3,066	3,080
Equity attributable to owners of the parent	29,228	22,386
TOTAL EQUITY	29,228	22,386
Non-current liabilities		
Lease Liability	15	27
Hire purchases payables	270	-
Deferred tax liabilities	886	890
	1,171	917
Current liabilities		
Trade payables	2,992	2,071
Other payables and accruals	624	450
Hire purchases payables	270	-
Lease Liability	39	36
Taxation	124	134
	4,049	2,691
TOTAL LIABILITIES	5,220	3,608
TOTAL EQUITY AND LIABILITIES	34,448	25,994
Net assets per ordinary share attributable to owners of the parent (RM)	0.11	0.09

(The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST QUARTER ENDED
31 MARCH 2022**

	Current Year To Date 31 MARCH 2022	Preceding Year Corresponding Period 31 MARCH 2021
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before tax	(352)	210
Adjustments for:-		
Non-cash items	86	60
Non-operating items	(4)	(11)
	<u>(270)</u>	<u>259</u>
Operating (loss) / profit before changes in working capital	(270)	259
Net changes in current assets	(786)	440
Net changes in current liabilities	1,095	(25)
	<u>39</u>	<u>674</u>
CASH FROM / (USED IN) OPERATIONS	39	674
Income tax refunded	5	-
Interest paid	-	(3)
Tax paid	(1)	(1)
	<u>43</u>	<u>670</u>
NET CASH FROM OPERATING ACTIVITIES	43	670
NET CASH FOR INVESTING ACTIVITIES		
Interest received	4	15
Development expenditure incurred	(6,932)	-
Purchase of plant and equipment	(1,156)	(26)
	<u>(8,084)</u>	<u>(11)</u>
NET CASH USED IN INVESTING ACTIVITIES	(8,084)	(11)
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceed from issuance of share capital	6,480	-
Proceed from conversion of warrants	678	-
Repayment of finance lease	(9)	(15)
Drawdown of hire purchase payables	540	-
	<u>7,689</u>	<u>(15)</u>
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	7,689	(15)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(352)	644
Effect of changes in exchange rates	22	(19)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	8,027	6,586
CASH AND CASH EQUIVALENTS AT END OF PERIOD*	<u>7,697</u>	<u>7,211</u>
* Cash and cash equivalents included in the statement of cash flows comprise of the following:		
	RM'000	RM'000
Fixed deposits	-	-
Cash and bank balances	7,697	7,211
	<u>7,697</u>	<u>7,211</u>
Less : Fixed Deposit Pledged to License Bank	-	-
	<u>7,697</u>	<u>7,211</u>

(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR FIRST QUARTER ENDED**31 MARCH 2022**

(The figures have not been audited)

	Attributable to Owners of the Parent						Total Equity RM'000
	Share capital RM'000	Non-distributable Exchange Translation reserve RM'000	Revaluation reserve RM'000	Warrants reserve RM'000	Other reserve RM'000	Accumulated losses RM'000	
As at 1 January 2022	21,308	100	3,080	7,253	(7,253)	(2,102)	22,386
Loss for the financial year	-	-	-	-	-	(338)	(338)
Other comprehensive income for the financial year:							
Realisation of revaluation reserve	-	-	(14)	-	-	14	-
Foreign exchange translation reserve	-	22	-	-	-	-	22
Transactions with owners:							
Issuance of ordinary shares	6,480	-	-	-	-	-	6,480
Conversion of warrants	678	-	-	(351)	351	-	678
As at 31 March 2022	<u>28,466</u>	<u>122</u>	<u>3,066</u>	<u>6,902</u>	<u>(6,902)</u>	<u>(2,426)</u>	<u>29,228</u>
As at 1 January 2021	12,786	221	3,136	7,692	(7,692)	(355)	15,788
Profit for the financial year	-	-	-	-	-	215	215
Other comprehensive income for the financial year:							
Realisation of revaluation reserve	-	-	(14)	-	-	14	-
Foreign exchange translation reserve	-	(21)	-	-	-	-	(21)
As at 31 March 2021	<u>12,786</u>	<u>200</u>	<u>3,122</u>	<u>7,692</u>	<u>(7,692)</u>	<u>(126)</u>	<u>15,982</u>

(The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to the interim financial statements.)

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A. EXPLANATORY NOTES IN ACCORDANCE WITH MFRS 134**A1. Basis of Preparation**

The unaudited condensed interim financial statements for the financial period as at 31 March 2022 have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of Sersol Berhad (“the Company”) and its subsidiaries (collectively referred to as “the Group”) for the financial year ended 31 December 2021. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

As at the date of these interim financial statements, the following MFRSs, Amendments to MFRSs were issued but not yet effective and have not been applied by the Group:

MFRSs, Amendments to MFRSs and IC Interpretation effective for financial periods beginning on or after 1 January 2022

- | | | |
|-----|--|--|
| 1. | Amendments to MFRS 3 | Reference to Conceptual Framework |
| 2. | Amendments to MFRS 116 | Property, Plant and Equipment – Proceeds before Intended Use |
| 3. | Amendments to MFRS 137 | Onerous Contracts – Cost of Fulfilling a Contract |
| 4. | Annual Improvements to MFRSs Standards 2018 – 2020 | |
| | | <ul style="list-style-type: none">• Amendments to MFRS 1• Amendments to MFRS 9• Amendments to MFRS 16• Amendments to MFRS 141 |
| 5. | MFRS 17 | Insurance Contracts |
| 6. | Amendments to MFRS 17 | Insurance Contracts |
| 7. | Amendments to MFRS 101 | Current or Non-current Disclosures of Accounting Policies |
| 8. | Amendments to MFRS 108 | Definition of Accounting Estimates |
| 9. | Amendment to MFRS 112 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction |
| 10. | Amendment to MFRS10 and MFRS 128 | Sales of Contribution of Assets between an investor and its Associates of Joint Venture |

The Group intends to adopt the above MFRS when they become effective.

A2. Seasonality or Cyclical Factors

The Group’s interim operations for the quarter under review and financial period-to-date were not significantly affected by any seasonal or cyclical factors.

A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no other items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual because of their nature, size or incidence during the quarter under review and financial period-to-date.

A4. Material Change in Estimates

There were no changes in estimates amount reported as at to-date that would have a material effect on the results for the current quarter under review and financial period-to-date.

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A5. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review and financial period-to-date, except for the following:-

	Ordinary Share	
	No of shares	RM
	'000	'000
Share capital-issued and fully paid up as at 01.01.2022	245,880	21,308
Arising from exercise of Warrants	3,768	678
Issuance of share pursuant to Private Placement	<u>20,000</u>	<u>6,480</u>
Total Number of Issued Shares as at 31.03.2022	<u><u>269,648</u></u>	<u><u>28,466</u></u>

A6. Dividend Paid

There was no dividend paid during the quarter under review and financial period-to-date.

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A7. Segmental Reporting

Segmental reporting of the

(a) Primary Reporting Format - Geographical Segment:-

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter	Preceding Year	Current Year To	Preceding Year
		Corresponding		Corresponding
		Quarter		Period
31 March	31 March	31 March	31 March	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Revenue				
Malaysia	3,889	3,453	3,889	3,453
Thailand	1,265	1,341	1,265	1,341
Total including inter-segment sales	5,154	4,794	5,154	4,794
Eliminations of inter-segment sales	(816)	(432)	(816)	(432)
Total Revenue	4,338	4,362	4,338	4,362
Profit Before Tax				
Segment results				
Malaysia	(489)	94	(489)	94
Thailand	105	63	105	63
	(384)	157	(384)	157
Finance costs	(1)	(1)	(1)	(1)
Eliminations	33	54	33	54
Total (Loss) / Profit Before Tax	(352)	210	(352)	210
At 31 March 2022	Malaysia	Thailand	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
Segment assets	49,062	2,949	(17,583)	34,428
Income tax assets	3	17	-	20
Total assets				34,448
Segment liabilities	30,583	1,192	(28,105)	3,670
Hire purchase payables	540	-	-	540
Income tax liabilities	994	16	-	1,010
Total liabilities				5,220
Other segment information				
Capital expenditure	726	430	-	1,156
Amortisation of right-of-use assets	4	-	5	9
Depreciation of property, plant and equipment	58	36	-	94

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A7. Segmental Reporting (Con't)

(b) Secondary Reporting Format - Business Segments:-

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Revenue				
Investment Holdings	-	13	-	13
Coatings Manufacturing	5,154	4,781	5,154	4,781
Eliminations	(816)	(432)	(816)	(432)
Total Revenue	4,338	4,362	4,338	4,362
(Loss) / Profit Before tax				
Segment results				
Investment Holdings	(268)	(60)	(268)	(60)
Coatings Manufacturing	(58)	217	(58)	217
Others	(58)	-	(58)	-
	(384)	157	(384)	157
Finance costs	(1)	(1)	(1)	(1)
Eliminations	33	54	33	54
Total (Loss) / Profit Before Tax	(352)	210	(352)	210

A8. Material Events Subsequent to the End of the Quarter under Review

There were no material events subsequent to the end of the quarter under review that has not been reflected in the interim financial statement.

A9. Changes in the composition of the Group

There were no changes in the composition of the Group during the period under review.

A10. Changes in Contingent Liabilities or Contingent Assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter under review and financial period-to-date.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD FOR THE ACE MARKET**B1. PERFORMANCE REVIEW**

	Individual Period		Cumulative Period	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	31.03.22	31.03.21	31.03.22	31.03.21
	RM'000	RM'000	RM'000	RM'000
Revenue	4,338	4,362	4,338	4,362
(Loss) / Profit Before Interest and Tax ("LBIT" / "PBIT")	(351)	211	(351)	211
(Loss) / Profit Before Tax ("LBT" / "PBT")	(352)	210	(352)	210
(Loss) / Profit After Tax Profit / ("LAT" / "PAT")	(338)	215	(338)	215
(Loss) / Profit attributable to Ordinary Equity Holders of the Parent	(338)	215	(338)	215

Review of results for the current quarter

For the current quarter financial period ended 31 March 2022, the Group registered a revenue of RM4.34 million, LBIT and LBT of RM0.35 million respectively as compared to a revenue of RM4.36 million, PBIT and PBT of RM0.21 million in the preceding financial year's corresponding quarter.

Commentary on revenue

There is no significant movement on revenue.

Commentary on LBIT / PBIT and LBT / PBT

The Group recorded a LBIT and LBT of RM0.35 million for the current quarter 31 March 2022 compared to the preceding financial year's corresponding quarter of PBIT and PBT of RM0.21 million. This was mainly due to the higher raw material costs and expenses incurred on corporate proposals.

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B2. COMMENTS ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION

	Current Quarter	Immediate Preceding Quarter
	31.03.22	31.12.21
	RM'000	RM'000
Revenue	4,338	4,333
Loss From Operations	(351)	(1,927)
Loss Before Tax	(352)	(1,928)
Loss After Tax	(338)	(1,949)
Loss attributable to Ordinary Equity Holders of the Parent	(338)	(1,949)

The Group recorded a lower LBT of RM0.35 million for the current quarter financial period ended 31 March 2022 as compared to LBT of approximately RM1.93 million for the immediate preceding quarter financial period ended 31 December 2021. This was mainly due to impairment of stocks which amounted to RM1.65 million.

B3. Prospects of the Group

The Group operates in a competitive industry and is still expecting the economies to be challenging due to the inflation which has escalated the cost of materials. The Group will mitigate the escalation of cost of materials by leveraging on the business growth prospect and operational efficiency. All activities are allowed to operate in Malaysia beginning 15 May 2022 as the country moved into endemic phase of Covid-19. The Malaysian economy is on the recovery path and has shown positive growth. Starting 1 May 2022, Thailand has opened its borders to fully vaccinated travellers from all over the world which will contribute positively to its economic sectors.

B4. Variance of Profit Forecast

Not applicable as no profit forecast has been issued.

B5. Tax Expense

Tax expense comprises the following:

	Individual quarter ended		Cumulative quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:-				
Taxation	9	-	9	-
Deferred taxation	5	5	5	5
	<u>14</u>	<u>5</u>	<u>14</u>	<u>5</u>

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B6. Status of Corporate Proposal Announced

Saved as disclosed below, there were no other corporate proposals which had been announced by the Company and are pending for completion as of to date:

- a) On 20 May 2021, Company proposed to undertake the Private Placements. On 24 June 2021, Bursa Securities had, vide its letter dated 24 June 2021, approved the listing of and quotation for up to 65,398,000 Placement Shares to be issued pursuant to the Private Placement I and up to 65,398,000 Placement Shares to be issued pursuant to the Private Placement II. On 3 January 2022, Bursa Securities granted the Company an extension of time until 23 June 2022 for the Company to complete the implementation of the Private Placement I. The Private Placement II was completed on 5 April 2022 and the Company has raised a total proceeds of RM15.565 million, which is expected to be utilised in the following manner:

Description	Proceeds raised (RM'000)	Actual utilisation (RM'000)	Balance unutilised (RM'000)	Expected time frame for the use of proceeds (from the date of listing of the Placement Shares)
Purchase of machineries and equipment	390	26	364	Within 36 months
Payment to trade creditors	1,322	621	701	Within 36 months
Investment in R&D activities	437	-	437	Within 36 months
Working capital	13,216	10,247	2,969	Within 36 months
Expenses relating to the Private Placements	200	193	7	Immediately
Total	15,565	11,087	4,478	

- b) On 1 October 2021, Sersol Energy Sdn Bhd, a wholly-owned subsidiary of the Company entered into a Memorandum of Understanding ("MOU") with Aeroleum Sdn Bhd ("ASB") and Silicon Designs (M) Sdn Bhd with the intent to collaborate to produce greener and cleaner fuel for Malaysia using a proprietary technology known as Nano Activated Fuel Technology. The MOU will expire 6 months from the MOU date (i.e., 1 October 2021) ("Expiry Date") and may be further extended by mutual agreement by the parties. The Company is in the midst of negotiation with the other parties for the extension of time of the Expiry Date.
- c) On 8 October 2021, Sersol E-Solutions Sdn Bhd, a wholly-owned subsidiary of the Company entered into a MOU with Dronology Sdn. Bhd. ("DSB") with the intent to establish synergy in the development of a viable and sustainable business model and marketing program to commercially promote the products and services of DSB. DSB is principally involved in designing and manufacturing advanced unmanned systems such as unmanned aerial vehicle, unmanned ground vehicle and unmanned surface vehicles, most commonly known as drones. The MOU is valid for a period of 1 year commencing from 8 October 2021 and may be further extended by mutual agreement by the parties.

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B6. Status of Corporate Proposal Announced (Con't)

- d) On 22 March 2022, the Company proposes to undertake the proposed bonus issue of up to 457,786,000 new ordinary shares in Sersol on the basis of 1 Bonus Share for every 1 existing Sersol Share held by the shareholders of Sersol whose names appear in the Record of Depositors of the Company at the close of business on an entitlement date to be determined later and the proposed free warrants issue of up to 152,595,333 free warrants on the basis of 1 Warrant for every 6 existing Shares held by the shareholders of Sersol whose names appear in the Record of Depositors of the Company at the close of business on an entitlement date to be determined later.

On 12 April 2022, the Company has resolved to revise the proposals to the proposed bonus issue of up to 385,277,375 Bonus Shares on the basis of 7 Bonus Shares for every 8 existing Shares held by the Bonus Shares Entitled Shareholders on the Bonus Shares Entitlement Date and the proposed free warrants issue of up to 165,118,875 Warrants B on the basis of 1 Warrant B for every 5 existing Shares held by the Warrants Entitled Shareholders on the Warrants Entitlement Date.

Bursa Securities had, vide its letter dated 27 April 2022, resolved to approve the following:

- (i) listing and quotation of up to 385,277,375 Bonus Shares to be issued pursuant to the Proposed Bonus Issue of Shares;
 - (ii) listing and quotation of up to 75,296,550 additional warrants 2013/2023 ("Adjustment Warrants A") to be issued pursuant to the adjustment arising from the Proposed Bonus Issue of Shares;
 - (iii) listing and quotation of up to 75,296,550 new Sersol Shares to be issued pursuant to the exercise of the Adjustment Warrants A;
 - (iv) admission to the Official List and listing and quotation of up to 165,118,875 Warrants B to be issued pursuant to the Proposed Free Warrants Issue; and
 - (v) listing and quotation of up to 165,118,875 new Sersol Shares to be issued arising from the exercise of the Warrants B.
- e) On 17 January 2022, the Company entered into a heads of agreement with SMTrack Berhad, Country Heights Holding Berhad, Jiankun International Berhad, Techna-X Berhad, MQ Technologies Berhad, AHB Holdings Berhad and 5G Infra Tech Solution Sdn. Bhd. to invest through redeemable convertible preference shares in 5G Infra Tech. The conditional period of the HOA is for a period of 3 months from the HOA date (i.e., 17 January 2022) or such other extended date as may be mutually agreed upon by the parties. The parties are in the midst of negotiation for the extension of time of the Conditional Period.

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B7. Group Borrowings and Debt Securities

The Group's borrowings, all repayable in Ringgit Malaysia, as at the end of the quarter under review are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings			
Hire purchase payables	270	-	270
Lease Liability	39	-	39
	<u>309</u>	<u>-</u>	<u>309</u>
Long Term Borrowings			
Hire purchase payables	270	-	270
Lease Liability	15	-	15
	<u>285</u>	<u>-</u>	<u>285</u>
Total	<u><u>594</u></u>	<u><u>-</u></u>	<u><u>594</u></u>

B8. Changes in Material Litigation Since the Last Quarterly Statement of Financial Position Date

There were no changes in material litigation, including the status of pending material litigation since the date of issue of last report.

B9. Dividend Proposed

No dividend has been proposed during the quarter under review.

B10. (Loss) / Profit Per Share**Basic (Loss) / Profit per share**

	Current quarter ended		Cumulative quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Net (Loss) / Profit attributed to owners of the parent for the period (RM'000)	(338)	215	(338)	215
Weighted Average Number of shares in issue ('000)	258,635	215,349	258,635	215,349
Basic (Loss) / Profit per share (sen)	(0.13)	0.10	(0.13)	0.10

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B10. (Loss) / Profit Per Share (Con't)**Diluted (loss) / profit per share**

Diluted (loss) / profit per share is equal to the basic profit / (loss) per share as there were no potential ordinary shares outstanding in both the previous and current financial period.

	Current quarter ended		Cumulative quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Net (Loss) / Profit attributed to owners of the parent for the period (RM'000)	(338)	215	(338)	215
Weighted Average Number of shares in issue ('000)	272,115	232,831	272,115	232,831
Diluted (Loss) / Profit per share (sen)	(0.12)	0.09	(0.12)	0.09

B11. Auditors' Report of Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2021 was not qualified.

B12. Derivative Financial Instruments

(a) Disclosure of derivative financial instruments

As at 31 March 2022, the Group does not hold any derivative financial instruments.

(b) Disclosure of gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities reported by the Group during the financial period under review.

SERSOL BERHAD

Company No. 200201034397 (602062-X)
(Incorporated in Malaysia)

B13. (Loss) / Profit Before Tax

The following items have been included in arriving at (loss) / profit before tax:

	Current quarter ended		Cumulative quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	RM'000	RM'000	RM'000	RM'000
Depreciation	(94)	(71)	(94)	(71)
Gain on foreign exchange – Unrealised	17	27	17	27
Interest expense	(1)	(1)	(1)	(1)
Interest income	4	15	4	15
Amortisation of right of use asset	(9)	(17)	(9)	(17)

Saved as disclosed above and in the Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income, the other items under Appendix 9B, Part A (16) of the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market are not applicable.