

SERSOL BERHAD

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2023**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 30 SEPTEMBER 2023	Preceding Year Corresponding Quarter 30 SEPTEMBER 2022	Current Year To Date 30 SEPTEMBER 2023	Preceding Year Corresponding Period 30 SEPTEMBER 2022
	RM'000	RM'000	RM'000	RM'000
Revenue	3,448	5,561	10,023	13,767
Cost of sales	(2,804)	(4,030)	(7,640)	(10,129)
Gross Profit	644	1,531	2,383	3,638
Other operating income	27	32	191	194
Operating expenses	(8,572)	(2,093)	(18,820)	(5,693)
Loss from operations	(7,901)	(530)	(16,246)	(1,861)
Finance costs	(13)	(16)	(40)	(20)
Loss before tax	(7,914)	(546)	(16,286)	(1,881)
Income tax expense	5	4	14	23
Loss for the period	(7,909)	(542)	(16,272)	(1,858)
Other comprehensive income, net of tax				
Exchange differences on translation of foreign subsidiaries	(10)	(26)	14	(20)
Total comprehensive loss for the period	(7,919)	(568)	(16,258)	(1,878)
Loss attributable to: Owners of the parent	(7,909)	(542)	(16,272)	(1,858)
Loss for the period	(7,909)	(542)	(16,272)	(1,858)
Total comprehensive Loss attributable to: Owners of the parent	(7,919)	(568)	(16,258)	(1,878)
Total comprehensive Loss for the period	(7,919)	(568)	(16,258)	(1,878)
Loss per share (sen)				
Basic	(1.08)	(0.10)	(2.35)	(0.52)
Diluted	(1.08)	(0.10)	(2.35)	(0.47)

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

SERSOL BERHAD

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023**

	Unaudited As At 30 SEPTEMBER 2023	Audited As At 31 DECEMBER 2022
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	10,241	11,494
Right of use assets	1,319	1,475
Other investments	8,419	-
	19,979	12,969
Current assets		
Inventories	3,358	3,574
Trade receivables	2,855	4,548
Other receivables, deposits and prepayments	165	6,701
Tax recoverable	2	3
Deposit, cash and bank balances	1,989	2,712
	8,369	17,538
TOTAL ASSETS	28,348	30,507
EQUITY AND LIABILITIES		
Equity		
Share capital	52,502	39,022
Exchange translation reserve	141	127
Warrants reserve	-	6,532
Other reserve	-	(6,532)
Accumulated losses	(33,887)	(17,657)
Revaluation reserve	4,520	4,562
Equity attributable to owners of the parent	23,276	26,054
TOTAL EQUITY	23,276	26,054
Non-current liabilities		
Lease liability	710	877
Deferred tax liabilities	1,021	1,034
	1,731	1,911
Current liabilities		
Trade payables	2,279	1,200
Other payables and accruals	606	989
Lease liability	355	249
Taxation	101	104
	3,341	2,542
TOTAL LIABILITIES	5,072	4,453
TOTAL EQUITY AND LIABILITIES	28,348	30,507
Net assets per ordinary share attributable to owners of the parent (RM)	0.03	0.04

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

SERSOL BERHADCompany No. 200201034397 (602062-X)
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED
30 SEPTEMBER 2023**

	Current Year To Date 30 SEPTEMBER 2023	Preceding Year Corresponding Period 30 SEPTEMBER 2022
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(16,286)	(1,881)
Adjustments for:-		
Non-cash items	10,407	479
Non-operating items	(75)	(85)
Operating loss profit before changes in working capital	(5,954)	(1,487)
Net changes in current assets	1,050	(4,932)
Net changes in current liabilities	696	325
CASH USED IN OPERATIONS	(4,208)	(6,094)
Income tax refunded	2	5
Interest paid	-	-
Tax paid	(4)	(19)
NET CASH USED IN OPERATING ACTIVITIES	(4,210)	(6,108)
NET CASH FOR INVESTING ACTIVITIES		
Interest received	1	15
Development expenditure incurred	-	(11,732)
Purchase of other investments	(11,788)	-
Proceeds from disposal of property, plant and equipment	45	85
Purchase of property, plant and equipment	(119)	(1,114)
Proceeds from disposal of other investments	2,081	-
NET CASH USED IN INVESTING ACTIVITIES	(9,780)	(12,746)
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceeds from issuance of shares	-	12,325
Proceeds from conversion of warrants	13,480	1,108
Repayment of lease liability	(222)	(28)
Drawdown of hire purchase payables	-	(96)
NET CASH FROM FINANCING ACTIVITIES	13,258	13,309
NET DECREASE IN CASH AND CASH EQUIVALENTS	(732)	(5,545)
Effect of changes in exchange rates	9	(10)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2,712	8,027
CASH AND CASH EQUIVALENTS AT END OF PERIOD*	1,989	2,472
* Cash and cash equivalents included in the consolidated statement of cash flows comprise of the following:		
	RM'000	RM'000
Fixed deposits	-	-
Cash and bank balances	1,989	2,472
	<u>1,989</u>	<u>2,472</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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

SERSOL BERHAD

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THIRD QUARTER ENDED
30 SEPTEMBER 2023**

	Attributable to Owners of the Parent						Total equity RM'000
	←	Non - distributable Exchange	→				
	Share capital RM'000	Translation reserve RM'000	Revaluation reserve RM'000	Warrants reserve RM'000	Other reserve RM'000	Accumulated losses RM'000	
As at 1 January 2023	39,022	127	4,562	6,532	(6,532)	(17,657)	26,054
Conversion of warrants	13,480	-	-	(6,532)	6,532	-	13,480
Loss for the financial year	-	-	-	-	-	(16,272)	(16,272)
Other comprehensive income for the financial year:							
Realisation of revaluation reserve	-	-	(42)	-	-	42	-
Foreign exchange translation reserve	-	14	-	-	-	-	14
As at 30 September 2023	<u>52,502</u>	<u>141</u>	<u>4,520</u>	<u>-</u>	<u>-</u>	<u>(33,887)</u>	<u>23,276</u>
As at 1 January 2022	21,308	100	3,080	7,253	(7,253)	(2,102)	22,386
Conversion of warrants	1,108	-	-	(568)	568	-	1,108
Issuance of ordinary shares	12,325	-	-	-	-	-	12,325
Loss for the financial year	-	-	-	-	-	(1,858)	(1,858)
Other comprehensive income for the financial year:							
Realisation of revaluation reserve	-	-	(42)	-	-	42	-
Foreign exchange translation reserve	-	(20)	-	-	-	-	(20)
As at 30 September 2022	<u>34,741</u>	<u>80</u>	<u>3,038</u>	<u>6,685</u>	<u>(6,685)</u>	<u>(3,918)</u>	<u>33,941</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 2022 and the accompanying explanatory notes attached to the interim financial statements.)

SERSOL BERHAD

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

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 December 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 2022. 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 2022.

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 2023

1. MFRS 17	Insurance Contracts
2. Amendments to MFRS 17	Insurance Contracts
3. Amendment to MFRS17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
4. Amendments to MFRS 101	Disclosures of Accounting Policies
5. Amendments to MFRS 108	Definition of Accounting Estimates
6. Amendment to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of the above standards did not give rise to significant effects on the financial statements of the Group.

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.

SERSOL BERHAD

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

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
Total Number of Issued Shares as at 30.09.2023	<u>731,449</u>	<u>52,502</u>

A6. Dividend Paid

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

SERSOL BERHAD

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

A7. Segmental Reporting

Segmental reporting of the

(a) Primary Reporting Format - Geographical Segment:-

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 30 September 2023 RM'000	Preceding Year Corresponding Quarter 30 September 2022 RM'000	Current Year To Date 30 September 2023 RM'000	Preceding Year Corresponding Period 30 September 2022 RM'000
Revenue				
Malaysia	3,060	5,119	9,214	12,352
Thailand	950	1,407	2,912	3,857
Total including inter-segment sales	4,010	6,526	12,126	16,209
Eliminations of inter-segment sales	(562)	(965)	(2,103)	(2,442)
Total Revenue	3,448	5,561	10,023	13,767
Loss Before Tax				
Segment results				
Malaysia	(7,600)	(342)	(15,667)	(1,512)
Thailand	(65)	(193)	(488)	(427)
	(7,665)	(535)	(16,155)	(1,939)
Finance costs	(12)	(15)	(40)	(20)
Eliminations	(237)	4	(91)	78
Loss Before Tax	(7,914)	(546)	(16,286)	(1,881)
At 30 September 2023	Malaysia RM'000	Thailand RM'000	Eliminations RM'000	Consolidated RM'000
Segment assets	50,320	1,868	(23,842)	28,346
Income tax assets	2	-	-	2
Total assets				28,348
Segment liabilities	52,448	1,465	(49,963)	3,950
Income tax liabilities	1,122	-	-	1,122
Total liabilities				5,072
Other segment information				
Capital expenditure	117	2	-	119
Amortisation of right-of-use assets	265	-	11	276
Depreciation of property, plant and equipment	1,285	92	-	1,377

SERSOL BERHAD

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

A7. Segmental Reporting (Con't)

(b) Secondary Reporting Format - Business Segments:-

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter	Preceding Year	Current Year To Date	Preceding Year
		Corresponding Quarter		Corresponding Period
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
RM'000	RM'000	RM'000	RM'000	
Revenue				
Coatings Manufacturing	4,010	6,526	12,126	16,209
Eliminations	(562)	(965)	(2,103)	(2,442)
Total Revenue	3,448	5,561	10,023	13,767
Loss Before tax				
Segment results				
Coatings Manufacturing	(2,820)	(103)	(6,027)	(699)
Others	(4,844)	(432)	(10,128)	(1,240)
	(7,664)	(535)	(16,155)	(1,939)
Finance costs	(13)	(15)	(40)	(20)
Eliminations	(237)	4	(91)	78
Loss Before Tax	(7,914)	(546)	(16,286)	(1,881)

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.

SERSOL BERHAD

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

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
	30.09.23	30.09.22	30.09.23	30.09.22
	RM'000	RM'000	RM'000	RM'000
Revenue	3,448	5,561	10,023	13,767
Loss Before Interest and Tax ("LBIT")	(7,901)	(550)	(16,246)	(1,861)
Loss Before Tax ("LBT")	(7,914)	(546)	(16,286)	(1,881)
Loss After Tax ("LAT")	(7,909)	(542)	(16,272)	(1,858)
Loss attributable to Ordinary Equity Holders of the Parent	(7,909)	(542)	(16,272)	(1,858)

Review of results for the current quarter

For the current quarter financial period ended 30 September 2023, the Group registered a revenue of RM3.448 million and LBT of RM7.914 million as compared to a revenue of RM5.561 million and LBT of RM0.546 million in the preceding financial year's corresponding quarter.

Commentary on revenue

The decrease in revenue is due to softening demand by customers in electronic and electrical business segments.

Commentary on LBT

The Group recorded a LBT of RM7.914 million for the current quarter 30 September 2023 compared to the preceding financial year's corresponding quarter LBT of RM0.546 million. This was mainly due to deposits and prepayments written off amounting to RM7.4 million which are deemed to be non-recoverable and fair value gain on quoted investments amounting to RM0.339 million.

SERSOL BERHAD

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

B2. COMMENTS ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION

	Current Quarter	Immediate Preceding Quarter
	30.09.23	30.06.23
	RM'000	RM'000
Revenue	3,448	3,822
Loss From Operations	(7,901)	(7,292)
Loss Before Tax	(7,914)	(7,305)
Loss After Tax	(7,909)	(7,301)
Loss attributable to Ordinary Equity Holders of the Parent	(7,909)	(7,301)

The Group recorded a higher LBT of RM7.914 million for the current quarter financial period ended 30 September 2023 as compared to LBT of RM7.305 million for the immediate preceding quarter financial period ended 30 June 2023.

This was mainly due to deposits and prepayments written off amounting to RM7.4 million which are deemed to be non-recoverable and fair value gain on quoted investments amounting to RM0.339 million.

In the immediate preceding quarter financial period ended 30 June 2023, the loss was mainly due to impairment of trade receivable of RM1.6 million, deposits written off RM3.0 million which are deemed to be non-recoverable and fair value loss on quoted investments RM1.7 million.

B3. Prospects of the Group

The Group strives to remain competitive, seeks opportunities to grow its business and expands into other business segments in the coating industry.

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	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:-				
Taxation	-	-	-	-
Deferred taxation	5	4	14	23
	<u>5</u>	<u>4</u>	<u>14</u>	<u>23</u>

SERSOL BERHAD

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

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. On 23 June 2022, Bursa Securities has granted the Company an extension of time until 23 December 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	342	48	Within 36 months
Payment to trade creditors	1,322	1,322	-	Within 36 months
Investment in R&D activities	437	437	-	Within 36 months
Working capital	13,216	13,216	-	Within 36 months
Expenses relating to the Private Placements	200	200	-	Immediately
Total	15,565	15,517	48	

The Private Placement I was completed on 18 October 2022 and the Company has raised a total proceeds of RM3.829 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	460	-	460	Within 36 months
Payment to trade creditors	1,500	1,500	-	Within 36 months
Investment in R&D activities	563	443	120	Within 36 months
Working capital	1,291	1,291	-	Within 36 months
Expenses relating to the Private Placements	15	15	-	Immediately
Total	3,829	3,249	580	

SERSOL BERHAD

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

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

- b) On 28 October 2022, the Company entered into a Heads of Agreement with Takuni Group Public Company Limited ("Takuni") with the intention to jointly invest and set up a new joint venture enterprise, a Malaysian entity or designed joint venture entity which shall be mutually agreed between Sersol and Takuni, for the purpose of conducting business throughout Malaysia, Thailand and Indonesia including but not limited to selling, distributing, assembling and production of electric scooters and related accessories and infrastructures which shall include the charging of the electric scooters. On 20 December 2022, Sersol Energy Sdn. Bhd. ("Sersol Energy"), a wholly-owned subsidiary of the Company had entered into a Joint Venture Agreement ("the Agreement" or "Venture") with Takuni Group Public Company Limited ("Takuni") (collectively referred to as the "Joint Venturers") to establish Joint Venture Companies ("JVCO") in Malaysia, Thailand and Indonesia with the business objectives to buy, sell, assemble, own and lease electric scooters and bikes, assemble, produce and operate chargers, stations and related charging accessories for the above and any additions thereto to have and exercise all of the powers to engage in any lawful business related or incidental to any of these purposes. There is no material development on the status of the Joint Venture Agreement.
- c) On 20 December 2022, the joint venture companies of Sersol Energy Sdn Bhd, a wholly owned subsidiary of the Company, namely Sersol Takuni (M) Sdn. Bhd. ("Sersol Takuni"), Sersol Takuni (Thailand) Co. Ltd., ("Sersol Takuni Thailand") and PT Sersol Takuni (collectively referred as "ST") had entered into a Memorandum of Understanding ("MOU") with Chongqing Beidou Jian Neo-Energy Technology Ltd. ("Beidou") with the intention to enter into an association of mutual benefit and agree to conduct business throughout Malaysia, Thailand, and Indonesia including but not limited to selling distributing, assembling and production of electric scooters and related accessories and infrastructures which shall include the charging of the electric scooters ("the Collaboration"). There is no material development on the status of the HOA.
- d) On 30 January 2023, the joint venture company of Sersol Energy Sdn. Bhd., a wholly owned subsidiary of the Company, namely Sersol Takuni (Thailand) Co. Ltd., had entered into a Memorandum of Understanding ("MOU") with Marin Engineering Co. Ltd. with the intention to enter into an association of mutual benefit and agree to conduct business including but not limited to selling, distributing, assembling and production of electric scooters and related accessories and infrastructures which shall include the charging of the electric scooters. There is no material development on the status of the MOU.
- e) On 30 January 2023, the joint venture company of Sersol Energy Sdn. Bhd., a wholly owned subsidiary of the Company namely Sersol Takuni (Thailand) Co. Ltd., had entered into a Memorandum of Understanding ("MOU") with Umorie Graphene Technologies Sdn. Bhd. with the business objectives of joint business participation and co-operation for the supply and commercialisation of Graphene-Based Battery and Electric Vehicles in Malaysia, Thailand and Indonesia. There is no material development on the status of the MOU.

SERSOL BERHAD

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

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			
Lease Liability	355	-	355
	<u>355</u>	<u>-</u>	<u>355</u>
Long Term Borrowings			
Lease Liability	710	-	710
	<u>710</u>	<u>-</u>	<u>710</u>
Total	<u>1,065</u>	<u>-</u>	<u>1,065</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.

SERSOL BERHAD

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

B10. Loss Profit Per Share**Loss Profit per share**

	Current quarter ended		Cumulative quarter ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
Loss attributed to owners of the parent for the period (RM'000)	(7,909)	(542)	(16,272)	(1,858)
Weighted Average Number of shares in issue ('000)	731,449	532,368	692,918	359,927
Basic Loss per share (sen)	(1.08)	(0.10)	(2.35)	(0.52)

Diluted loss per share

The diluted profit per share for current financial quarter and financial period to-date are computed as follows.

	Current quarter ended		Cumulative quarter ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
Net Loss attributed to owners of the parent for the period (RM'000)	(7,909)	(542)	(16,272)	(1,858)
Weighted Average Number of shares in issue ('000)	731,449	529,486	692,918	395,589
Diluted Loss per share (sen)	(1.08)	(0.10)	(2.35)	(0.47)

B11. Auditors' Report of Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2022 was not qualified.

SERSOL BERHAD

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

B12. Derivative Financial Instruments

(a) Disclosure of derivative financial instruments

As at 30 September 2023, 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.

B13. Loss Before Tax

The following items have been included in arriving at loss before tax:

	Current quarter ended		Cumulative quarter ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	RM'000	RM'000	RM'000	RM'000
Depreciation	(469)	(214)	(1,377)	(397)
Gain on disposal of property, plant and equipment	-	-	45	85
Gain on disposal of quoted investments	-	-	28	-
Gain/(Loss) on foreign exchange –Unrealised	(67)	82	5	54
Interest expense	(13)	(16)	(40)	(20)
Interest income	-	5	1	15
Amortisation of right of use asset	(73)	(68)	(276)	(131)
Deposits and prepayments written off	(7,400)	-	(10,428)	-
Impairment loss on trade receivable	-	-	(1,577)	-
Fair value gain/(loss) on quoted investments	339	-	(1,317)	-

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.

B14. Authorisation for use

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 24 November 2023.