



## ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2023

### DIRECTORS COMMENTARY AND COMPANY OVERVIEW

The Board of Directors of SREE AGRO is pleased to present the performance for the quarter ended 31 March 2023. SREE AGRO mainly acts as the holding company of SREE PLC (Zambia), which is involved in the trading and distribution activities of a wide range of soft commodities. The SREE Group sells to customers in Zambia & neighboring African countries. The Group operates in:

- Essential food trading (Fish, Chicken, Goat, Maize flour, Rice, Edible oil, Sugar, Salt & other food products); and
- Agro processing (Aquaculture, Farming & Maize Milling).

The subsidiary company SREE PLC faced various challenges since last year, mainly attributed to "Edible Oil" price issues and other related issues.

Due to the above challenges, SREE PLC just managed to keep its top line and bottom-line numbers at par with its previous years and planned budgets.

### HIGHLIGHTS OF PERFORMANCE OF SREE GROUP

- Quarterly revenues at USD 7.19 million against USD 5.55 million for the quarter ended 31 March 2022, an increase of 30% approximately.
- Operational EBITDA for the three months ended 31 March 2023 stood at (USD 323,063) against USD 846,442 for quarter ended 31 March 2022.

- Loss for the three months ended 31 March 2023 stood at USD 742,610 against profit after tax of USD 350,749 for the quarter ended 31 March 2022.

- Planted 16 Ha Moringa farming (Converting half of present "Fruits & Spices" farming).

- Moringa farming, processing shall increase the bottom-line as from this financial year.

### CURRENT BUSINESS OUTLOOK

As per the latest World Economic Outlook, the global economic recovery is on track, however it faces an uncertain outlook in view of high inflation, geopolitical tensions, and financial sector turmoil in some countries. In this conjuncture, rising inflation and volatile soft commodity prices are continuing challenges, but, the product mix combinations, working to reduce the supply chain cycles are estimated to compensate for the above said issues.

We sincerely thank all our employees, customers, suppliers, shareholders & other stakeholders for their continued patronage and support during the pandemic and post pandemic difficult times. We reiterate the Management's commitment of consistent performance and to create value in line with our long-term vision.

The Group is committed to grow the essential food company, handling basket of fillers (essential foods) benefitting people in Sub-Saharan Africa.

By order of the Board

12 May 2023

### Consolidated Statement of Financial Position

	Unaudited as at 31 March 2023 USD	Unaudited as at 31 December 2022 USD
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property plant and equipment	17,207,465	17,608,520
<b>Total Non-Current Assets</b>	<b>17,207,465</b>	<b>17,608,520</b>
<b>Current Assets</b>		
Inventories	1,857,427	4,471,606
Trade and other receivables	3,135,123	3,608,845
Cash and cash equivalents	22,927	121,026
<b>Total Current Assets</b>	<b>5,015,477</b>	<b>8,201,476</b>
<b>Total Assets</b>	<b>22,222,942</b>	<b>25,809,997</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	5,002,350	5,002,350
Retained earnings	5,240,953	5,983,563
Translation reserve	(1,335,459)	1,423,272
Capital and reserves attributable to owners of SREE AGRO LIMITED	<b>8,907,844</b>	<b>12,409,185</b>
<b>Non-Current Liabilities</b>		
Borrowings	696,603	785,144
Other payables	5,000,000	5,000,000
Deferred tax liabilities	1,448,765	1,889,452
<b>Total Non-Current Liabilities</b>	<b>7,145,368</b>	<b>7,674,596</b>
<b>Current Liabilities</b>		
Due to shareholders	21,950	21,950
Trade and other payables	6,147,780	5,632,844
Tax liability	-	71,422
<b>Total Current Liabilities</b>	<b>6,169,730</b>	<b>5,726,217</b>
<b>Total Equity &amp; Liabilities</b>	<b>22,222,942</b>	<b>25,809,997</b>
<b>Number of Shares in Issue</b>	<b>5,100,000</b>	<b>5,100,000</b>
<b>Net asset value per share</b>	<b>1.75</b>	<b>2.43</b>

### Consolidated Statement of Profit and Loss and Other Comprehensive Income

	Unaudited for the Quarter ended 31 March 2023 USD	Unaudited for the Quarter ended 31 March 2022 USD
Revenue from operations	7,194,934	5,550,599
<b>Total income</b>	<b>7,194,934</b>	<b>5,550,599</b>
<b>Expenditure</b>		
Cost of sales	7,048,599	4,474,751
Operating expenses	272,862	107,782
Listing fees	3,470	4,630
Sales and distribution expenses	62,569	61,238
Administration expenses	130,497	55,756
<b>Total expenditure</b>	<b>7,517,997</b>	<b>4,704,157</b>
Profit / (Loss) before finance cost, depreciation, and tax	<b>(323,063)</b>	<b>846,442</b>
Finance costs	(268,968)	(246,385)
Depreciation	(150,579)	(149,380)
Profit / (Loss) before tax	<b>(742,610)</b>	<b>450,677</b>
<b>Income tax expense</b>		
Current tax	-	(45,982)
Deferred tax	-	(53,947)
Profit / (Loss) for the period	<b>(742,610)</b>	<b>350,749</b>
Number of Shares in Issue	5,100,000	5,100,000
<b>Earnings/(loss) per share</b>	<b>(0.15)</b>	<b>0.07</b>
<b>Profit attributable to Owners of the Company</b>	<b>(742,610)</b>	<b>350,749</b>

### Consolidated Statement of Comprehensive Income

	Unaudited for the Quarter ended 31 March 2023 USD	Unaudited for the Quarter ended 31 March 2022 USD
Profit / (Loss) for the period	<b>(742,610)</b>	<b>350,749</b>
<i>Items that will not be reclassified to profit or loss:</i>		
Translation of foreign subsidiaries	(2,758,730)	(1,579,313)
<b>Total comprehensive income for the period</b>	<b>(3,501,340)</b>	<b>(1,228,564)</b>
Total comprehensive income for the period attributable to owners of the Company	(3,501,340)	(1,228,564)

### Consolidated Statement of Cash flows

	Unaudited for the 3 months ended 31 March 2023 USD
<b>Net cash flow used in operating activities</b>	<b>2,051,599</b>
<b>Net cash flow used in investing activities</b>	<b>256,045</b>
<b>Net cash flow from financing activities</b>	<b>358,556</b>
Net increase in cash and cash equivalents	<b>2,666,201</b>
Cash and cash equivalents at the beginning of the period	121,026
Foreign exchange difference	(2,764,299)
<b>Cash and cash equivalents at the end of the period</b>	<b>22,927</b>

The Company is required to publish consolidated interim financial results for the 3 months ended 31 March 2023 in terms of Listing Rule 12.19 of the SEM.

The abridged unaudited consolidated financial statements for the 3 months ended 31 March 2023 ("abridged unaudited consolidated financial statements") have been prepared in accordance with the measurement and recognition requirements of IFRS, the information contained in IAS 34: Interim Financial Reporting and the SEM Listing Rules.

The abridged unaudited consolidated financial statements have not been reviewed or reported on by the Company's external auditors. These abridged unaudited consolidated financial statements were approved by the Board of Directors (the "Board") on 12 May 2023.

This communiqué is issued pursuant to SEM Listing Rules 11.3 and 12.20. The Board accepts full responsibility for the accuracy of the information contained in this communiqué. Contact Person: Mr. Bashir Nabeebokus.

For further information, please contact:

GlobalServe Management Limited  
**Company Secretary**



### Consolidated Statement of Changes in Equity

	Share capital USD	Retained earnings USD	Translation reserve USD	Total equity USD
<b>Balance as at 01 January 2023</b>	<b>5,002,350</b>	<b>5,983,563</b>	<b>1,423,271</b>	<b>12,409,184</b>
Shares issued during the period	-	-	-	-
Other comprehensive income	-	-	(2,758,730)	(2,758,730)
Retained earnings	-	(742,610)	-	(742,610)
<b>Balance as at 31 March 2023</b>	<b>5,002,350</b>	<b>5,240,953</b>	<b>(1,335,459)</b>	<b>8,907,844</b>