

**SOUTHERN CHARTER
FINANCIAL GROUP LIMITED**

**CONDENSED INTERIM
FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

Dear Shareholders

The Directors of Southern Charter Financial Group (“the Company”) are pleased to report its financial results for the six months ended 30 September 2022.

Financial Results

Southern Charter Financial Group reports an unaudited net loss attributable to shareholders of \$132,374 for the half year ended 30 September 2022. This compares with a net loss attributable to shareholders of 107,388 for the same period last year.

Compared to the prior period, more expenses were incurred in the half year ended September 2022 on directors fees with the addition of KC Ng as a full director and an increase in individual fees, whilst still remaining within the limits of the approved fee pool, to recognize the increased workload on directors engaged in due diligence activities in relation to potential acquisitions. The director fee increase is partially offset by a reduction in management fees, as disclosed in the related party note of the report.

Outlook

The Company continues to look for appropriate acquisition targets with the support of the majority shareholder. The Company will seek approval from all shareholders, as required, to complete any major transaction.

The Directors of Southern Charter Financial Group extend their thanks to the shareholders for their support of the Company.

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Southern Charter Financial Group Limited

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2022

	Unaudited Six months Sep-22 \$	Unaudited Six months Sep-21 \$	Audited Year Mar-22 \$
Continuing operations			
Interest Income	10,289	4,016	11,264
Administrative expenses	(142,636)	(111,404)	(175,914)
Loss before interest, tax, depreciation, amortisation and other items	(132,347)	(107,388)	(164,650)
Loss before income tax	(132,374)	(107,388)	(164,650)
Income tax expense	-	-	-
Net loss for the period attributable to shareholders	(132,374)	(107,388)	(164,650)
Other comprehensive income	-	-	-
Total comprehensive loss for the period, net of tax, attributable to shareholders	(132,374)	(107,388)	(164,650)
Earnings per share:	cents	cents	cents
Basic and diluted earnings/(loss) per share	(0.03)	(0.02)	(0.03)

These interim financial statements have not been audited, nor reviewed by the auditor and should be read in conjunction with the accompanying notes and the annual financial statements for the year ended 31 March 2022.

Southern Charter Financial Group Limited

STATEMENT OF FINANCIAL POSITION

As at 30 September 2022

	Unaudited Six months Sep-22 \$	Audited Year Mar-22 \$
Assets		
Current assets		
Cash and cash equivalents	663,877	21,749
Term Deposit	1,200,000	1,980,000
Interest accrued on term deposits	6,600	2,821
GST receivable	10,230	8,048
Income tax receivable (RWT)	1,823	2,718
	1,882,530	2,015,336
Non-current assets		
NZX Deposit	20,000	20,000
	20,000	20,000
Total assets	1,902,530	2,035,336
Equity and liabilities		
Current liabilities		
Trade and other payables	128,459	128,889
Total liabilities	128,459	128,889
Equity		
Issued capital	5,672,856	5,672,856
Accumulated loss	(3,898,785)	(3,766,409)
Total equity	1,774,071	1,906,447
Total equity and liabilities	1,902,530	2,035,336
	cents	cents
Net Tangible Asset per Share	0.3446	0.3703

29 November 2022

Director: Bruce Dunlop

Director: John Cilliers

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Southern Charter Financial Group Limited

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2022

	Issued capital	Accumulated Loss	Total equity
	\$	\$	\$
As at 1 April 2021	5,672,856	(3,601,759)	2,071,097
Loss for the period	-	(107,388)	(107,388)
Other comprehensive income	-	-	-
Total comprehensive loss	-	(107,388)	(107,388)
Unaudited balance for the period ended 30 September 2020	5,672,856	(3,709,147)	1,963,709
As at 1 October 2021	5,672,856	(3,709,147)	1,963,709
Loss for the period	-	(57,262)	(57,262)
Other comprehensive income	-	-	-
Total comprehensive loss	-	(57,262)	(57,262)
At 31 March 2022	5,672,856	(3,766,409)	1,906,447
As at 1 April 2022	5,672,856	(3,766,409)	1,906,447
Loss for the period	-	(132,376)	(132,376)
Other comprehensive income	-	-	-
Total comprehensive loss	-	(132,376)	(132,376)
Unaudited balance for the period ended 30 September 2022	5,672,856	(3,898,785)	1,774,071

These interim financial statements have not been audited, nor reviewed by the auditor and should be read in conjunction with the accompanying notes and the annual financial statements for the year ended 31 March 2022.

Southern Charter Financial Group Limited

STATEMENT OF CASH FLOWS

For the period ended 30 September 2022

	Unaudited Six months Sep-22 \$	Unaudited Six months Sep-21 \$	Audited Year Mar-22 \$
Operating activities			
Interest received	6,510	2,973	9,707
Payments to suppliers	(145,277)	(74,103)	(132,855)
Income tax paid	(1,823)	(832)	(13,804)
Income tax refund received	2,718	6,718	17,804
Net cash flows from operating activities	(137,872)	(65,244)	(119,148)
Investing activities			
Cash and cash equivalents transferred to term deposits	780,000	(2,140)	29,556
Net cash flows from investing activities	780,000	(2,140)	29,556
Financing activities			
Net cash flows from financing activities	-	-	-
Net increase / (decrease) in cash and cash equivalents	642,128	(67,384)	(89,592)
Cash and cash equivalents at beginning of year	21,749	111,341	111,341
Cash and cash equivalents at end of year	663,877	43,957	21,749

These interim financial statements have not been audited, nor reviewed by the auditor and should be read in conjunction with the accompanying notes and the annual financial statements for the year ended 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF ACCOUNTING POLICIES

Reporting entity

These unaudited interim financial statements and notes represent those of Southern Charter Financial Group Limited (“SNC” or “the Company”).

Southern Charter Financial Group Limited is a limited liability company incorporated and domiciled in New Zealand. The registered office and principal place of business are disclosed in the directory to the annual report.

The Company is currently non trading. There are no seasonal or cyclical influences on these interim results.

Basis of preparation

These unaudited interim financial statements for the six months ended 30 September 2022 have been prepared in accordance New Zealand Generally Accepted Accounting Practice (“NZ GAAP”), with New Zealand Equivalent to International Accounting Standard 34: Interim Financial Reporting (“NZ IAS 34”) and with International Accounting Standard 34: Interim Financial Reporting (“IAS 34”).

Southern Charter Financial Group Limited is a company registered under the Companies Act 1993 and is an FMC reporting entity under the Financial Markets Conduct Act 2013. The Company is listed on the NZX Market. These financial statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules.

The interim financial statements do not include all of the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the financial statements included in the annual report for the year ended 31 March 2021 which have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (“NZ IFRS”) and International Financial Reporting Standards (“IFRS”).

The interim financial statements are presented in New Zealand dollars which is the Company’s functional and presentation currency and are rounded to the nearest dollar.

The interim financial statements are unaudited. The comparative information as at 31 March 2022 is audited.

Accounting policies

The interim financial statements have been prepared using the same accounting policies and methods of computation detailed in the audited financial statements for the year ended 31 March 2021. For details of the accounting policies please refer to the 2021 Annual Report.

These unaudited interim financial statements have been approved for issue by the Board of Directors on 29 November 2022.

2. SEGMENT INFORMATION

There have been no material change in the nature of operating segments since 31 March 2022

3. ADMINISTRATIVE EXPENSES

	Unaudited Six months Sep-22 \$	Unaudited Six months Sep-21 \$
Audit fees - financial statements	20,400	19,270
Contractors	21,055	30,071
Directors' fees	78,000	18,000
Legal Fees	6,355	1,020
NZX Listing and registry costs	11,444	10,871
Other	5,383	32,172
	142,637	111,404

4. FINANCIAL RISK MANAGEMENT

There have been no material changes in the management of risk or in any risk management policies in the current period.

5. EARNINGS PER SHARE

	Unaudited Six months Sep-22	Unaudited Six months Sep-21
Total comprehensive income for the period attributable to shareholders	[\$] (\$132,375)	(\$107,388)
Weighted average number of shares	514,894,500	514,894,500
Basic and diluted earnings/(loss) per share	[cents] (0.03)	(0.02)

There have been no changes in the estimated useful life of key items of plant and equipment.

6. NET TANGIBLE ASSET BACKING

	Unaudited Sep-22	Audited Mar-22
Net Tangible Assets	1,774,071	1,906,447
Issued shares at balance date	514,894,500	514,894,500
Net Tangible Asset per share (cents)	0.34	0.37

Net tangible assets are calculated as total assets minus intangible assets, and less all liabilities

7. RELATED PARTY TRANSACTIONS

Related party transactions for the period consisted of:

- Director fees of \$18,000 each for KC Ng, Bruce Dunlop and John Cilliers and \$24,000 for the chairman Chang Ku EE.
- Included in administrative expenses is Management fees of \$18,000 paid to Chang Ku EE and KC Ng and \$3,055 was paid to John Cilliers in relation to accounting services and preparation of the 2022 annual report.

Trade and other payables at 30 September 2022 include \$31,595 due for reimbursement to KC NG, a director of the company, for overseas travel and accommodation expenses incurred on due diligence activities.

8. SIGNIFICANT EVENTS AFTER BALANCE DATE

There were no significant events subsequent to 30 September 2022.

9. AUDIT

These interim financial statements are not required to be audited.

BUSINESS DIRECTORY

Company number: 4844319

Directors: Chang Ku EE, Chairman
Kuan Chong NG
Bruce Dunlop
John Cilliers

Registered office: Level 2 Tower Building,
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Wellington, 6011

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Level 7, Zurich House
21 Queen Street
Auckland 1010

Bankers: Westpac Bank Limited

Solicitors: Duncan Cotterill
Wellington

Auditors: BDO, Auckland
Auckland
