



**SEDANIA INNOVATOR BERHAD**  
[Registration No. 201301044527 (1074350-A)]  
**(“SIB” OR THE “COMPANY”)**

**INTERIM FINANCIAL REPORT FOR THE  
FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2022**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2022**

	Quarter Ended			Year-To-Date Ended		
	31 Mar 2022 RM'000	31 Mar 2021 RM'000	Changes %	31 Mar 2022 RM'000	31 Mar 2021 RM'000	Changes %
Revenue	9,040	17,068	(47)	9,040	17,068	(47)
Other income	694	492	41	694	492	41
Cost of sales	(4,751)	(7,991)	(41)	(4,751)	(7,991)	(41)
Administration expenses	(4,044)	(4,455)	(9)	(4,044)	(4,455)	(9)
Profit/(Loss) from operations	939	5,114	(82)	939	5,114	(82)
Finance costs	(110)	(30)	>100	(110)	(30)	>100
Share of result of associates, net of tax	-	-	-	-	-	-
Profit/(Loss) before taxation	829	5,084	(84)	829	5,084	(84)
Taxation	(319)	(191)	67	(319)	(191)	67
Profit/(Loss) for the period, representing total comprehensive income/(loss)	510	4,893	(90)	510	4,893	(90)
<b>NET PROFIT/(LOSS) ATTRIBUTABLE TO:</b>						
- Owners of the parent	283	4,211	(93)	283	4,211	(93)
- Non-controlling interests	227	682	(67)	227	682	(67)
	510	4,893	(90)	510	4,893	(90)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:</b>						
- Owners of the parent	283	4,211	(93)	283	4,211	(93)
- Non-controlling interests	227	682	(67)	227	682	(67)
	510	4,893	(90)	510	4,893	(90)
Weighted average number of ordinary shares ('000)	347,189	302,192	15	347,189	302,192	15
<b>Earnings/(Loss) per share attributable to the owners of the parent (Sen):</b>						
- Basic	0.08	1.39	(94)	0.08	1.39	(94)
- Diluted	0.08	1.39	(94)	0.08	1.39	(94)

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022**

	Unaudited as at 31 Mar 2022 RM'000	Audited as at 31 Dec 2021 RM'000
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	3,478	3,496
Right-of-use assets	1,359	971
Lease receivables	15,525	14,905
Deferred tax asset	407	407
Investment in associates	436	-
	21,205	19,779
<b>CURRENT ASSETS</b>		
Receivables, deposit & prepayments	10,606	9,913
Lease receivables	651	1,710
Inventories	6,641	7,094
Short term funds	8,522	6,799
Cash and bank balances	4,180	6,508
Current tax asset	40	53
	30,640	32,077
<b>TOTAL ASSETS</b>	<b>51,845</b>	<b>51,856</b>
<b>EQUITY</b>		
Share capital	65,649	65,649
Reserves	(29,062)	(29,345)
Non-controlling interest	4,854	4,627
<b>TOTAL EQUITY</b>	<b>41,441</b>	<b>40,931</b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowing	3,334	3,355
Lease liabilities	580	542
Deferred tax liabilities	2	2
	3,916	3,899
<b>CURRENT LIABILITIES</b>		
Payables, accruals & other current liabilities	3,529	4,341
Lease liabilities	893	539
Bank borrowing	1,778	1,748
Current tax liability	288	398
	6,488	7,026
<b>TOTAL LIABILITIES</b>	<b>10,404</b>	<b>10,925</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>51,845</b>	<b>51,856</b>
Weighted average number of ordinary shares ('000)	347,189	329,247
<b>NET ASSETS PER SHARE (Sen)</b>	11.94	12.43

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2022**

	Share Capital	ESOS Reserve	Reorganisation Reserve	Retained earnings	Total	Non- controlling interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Current year-to-date ended 31 March 2022</b>							
Balance as at 1 January 2022	65,649	50	(24,439)	(4,956)	36,304	4,627	40,931
Total comprehensive income	-	-	-	283	283	227	510
<b>Transactions with owners:</b>							
Share options vested under ESOS	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>65,649</b>	<b>50</b>	<b>(24,439)</b>	<b>(4,673)</b>	<b>36,587</b>	<b>4,854</b>	<b>41,441</b>
<b>Preceding year corresponding period ended 31 March 2021</b>							
Balance as at 1 January 2021	52,895	120	(24,439)	(13,255)	15,321	2,606	17,927
Total comprehensive income	-	-	-	4,211	4,211	682	4,893
<b>Transactions with owners:</b>							
Share options vested under ESOS	-	6	-	-	6	-	6
<b>Balance as at 31 March 2021</b>	<b>52,895</b>	<b>126</b>	<b>(24,439)</b>	<b>(9,044)</b>	<b>19,538</b>	<b>3,288</b>	<b>22,826</b>

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2022**

	<b>Current year to date 31 Mac 2022 RM'000</b>	<b>Preceding year to date 31 Mac 2021 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	829	5,084
Adjustments for:		
Depreciation of property, plant and equipment	74	152
Depreciation of right-of-use assets	181	39
Share options vested under ESOS	-	24
Interest expense	94	27
Interest expense on lease liabilities	16	3
Income distribution from short term funds	(3)	(3)
Interest income from finance lease	(475)	(532)
Impairment losses on trade & finance lease receivables	-	998
Reversal of impairment losses on trade receivables	(150)	-
Operating profit before working capital changes	<u>566</u>	<u>5,792</u>
Changes in working capital:		
Trade and other receivables	(494)	4,136
Inventory	453	(106)
Lease receivables	915	(8,890)
Trade and other payables	(1,410)	(432)
	<u>(536)</u>	<u>(5,292)</u>
Cash generated in operations	30	500
Tax paid	(319)	(191)
<b>NET CASH (USED IN)/ GENERATED FROM OPERATING ACTIVITIES</b>	<u>(289)</u>	<u>309</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(55)	(43)
Income distribution received from short term funds	3	3
Investment in a subsidiary	-	(11,240)
Investment in associate	(436)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(488)</u>	<u>(11,280)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of bank borrowing	934	513
Repayment of term loan	(474)	(50)
Interest on term loan	(79)	(27)
Repayment of lease liabilities	(178)	(64)
Interest on lease liabilities	(16)	(3)
Interest paid on letter of credit and revolving credit	(15)	-
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<u>172</u>	<u>369</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(605)	(10,602)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<u>13,307</u>	<u>13,393</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	12,702	2,791

**Cash and cash equivalents comprised the following:**

Cash and bank balances	4,180	2,667
Short term funds	8,522	124
	<u>12,702</u>	<u>2,791</u>

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

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2022**

**A: EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2022.**

**A1. Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting, Rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020, which have been prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

**A2. Significant Accounting Policies**

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2021 except for the adoption of the following standards that became effective for financial period beginning 1 January 2022:

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS1 <i>First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018-2020)</i>	1 January 2022
Amendments to MFRS 3 <i>Business Combinations - Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 9, <i>Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)</i>	1 January 2022
Amendments to Illustrative Examples accompanying MFRS 16, <i>Leases (Annual Improvements to MFRS Standards 2018-2020)</i>	1 January 2022
Amendments to MFRS 116, <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137, <i>Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 141, <i>Agriculture (Annual Improvements to MFRS Standards 2018-2020)</i>	1 January 2022

The adoption of the above standards does not have any significant impacts to the current financial period.

Standards issued but not yet effective

The Group has not adopted the following pronouncements that have been issued but not yet effective:

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for future financial years.

**A3. Auditors' report of preceding annual financial statements**

There was no qualification to the audited financial statements of the Group for the financial year ended ("FYE") 31 December 2021.

**A4. Seasonal or cyclical factors**

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

**A5. Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the quarter under review.

**A6. Material changes in estimates**

Not applicable as there were no estimates reported in the prior financial years.

**A7. Debt and equity securities**

There was no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter and financial period ended 31 March 2022.

**A8. Segmental information**

For management purposes, the Group is organised into five (5) operating segments which reflect the internal organisational and management structure according to the nature of the products and services provided. We measure the results of our segments using, among other measures, each segment's net revenue and operating income, which includes certain corporate overhead allocations.



- a) Sustainable Healthcare  
Provision of consumer products specialising in healthcare, personal care, household as well as baby and childcare products; and health technologies specialising in preventative healthcare technology solutions.
- b) Sustainable Energy  
Provision of green technology and internet of things (“IoT”) solutions for sustainable and environmentally friendly products and services.
- c) Financial Technology (“FinTech”)   
Provision of financial technology solutions for the banking industry.
- d) Telco Technology (“TelcoTech”)   
Providing the technology on Airtime sharing for telecommunication providers.
- e) Others   
Others mainly comprise provision of big data analytics services and operations relating to investment holding.

Segment assets and liabilities exclude current and deferred tax assets and liabilities.

The Group’s segmental analysis by operating segments are as follows:

	3 months ended		3 months ended	
	31 Mar 2022 RM’000	31 Mar 2021 RM’000	31 Mar 2022 RM’000	31 Mar 2021 RM’000
<b>Segment revenue</b>				
Sustainable Healthcare	7,323	5,337	7,323	5,337
Sustainable Energy	56	10,162	56	10,162
FinTech	1,147	963	1,147	963
TelcoTech	514	596	514	596
Others	-	10	-	10
<b>Total revenue</b>	<b>9,040</b>	<b>17,068</b>	<b>9,040</b>	<b>17,068</b>
<b>Segment operating profit/(loss) before tax</b>				
Sustainable Healthcare	883	1,544	883	1,544
Sustainable Energy	(50)	3,668	(50)	3,668
FinTech	413	142	413	142
TelcoTech	(19)	155	(19)	155
Others	(398)	(425)	(398)	(425)
<b>Operating profit /(loss) before tax</b>	<b>829</b>	<b>5,084</b>	<b>829</b>	<b>5,084</b>
			<b>31 Mar 2022 RM’000</b>	<b>31 Mar 2021 RM’000</b>
<b>Segment Assets</b>				
Sustainable Healthcare			15,129	10,728
Sustainable Energy			20,603	18,081
FinTech			4,694	1,566
TelcoTech			4,514	3,076
Others			6,458	270

<b>Total Assets</b>	<b>51,398</b>	<b>33,260</b>
<b>Segment Liabilities</b>		
Sustainable Healthcare	4,446	3,603
Sustainable Energy	1,915	423
FinTech	316	274
TelcoTech	1,278	1,728
Others	2,159	4,064
<b>Total Liabilities</b>	<b>10,114</b>	<b>10,547</b>

The Group's revenue based on geographic location of its customers are as follows:-

	3 months ended		3 months ended	
	31 Mar 2022 RM'000	31 Mar 2021 RM'000	31 Mar 2022 RM'000	31 Mar 2021 RM'000
Malaysia	7,165	16,178	7,165	16,178
Asian countries other than Malaysia	893	631	893	631
Europe	913	200	913	200
Others	69	59	69	59
<b>Total</b>	<b>9,040</b>	<b>17,068</b>	<b>9,040</b>	<b>17,068</b>

Year to date revenue from Malaysia, Asian countries other than Malaysia, Europe and Others contributed to approximately 79.26%, 9.88%, 10.10% and 0.76% respectively of the Group's total revenue.

**A9. Valuation of property, plant and equipment**

The Group has not carried out any valuation of its property, plant and equipment in the current quarter.

**A10. Capital commitment**

There was no capital commitment recognised by the Group for the current quarter.

**A11. Changes in the composition of the Group**

There were no changes in the composition of the Group in the current quarter.

**A12. Contingent liabilities and contingent assets**

There were no changes in contingent liabilities or contingent assets since the last annual reporting period date up to the date of this report.

**A13. Material events subsequent to the end of the quarter**

Save as disclosed in Note B6, there were no other material events subsequent to the end of the current quarter and financial year-to-date that have not been reflected in this interim financial report.

**A14. Significant related party transaction**

Save as disclosed, there was no other significant related party transaction entered into during the current quarter.

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**B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS**

**B1. Group's Financial Performance Review and Segmental Analysis**

Overall review of the Group's financial performance

	3 months ended			3 months ended		
	31 Mar 2022 RM'000	31 Mar 2021 RM'000	Changes %	31 Mar 2022 RM'000	31 Mar 2021 RM'000	Changes %
Revenue	9,040	17,068	(47)	9,040	17,068	(47)
Operating Profit	939	5,114	(82)	939	5,114	(82)
Profit Before Interest and Tax	939	5,114	(82)	939	5,114	(82)
Profit Before Tax	829	5,084	(84)	829	5,084	(84)
Profit After Tax for the Period	510	4,893	(90)	510	4,893	(90)
Profit After Tax & Attributable to Ordinary Equity Holders of the Parent	<b>283</b>	<b>4,211</b>	(93)	<b>283</b>	<b>4,211</b>	(93)

(i) Statement of Profit and Loss and Other Comprehensive Income

Group revenue for 1Q 2022 was RM9.04 million, a decrease of 47% from RM17.07 million in 1Q 2021. This was mainly due to lower contributions from the Sustainable Energy segment during the quarter under review.

Consequently, the Group's operating profit before tax decreased by RM4.26 million or 82% as compared to 1Q 2021.

Group profit after tax in 1Q 2021 was RM0.5 million compared to a profit after tax of RM4.9 million in 1Q 2021.

A segmental breakdown and analysis by operating segments are provided under item A8 and "Segmental Analysis" below.

(ii) Statement of Financial Position

As at 31 March 2022, total equity attributable to the owners of the Company was RM41.44 million as compared to RM40.93 million as at 31 December 2021.

There were no significant movement in total assets as at 31 March 2022 as compared to total assets as at 31 December 2021.

Total liabilities slightly decreased from RM10.93 million as of 31 December 2021 to RM10.40 million as of 31 March 2022. The decrease in total liabilities was driven mainly by the decrease in trade and other payables and current tax liability in the current period.

(iii) Statement of Cash Flows

The Group recorded a net cash outflow of RM0.61 million as at 31 March 2022. As at 31 March 2022, the Group had short-term deposits and bank balances of RM12.70 million, borrowings of RM5.11 million and lease liabilities of RM1.47 million.

For the three (3) months ended 31 March 2022, the net cash used in operating activities of the Group was RM0.29 million as compared to RM0.31 million generated from the previous corresponding period in 2021.

Net cash used in investing activities was RM0.49 million in the three (3) months ended 31 March 2022, as compared to RM11.28 used in the previous corresponding period in 2021.

Net cash generated from financing activities was RM0.17 million during the period against RM0.37 million generated for the corresponding period in 2021.

Segmental analysis

**a. Current quarter ended 31 March 2022 (“1Q 2022”) compared with the previous corresponding quarter ended 31 March 2021 (“1Q 2021”):**

Sustainable Healthcare

In 1Q 2022, Sustainable Healthcare segment revenue was RM7.32 million, an increase of 37.21% or RM1.99 million compared to 1Q 2021.

The segment recorded an operating profit before tax of RM0.88 million in the current quarter as compared to segment operating profit before tax of RM1.54 million in 1Q 2021. The decrease was mainly due to higher operating expenses, in particular exhibition participation related expenses for TCE Baby Expo in March 2022 and staff compensation and benefit costs from increased staff to support business growth, office facilities and related expenses.

Sustainable Energy

The Sustainable Energy segment recorded a revenue of RM0.06 million in 1Q 2022 as compared to RM10.16 million in 1Q 2021. The lower revenue recorded was mainly due to no new sites completed compared to 1Q 2021. Revenue from this segment is a continuation of existing maintenance and servicing contracts with a partner for Green Technology solutions in providing energy-saving solutions for a financial institution and a telecommunications company.

The segment recorded an operating loss before tax of RM0.05 million in 1Q 2022 as compared to segment operating profit before tax of RM3.67 million in 1Q 2021.

FinTech

In 1Q 2022, FinTech segment revenue was RM1.15 million, an increase of 19.11% as compared to 1Q 2021. The increase was mainly contributed by the high traffic from its Tawarruq platform as compared to 1Q 2021.

The segment recorded an operating profit before tax of RM0.41 million in the current quarter, as compared to a RM0.14 operating profit before tax in 1Q 2021.

TelcoTech

TelcoTech platform recorded a revenue of RM0.51 million in 1Q 2022, a decrease of 13.76% from the same period last year.

The segment recorded an operating loss before tax of RM0.02 million in 1Q 2021 as compared to RM0.16 million operating profit before tax in 1Q 2021.

Others

This segment comprises operations relating to investment holding company and Big Data Analytics solutions. There was no contribution from this segment in the current quarter as compared to RM0.01 million in 1Q 2021.

The segment recorded a segment operating loss before tax of RM0.40 million in 1Q 2022 as compared to a segment operating loss of RM0.43 million in 1Q 2021. This was due to common operating expenses/indirect cost allocated on a reasonable basis to this segment for whose benefit the expense was incurred.

**B2. Comparison with immediate preceding quarter's results**

	Quarter ended		Changes %
	31 Mar 2022 RM'000	31 Dec 2021 RM'000	
Revenue	9,040	10,942	(17)
Operating Profit Before Interest and Tax	939	1,480	(37)
Profit Before Tax	829	1,353	(39)
Profit After Tax for the Period	510	368	39
Profit After Tax and Non-controlling Interest For the Period	283	599	(53)

Revenue for the quarter ended 31 March 2022 decreased by RM1.90 million or 17%. The decrease was mainly due to lower contribution from Sustainable Energy segment. The following table shows net revenue by segment for the three months ended 31 March 2022 compared to the preceding quarter ended 31 December 2021.

	31 Mar 2022 RM'000	31 Dec 2021 RM'000	Changes +/(-) %
<b>Segment revenue</b>			
Sustainable Healthcare	7,323	7,418	(1)
Sustainable Energy	56	1,895	(97)
FinTech	1,147	1,107	4
TelcoTech	514	522	(2)
<b>Total revenue</b>	<b>9,040</b>	<b>10,942</b>	<b>(17)</b>

Profit after tax was RM0.51 million in the current quarter compared to profit after tax of RM0.37 million in the immediate preceding quarter. The increase of profit after tax in the current quarter mainly due to lower provision of taxation recognised as compared to 1Q 2021.

The profit after tax and non-controlling interest was RM0.28 million in the current quarter compared to profit after tax and non-controlling interest of RM0.60 million in the immediate preceding quarter. The decrease in profit after tax and non-controlling interest was due to positive non-controlling interest recorded in 1Q 2022 compared to negative non-controlling interest recorded in the immediate preceding quarter.

### **B3. Prospects for 2022**

Despite the challenges brought on by the pandemic in 2021, the Group had shown positive results in the previous financial year. However, the global outlook of 2022 has deteriorated, largely due to Russia's invasion of Ukraine in February 2022, and the conflict has yet to be resolved. The ongoing military conflict would severely set back the global recovery from the impacts of the COVID-19 pandemic, slowing growth, increasing inflation and affecting global trade activity.

Sustainable Healthcare's revenue contribution from Eastern Europe represented approximately 10% of the total Group revenue in Q1 2022. At the same time, the Group has made aggressive expansion of international sales to Cambodia, Spain, South Korea, Finland, Thailand, Myanmar, Bahrain and Maldives since 2021. This expansion is expected to mitigate any potential reduction of revenue contribution from Eastern Europe in 2022. The Management has assessed the financial impact on the Group and are of the opinion that there was no material financial impact arising from the crisis. The Group is actively monitoring and managing the operations of the Group to minimise any impact arising from these developments.

Sustainable Energy is increasingly becoming a necessity for companies operating in Malaysia. There are multiple key drivers for the ESG adoption in Malaysia.

The largest fund manager EPF has reinforced its commitment to investing in sustainable companies through EPF's Sustainable Investment Policy which targets to have a fully ESG compliant portfolio by 2030. Furthermore, Bursa Malaysia Securities Berhad requires listed companies to include a Sustainability Statement in their annual reports.

Sedania is in the business of enabling companies to become energy sustainable, and help to comply with the above mentioned requirements.

We remain cautiously optimistic of posting another set of good results barring any unforeseen circumstances. We remain steadfast in our pursuit of excellence whilst staying vigilant of any developments that may have an adverse impact on the Group.

We shall continue to monitor, reassess the financial position, take appropriate and timely action to minimise any negative impacts whilst being on the lookout for growth opportunities

**B4. Profit forecast**

The Group has not issued any profit forecast in any public documents.

**B5. Taxation**

	3 months ended		12 months ended	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
	RM'000	RM'000	RM'000	RM'000
Tax expense recognised in profit or loss:				
Current tax provision	319	191	319	191
	<u>319</u>	<u>191</u>	<u>319</u>	<u>191</u>
Deferred Tax:				
Relating to origination of Temporary Difference	-	-	-	-
Tax expense for the financial period	<u>319</u>	<u>191</u>	<u>319</u>	<u>191</u>

**B6. Status of corporate proposals and utilisation of proceeds**

- (i) The Group undertook a private placement of up to 20% of the total number of issued shares of SIB based on a shareholders' mandate procured pursuant to Section 75 and Section 76 of the Companies Act, 2016 approved by its shareholders at the Company's 6<sup>th</sup> Annual General Meeting convened on 29 June 2020 ("Proposed Private Placement"). On 23 October 2020, approximately 25% of the proposed private placement was completed via issuance of 14,500,000 new shares at RM0.132 each – raising a gross proceed of RM1.91 million. On 28 May 2021, approximately 75% of the balance proposed private placement was completed via issuance of 43,533,400 new shares at RM0.286 each – raising gross proceeds of RM12.45 million.

As at the date of this report, the proceeds from the Private Placement have been utilised in the following manner:

Purpose	Proposed utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation		Explanations (if the deviation is 5% or more)
	RM'000	RM'000		RM'000	%	
Green Technology Solutions ("GreenTech") segment	6,079	2,652	Within 12 months	3,427	56.37	(1)
General working capital	7,786	8,036	Within 12 months	-	-	(a)(b)



Private Placement expenses	500	250	Within 1 month	-	-	(b)
Total gross proceeds	14,365	10,938		3,427	24.86	

The utilisation of the proceeds as disclosed above should be read in conjunction with the Announcements made by the Company dated 18 September 2020, 2 October 2020, 6 October 2020 and 31 May 2021.

*Explanation:*

(1) *The Group's GreenTech energy saving devices installation works are still in progress.*

*Notes:*

(a) *The general working capital allocated from this round of Private Placement has been fully utilised as at the date of this report.*

(b) *The actual expenses incurred for the Private Placement were lower than the estimated expense. Hence the balance of unutilised Private Placement proceeds of RM0.25 million has been re-allocated to working capital of the Group.*

There were no other corporate proposals, which have been announced but not completed as at 30 May 2022, being the date of this report.

## **B7. Borrowings**

The Group's borrowings as at the end of this financial period are as follows:

	<b>31 Mar 2022 RM'000</b>	<b>31 Mar 2021 RM'000</b>
Current liabilities		
Term loan (secured)	344	217
Revolving credit	500	500
Trade facilities	934	513
Working capital	-	108
	<u>1,778</u>	<u>1,338</u>
Non-current liabilities		
Term loan (secured)	3,334	1,622
Working capital	-	291
	<u>3,334</u>	<u>1,913</u>
Total borrowings	<u>5,112</u>	<u>3,251</u>

Note: The term loan is secured by a first legal charge against the Group's office premises.

## **B8. Material litigation**

There were no pending material litigations against the Group which might materially and adversely affect the Group's financial position.

## B9. Dividends

No dividend has been paid, declared or proposed during the quarter under review.

## B10. Earnings per share

### (a) Basic earnings per share

The earnings per share are calculated by dividing the net profit/(loss) attributable to ordinary owners of the Company by the weighted average number of ordinary shares in issue during the period.

	3 months ended		12 months ended	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Profit/(Loss) attributable to the owners of the Company (RM'000)	283	4,211	283	4,211
Weighted average number of ordinary shares in issue ('000)	347,189	302,192	347,189	302,192
Basic earnings/(loss) per share (sen)	0.08	1.39	0.08	1.39

### (b) Diluted earnings per share

The diluted earnings per share are calculated by dividing the net profit/(loss) attributable to ordinary owners of the Company by the weighted average number of ordinary shares in issue during the period, adjusted for the dilutive effects of potential ordinary shares from share options granted pursuant to the Employees' Share Option Scheme ("ESOS").

	3 months ended		12 months ended	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Profit/(Loss) attributable to the owners of the Company (RM'000)	283	4,211	283	4,211
Weighted average number of ordinary shares in issue ('000)	347,189	302,192	347,189	302,192
Effect of dilution from share options ('000)	368	350	368	350
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	347,557	302,541	347,557	302,541
Diluted earnings/loss per share (sen)	0.08	1.39	0.08	1.39

**B11. Disclosure on selected expense/(income) items as required by the Listing Requirements**

Included in profit before taxation are the following expense/(income) items:

	3 months ended 31 Mar 2022 RM'000	3 months ended 31 Mar 2021 RM'000	12 months ended 31 Mar 2022 RM'000	12 months ended 31 Mar 2021 RM'000
Depreciation of property, plant and equipment	74	152	74	152
Depreciation of right-of-use assets	181	39	181	39
(Gain)/Loss on foreign exchange				
- realised	45	-	45	-
- unrealised	-	-	-	-
Income distribution received from short term funds	(3)	(3)	(3)	(3)
Interest income from finance lease	(475)	(532)	(475)	(532)
Impairment losses on trade & finance lease receivables	-	998	-	998
Interest expense	94	27	94	27
Reversal of impairment losses on trade receivables	(150)	-	(150)	-

By Order of the Board

**CHUA SIEW CHUAN (MAICSA 0777689)**

**CHENG CHIA PING (MAICSA 1032514)**

Company Secretaries

Kuala Lumpur

30 May 2022