



**SEDANIA INNOVATOR BERHAD**  
(Company No. 1074350-A)  
**(“SEDANIA” OR THE “COMPANY”)**

**INTERIM FINANCIAL REPORT FOR THE  
FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2015**

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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 2015**

	<----Individual Quarter ---->		<----Cumulative Quarter --->	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Revenue	2,579	n/a	2,579	n/a
Other income	76	n/a	76	n/a
Administration expenses	<u>(1,599)</u>	<u>n/a</u>	<u>(1,599)</u>	<u>n/a</u>
Profit from operations	1,056	n/a	1,056	n/a
Finance costs	<u>-</u>	<u>n/a</u>	<u>-</u>	<u>n/a</u>
Profit before taxation	1,056	n/a	1,056	n/a
Taxation	<u>440</u>	<u>n/a</u>	<u>440</u>	<u>n/a</u>
Net profit for the financial year, representing total comprehensive income	<u>1,496</u>	<u>n/a</u>	<u>1,496</u>	<u>n/a</u>
<b>NET PROFIT/TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
- Owners of the parent	1,496	n/a	1,496	n/a
- Non-controlling interests	<u>-</u>	<u>n/a</u>	<u>-</u>	<u>n/a</u>
	<u>1,496</u>	<u>n/a</u>	<u>1,496</u>	<u>n/a</u>
Weighted average number of ordinary shares ('000)	148,533	n/a	148,533	n/a
Earnings per share attributable to owners of the parent (RM):				
- Basic	0.01	n/a	0.01	n/a
- Diluted	0.01	n/a	0.01	n/a

Notes:

Comparative figures for the preceding year's corresponding financial periods are not presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2015 being announced by the Company in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). Sedania, an investment holding company, was incorporated on 17 December 2013, but the Group was formed on 24 July 2015 upon the acquisition of IDOTTV.

n/a Not applicable.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015**

	<b>Unaudited As at 31 March 2015 RM'000</b>	<b>Audited As at 31 December 2014 RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	3,219	2,662
	<u>3,219</u>	<u>2,662</u>
<b>CURRENT ASSETS</b>		
Trade receivables	5,643	5,229
Other receivables	8,782	8,522
Fixed deposits with licensed banks	5,255	4,866
Cash and bank balances	1,277	639
	<u>20,957</u>	<u>19,256</u>
<b>TOTAL ASSETS</b>	<b><u>24,176</u></b>	<b><u>21,918</u></b>
<b>EQUITY</b>		
Share capital	14,853	14,853
Reserves	7,966	6,470
Equity attributable to owners of the parent	22,819	21,323
Non-controlling interests	-	-
<b>TOTAL EQUITY</b>	<b><u>22,819</u></b>	<b><u>21,323</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	850	-
Deferred tax liabilities	53	53
	<u>903</u>	<u>53</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015 (CONT'D)**

	Unaudited As at 31 March 2015 RM'000	Audited As at 31 December 2014 RM'000
<b>CURRENT LIABILITIES</b>		
Trade payables	-	-
Other payables	225	313
Current tax liabilities	229	229
	454	542
<b>TOTAL LIABILITIES</b>	<b>1,357</b>	<b>595</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>24,176</b>	<b>21,918</b>
<b>NET ASSETS PER SHARE (RM)</b>	0.15	0.14

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2015

	<--- Non-Distributable --->		Distributable	Total Equity RM'000
	Share Capital RM'000	Reorganisation Reserve RM'000	Retained Profits RM'000	
Balance as at 1 January 2015	14,853	(853)	7,323	21,323
Net profit for the financial year, representing total comprehensive income for the financial year	-		1,496	1,496
<b>Balance as at 31 March 2015</b>	<b>14,853</b>	<b>(853)</b>	<b>8,819</b>	<b>22,819</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2015**

	<b>Current year to date 31 March 2015 RM'000</b>	<b>Preceding year to date 31 March 2014 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,056	n/a
Adjustments for:		
Depreciation of property, plant and equipment	119	n/a
Interest income	(39)	n/a
Operating profit before working capital changes	<u>1,136</u>	<u>n/a</u>
Changes in working capital:		
Trade receivables	(413)	n/a
Other receivables	(261)	n/a
Trade payables	-	n/a
Other payables	(88)	n/a
	<u>(762)</u>	<u>n/a</u>
Cash generated from operations	374	n/a
Interest received	39	n/a
Tax paid	(8)	n/a
Tax refunded	448	n/a
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>853</u>	<u>n/a</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(676)	n/a
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(676)</u>	<u>n/a</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of term loans	850	n/a
Increase in fixed deposits pledged	(389)	n/a
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>461</u>	<u>n/a</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	638	n/a
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	-	n/a
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<u>639</u>	<u>n/a</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>1,277</u>	<u>n/a</u>

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	<b>Current year to date 31 March 2015 RM'000</b>	<b>Preceding year to date 31 March 2014 RM'000</b>
Cash and bank balances	1,277	n/a
Fixed deposits with licensed banks	5,255	n/a
	<u>6,532</u>	<u>n/a</u>
Less: Fixed deposit pledged with licensed banks	(5,255)	n/a
	<u>1,277</u>	<u>n/a</u>

Comparative figures for the preceding year's corresponding financial period are not presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2015 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

n/a Not applicable.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST (1<sup>st</sup>) QUARTER ENDED 31 MARCH 2015**

**A: EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 MARCH 2015.**

**A1. Accounting policies and methods of computation**

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.

The accounting policies and methods of computation adopted by the Company and its subsidiaries (“Group”) in this unaudited condensed interim financial statements are consistent with those adopted in the preparation of the audited financial statements as at 31 December 2014, except for the effects of the following newly issued MFRS applied during the current financial period:

<b>MFRS and IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective dates for financial periods beginning on or after</b>
<i>Amendments to MFRS 119</i>	<i>Defined Benefits Plans: Employee Contributions</i>
	<i>1 July 2014</i>
<i>Annual Improvements to MFRSs 2010 – 2012 Cycle</i>	<i>1 July 2014</i>
<i>Annual Improvements to MFRSs 2011 – 2013 Cycle</i>	<i>1 July 2014</i>

The Group has not adopted the following Standards of MFRS Framework that have been issued but not yet effective:

<i>MFRS 14</i>	<i>Regulatory Deferral Accounts</i>	<i>1 January 2016</i>
<i>Amendments to MFRS 11</i>	<i>Accounting for Acquisitions of Interests in Joint Operations</i>	<i>1 January 2016</i>
<i>Amendments to MFRS 101</i>	<i>Disclosure Initiative</i>	<i>1 January 2016</i>
<i>Amendments to MFRS 116 and MFRS 138</i>	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	<i>1 January 2016</i>
<i>Amendments to MFRS 116 and MFRS 141</i>	<i>Agriculture: Bearer Plants</i>	<i>1 January 2016</i>
<i>Amendments to MFRS 127</i>	<i>Equity Method in Separate Financial Statements</i>	<i>1 January 2016</i>
<i>Amendments to MFRS 10 and MFRS 128</i>	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	<i>1 January 2016</i>



**A1. Accounting policies and methods of computation (cont'd)**

<b>MFRS and IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective dates for financial periods beginning on or after</b>
<i>Annual Improvements to MFRSs 2012–2014 Cycle</i>	<i>1 January 2016</i>
<i>Amendments to Investment Entities: Applying the MFRS 10, MFRS 12 and MFRS 128</i>	<i>1 January 2016</i>
<i>MFRS 15 Revenue from Contracts with Customers</i>	<i>1 January 2017</i>
<i>MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)</i>	<i>1 January 2018</i>

The adoptions of the above amendments/improvements to MFRS did not result in any significant impact on the Group's result and financial position.

**A2. 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 2014.

**A3. 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.

**A4. Unusual items**

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

**A5. Material changes in estimates**

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

**A6. Debt and equity securities**

There were no issuances, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter under review.

**A7. Segmental information**

The Group's revenue based on geographical location of its customers is presented as follows:

	Current quarter ended		Year-to-date ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Malaysia	1,871	n/a	1,871	n/a
Bangladesh	688	n/a	688	n/a
Indonesia	20	n/a	20	n/a
<b>Total</b>	<b>2,579</b>	<b>n/a</b>	<b>2,579</b>	<b>n/a</b>

No other segmental information such as segment assets, liabilities and results are presented as the Group is principally engaged in the provision of Airtime Sharing ("ATS") services locally and overseas.

Revenue from Malaysia and Bangladesh contributed to approximately 72.5% and 26.7% respectively of the Group's total revenue. Revenue from Indonesia represents pre-sales income from proof-of-concept.

Comparative figures for the preceding year's corresponding financial periods are not presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2015 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

**A8. Valuation of property, plant and equipment**

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

**A9. Capital commitments**

	31 March 2015 RM'000	31 March 2014 RM'000
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Authorised and contracted for:

Purchase of property, plant and equipment \_\_\_\_\_ - \_\_\_\_\_ n/a

Comparative figures for the preceding year's corresponding financial period are not presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2015 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

**A10. Changes in the composition of the Group**

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

**A11. 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.

**A12. 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.

**A13. Related party transactions**

There were no related party transactions entered into with related parties during the current quarter.

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

**B1. Analysis of performance**

The Group recorded revenue of RM2.579 million and profit before tax of RM1.056 million for the first quarter ended 31 March 2015. The revenue was mainly derived from the provision of ATS services, which has contributed approximately 99% to the Group's revenue.

The Group recorded a net profit after tax of RM1.496 million which includes a tax refund of RM0.448 million of a subsidiary due to over provision in prior years.

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

	Quarter ended		Variance
	31 March 2015	31 December 2014	
	RM'000	RM'000	RM '000
Revenue	2,579	2,786	(207)
Profit before taxation	1,056	1,636	(580)

\* *There are comparative figures for the immediate preceding quarter ended 31 December 2014 as the Group was formed on 24 July 2014.*

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Group's revenue decreased by 7.43% from approximately RM2.786 million recorded in the immediate preceding quarter to approximately RM2.579 million in the current financial quarter. This was mainly due to lower ATS revenue from a Mobile Network Operator ("MNO") partner as a result of technical system related issues from an IT Transformation programmes undertaken by the said MNO.

Correspondingly, the profit before tax of the Group decreased by 35.45% from approximately RM1.636 million in the previous financial quarter to RM1.056 million in the current financial quarter. The decrease in profit before tax was also due to the increased operating and administration expenses in line with the Group's expansion plans.

**B3. Prospects for 2015**

As disclosed in the Company's prospectus dated 9 June 2015, the Group has in place a series of future plans and strategies to further expand the business which are focused in the following areas:

- (i) Enhancement and marketing of ATS solutions via Enhanced Favourite Number, Enhanced Schedule Transfer, ATS Community Portal/ATS Loyalty Points and Application based ATS.
- (ii) Continuous development of new products and services such as GreenBilling© mobile application, voice sharing, data sharing and network sharing platform.
- (iii) Expansion of customer base.
- (iv) Expansion of Research & Development talent.

With the aforesaid future plans and strategies as well as the positive outlook of the industry, the Board of Directors of the Company ("**Board**") is optimistic about the Group's performance for the financial year ending 31 December 2015.

**B4. Profit forecast**

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

**B5. Taxation**

	Current quarter ended		Year-to-date ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Tax expense recognized in profit or loss:				
Current tax provision	8	n/a	8	n/a
(Over)/Under provision in prior years	(448)	n/a	(448)	n/a
	<u>(440)</u>	<u>n/a</u>	<u>(440)</u>	<u>n/a</u>
Deferred tax:				
Relating to origination of temporary differences	-	n/a	-	n/a
Over provision in prior years	-	n/a	-	n/a
	<u>-</u>	<u>n/a</u>	<u>-</u>	<u>n/a</u>
Tax expense / (refund) for the financial period	<u>(440)</u>	<u>n/a</u>	<u>(440)</u>	<u>n/a</u>

IDOTTV Sdn Bhd (IDOTTV), a wholly-owned subsidiary of the Company, was awarded Multimedia Super Corridor (MSC) Malaysia Status Company. Accordingly, MSC Malaysia qualifying activities of IDOTTV, namely research, development and commercialisation of mobile solutions and related services, will be exempted from tax in each financial year from 10 May 2011 until 9 May 2016.

Tax in the first quarter ended 31 March 2015 includes a tax refund of RM0.448 million of IDOTTV due to over provision in prior years.

Comparative figures for the preceding year's corresponding financial periods are not presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2015 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

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

**(i) Status of corporate proposal**

In conjunction with and as an integral part of its listing on the ACE Market of Bursa Securities, the Company will be undertaking the following:

**(a) Public Issue**

The Company is undertaking a public issue of 51,467,000 new ordinary shares of RM0.10 each (“Shares”) (“IPO”), representing approximately 25.73% of the Company’s enlarged issued and paid-up share capital, at an issue price of RM0.38 per Share.

**(b) Listing on Bursa Securities**

The Company is seeking a listing of and quotation for its entire enlarged issued and paid-up share capital of RM20,000,000 comprising 200,000,000 Shares on the ACE Market of Bursa Securities, which is scheduled to take place on 29 June 2015.

**(ii) Utilisation of proceeds**

The gross proceeds from the IPO amounting to RM19.557 million is intended to be utilised in the following manner:

<b>Purpose</b>	<b>RM’000</b>	<b>%</b>	<b>Estimated Time Frame for Utilisation</b>
Capital Expenditure	4,000	20.5	24 months
Marketing Expenses	4,100	21.0	24 months
R&D Expenses	2,500	12.8	12 months
Working capital	6,757	34.5	24 months
Estimated listing expenses*	2,200	11.2	3 months
	<b>19,557</b>	<b>100</b>	

\*Any amount of IPO proceeds not utilised will be reallocated for use as working capital for the Group.

The above utilisation of proceeds should be read in conjunction with the prospectus of the Company dated 9 June 2015.

**B7. Borrowings**

The Group's borrowings as at 31 March 2015 are as follows:

	<b>RM'000</b>
<b>Secured</b>	
Term loan*	850
	<u>850</u>
<b>Unsecured</b>	-
<b>Total bank borrowings</b>	<u>850</u>

\* The term loan is secured with the Company's current office.

**B8. Material litigation**

The Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors are not aware of any proceedings pending or threatened against the Group, or of any fact likely to give rise to any proceeding which might materially or adversely affect the financial position or business of the Group.

**B9. Dividends**

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

**B10. Earnings per share**

The basic earnings per share are calculated as follows:

	Quarter ended		Year-to-date ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Profit attributable to owners of the parent (RM'000)	1,496	n/a	1,496	n/a
Weighted average number of ordinary shares in issue (‘000)	148,533	n/a	148,533	n/a
Basic earnings per share (RM)	0.01	n/a	0.01	n/a

Comparative figures for the preceding year’s corresponding financial periods are not presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2015 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

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

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

	Quarter ended	Year-to-date ended
	31 March 2015 RM'000	31 March 2015 RM'000
Interest income	(39)	(39)
Depreciation and amortisation expenses	119	119
Foreign exchange gain	(37)	(37)



**B12. Disclosure of realised and unrealised profits**

The breakdown of the retained profits of the Group as at 31 March 2015 into realised and unrealised profits is as follows:

	As at 31 March 2015 RM'000	As at 31 March 2014 RM'000
Total retained profits of the Group:		
- Realised	8,819	n/a
- Unrealised	-	n/a
Total	8,819	n/a
Less: Consolidation adjustments	-	n/a
Total retained profits of the Group	8,819	n/a

Comparative figures for the preceding year's corresponding financial period are not presented as this is the first interim financial report on the consolidated results for the first quarter ended 31 March 2015 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.

By Order of the Board

**WONG WEI FONG (MAICSA 7006751)**

**ANG HONG PENG (MAICSA 7052695)**

Company Secretaries

Kuala Lumpur

24 June 2015