



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

**INTERIM FINANCIAL REPORT FOR THE  
FOURTH (4<sup>th</sup>) QUARTER ENDED 31 DECEMBER 2021**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH (4<sup>th</sup>) QUARTER ENDED 31 DECEMBER 2021**

	Quarter Ended			Year-To-Date Ended		
	31 Dec 2021 RM'000	31 Dec 2020 RM'000	Changes %	31 Dec 2021 RM'000	31 Dec 2020 RM'000	Changes %
Revenue	10,942	7,068	55	49,098	29,739	65
Other income	1,915	412	17	5,274	1,846	>100
Cost of sales	(7,358)	(2,563)	>100	(24,748)	(14,782)	67
Administration expenses	(4,019)	(10,149)	(75)	(17,195)	(22,970)	(31)
Profit/(Loss) from operations	1,480	(5,232)	>100	12,429	(6,167)	>100
Finance costs	(127)	(215)	(41)	(243)	(240)	1
Share of result of associates, net of tax	-	-	-	-	(633)	(100)
Profit/(Loss) before taxation	1,353	(5,447)	>100	12,186	(7,040)	>100
Taxation	(985)	(1,320)	(25)	(1,649)	(1,486)	11
Profit/(Loss) for the period, representing total comprehensive income/(loss)	368	(6,767)	>100	10,537	(8,526)	>100
<b>NET PROFIT/(LOSS) ATTRIBUTABLE TO:</b>						
- Owners of the Company	599	(7,016)	>100	8,515	(10,230)	>100
- Non-controlling interests	(231)	249	>100	2,022	1,704	17
	368	(6,767)	>100	10,537	(8,526)	>100
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:</b>						
- Owners of the Company	599	(7,016)	>100	8,515	(10,230)	>100
- Non-controlling interests	(231)	249	>100	2,022	1,704	17
	368	(6,767)	>100	10,537	(8,526)	>100
Weighted average number of ordinary shares ('000)	347,189	298,724	16	329,247	264,466	24
<b>Earnings/(Loss) per share attributable to the owners of the Company (Sen):</b>						
- Basic	0.17	(2.35)	>100	2.59	(3.87)	>100
- Diluted	0.17	(2.34)	>100	2.58	(3.86)	>100

(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 2020 and the accompanying explanatory notes attached to this interim financial report.)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021**

	Unaudited as at 31 Dec 2021 RM'000	Restated Audited as at 31 Dec 2020 RM'000
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	3,496	3,594
Right-of-use assets	971	1,436
Lease receivables	14,905	5,953
Deferred tax asset	407	375
	<u>19,779</u>	<u>11,358</u>
<b>CURRENT ASSETS</b>		
Receivables, deposit & prepayments	9,461	10,565
Lease receivables	1,710	677
Inventories	7,094	3,979
Short term funds	7,030	1,891
Cash and bank balances	6,278	11,502
Current tax asset	218	228
	<u>31,791</u>	<u>28,842</u>
<b>TOTAL ASSETS</b>	<b><u>51,570</u></b>	<b><u>40,200</u></b>
<b>EQUITY</b>		
Share capital	65,649	52,895
Reserves	(27,649)	(36,093)
Non-controlling interest	3,158	1,136
<b>TOTAL EQUITY</b>	<b><u>41,158</u></b>	<b><u>17,938</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowing	3,349	1,956
Lease liabilities	836	816
Deferred tax liabilities	8	5
	<u>4,193</u>	<u>2,777</u>
<b>CURRENT LIABILITIES</b>		
Payables, accruals & other current liabilities	4,286	17,579
Lease liabilities	245	727
Bank borrowing	1,303	825
Current Tax Liability	385	354
	<u>6,219</u>	<u>19,485</u>
<b>TOTAL LIABILITIES</b>	<b><u>10,412</u></b>	<b><u>22,262</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>51,570</u></b>	<b><u>40,200</u></b>
<b>NET ASSETS PER SHARE (Sen)</b>	<b>12.50</b>	<b>6.78</b>

(The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FOURTH (4<sup>th</sup>) QUARTER ENDED 31 DECEMBER 2021**

	Share Capital RM'000	ESOS Reserve RM'000	Reorganisation Reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
<b>Current year-to-date ended 31 December 2021</b>							
Balance as at 1 January 2021	52,895	120	(22,969)	(13,244)	16,802	1,136	17,938
Total comprehensive profit	-	-	-	8,515	8,515	2,022	10,537
<b>Transactions with owners:</b>							
Issuance of shares: Private Placement	12,451	-	-	-	12,451	-	12,451
Proceeds from ESOS	303	(116)	-	-	187	-	187
Share options granted under ESOS	-	45	-	-	45	-	45
<b>Balance as at 31 December 2021</b>	<b>65,649</b>	<b>49</b>	<b>(22,969)</b>	<b>(4,729)</b>	<b>38,000</b>	<b>3,158</b>	<b>41,158</b>
<b>Preceding year corresponding period ended 31 December 2020</b>							
Balance as at 1 January 2020	44,557	224	(10,853)	(2,423)	31,505	-	31,505
Reorganisation exercise	-	-	(12,116)	(591)	(12,707)	(568)	(13,275)
Restated balance as at 1 January 2020	44,557	224	(22,969)	(3,014)	18,798	(568)	18,230
Total comprehensive loss	-	-	-	(10,230)	(10,230)	1,704	(8,526)
<b>Transactions with owners:</b>							
Issuance of shares: Proceeds from ESOS	6,424	(806)	-	-	5,618	-	5,618
Proceeds from Private Placement	1,914	-	-	-	1,914	-	1,914
Share options granted under ESOS	-	702	-	-	702	-	702
<b>Balance as at 31 December 2020</b>	<b>52,895</b>	<b>120</b>	<b>(22,969)</b>	<b>(13,244)</b>	<b>16,802</b>	<b>1,136</b>	<b>17,938</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 2020 and the accompanying explanatory notes attached to this interim financial report.)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH (4<sup>th</sup>) QUARTER ENDED 31 DECEMBER 2021**

	<b>Current year to date 31 Dec 2021 RM'000</b>	<b>Restated Preceding year to date 31 Dec 2020 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	12,186	(7,040)
Adjustments for:		
Depreciation of property, plant and equipment	346	578
Depreciation of right-of-use assets	548	552
Deposits forfeited	-	4
Share options vested under ESOS	45	702
Gain on lease modification	(136)	(11)
Interest expense	186	176
Interest expense on lease liabilities	57	64
Income distribution from short term funds	(10)	(187)
Interest income from finance lease	(2,119)	(1,387)
Impairment losses on trade & finance lease receivables	1,962	7,610
Impairment on investment in associates	333	443
Reversal of impairment losses on trade receivables	(2,883)	(1)
Share of loss in associates, net of tax	-	633
Operating profit before working capital changes	<u>10,515</u>	<u>2,136</u>
Changes in working capital:		
Trade and other receivables	2,271	(4,031)
Inventory	(3,114)	(2,402)
Lease receivables	(7,291)	3,382
Trade and other payables	(936)	(2,036)
	<u>(9,070)</u>	<u>(5,087)</u>
Cash generated/(used) in operations	1,445	(2,951)
Tax paid	(1,639)	(1,243)
Tax refunded	-	217
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u>(194)</u>	<u>(3,977)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(241)	(2,703)
Income distribution received from short term funds	10	187
Investment in a subsidiary	(11,240)	-
Payment to ultimate holding company in respect of profit guarantee	(1,938)	-
Advance to associate	(333)	(143)
Withdrawal of deposits pledged	-	241
Additions of interest in associates	-	(183)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(13,742)</u>	<u>(2,601)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Drawdown of term loan	1,780	1,400
Drawdown of letter of credit and revolving credit	753	-
Repayment of term loan	(687)	(256)
Interest on term loan	(105)	(72)
Repayment of lease liabilities	(390)	(450)
Interest on lease liabilities	(57)	(53)
Repayment to ultimate holding company	-	(196)

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Interest paid on letter of credit and revolving credit	(81)	(116)
Proceeds from issuance of shares	12,638	7,533
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>13,851</b>	<b>7,790</b>
<b>NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(85)</b>	<b>1,212</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>13,393</b>	<b>12,181</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>13,308</b>	<b>13,393</b>
	<b>Current year to date 31 Dec 2021 RM'000</b>	<b>Restated Preceding year to date 31 Dec 2020 RM'000</b>
<b>Cash and cash equivalents comprised the following:</b>		
Cash and bank balances	6,278	11,502
Short term funds	7,030	1,891
	<b>13,308</b>	<b>13,393</b>

(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

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## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL REPORT FOR THE FOURTH (4<sup>th</sup>) QUARTER ENDED 31 DECEMBER 2021

### A: EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 31 DECEMBER 2021.

#### 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.

During the financial year, a reorganisation exercise has been carried out through the Company’s acquisition of 51% equity interest in Offspring Inc Sdn. Bhd. (“Offspring”), a subsidiary of Sedania Corporation Sdn. Bhd. Following the acquisition, Offspring became a 51%-owned subsidiary of the Company.

As Offspring is under common control before and after the reorganisation exercise, the Group applied the pooling of interest method of accounting and the consolidated financial statements have been accounted for as if the reorganisation exercise had occurred from the date when these entities were under common control.

Accordingly, the results of the Group have been stated as if Offspring have been combined with the Company through the current and previous accounting periods even though the reorganisation was affected on 4 January 2021.

#### 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 2020 except for the adoption of the following standards that became effective for financial period beginning 1 January 2021:

Title	Effective Date
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 <i>Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendment to MFRS 16 Leases <i>Covid-19 Related Rent Concessions beyond 30 June 2021</i>	1 April 2021 (early adopt)

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>
Annual Improvements to MFRS Standards 2018 – 2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</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>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
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 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 17 <i>Insurance Contracts - Initial Application of MFRS 17 and MFRS 9-Comparative Information</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 2020.

**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 were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter and financial period ended 31 December 2021.



## 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) Health Technology (“HealthTech”)
 

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) Financial Technology (“FinTech”)
 

Provision of financial technology solutions for the banking industry.
- c) Green technology (“GreenTech”) solutions
 

Provision of green technology and internet of things (“IoT”) solutions for sustainable and environmentally friendly products and services. We decided to combine GreenTech and IoT due to their inherent technology connectivity nature especially in monitoring, management, automation and data insights.
- d) Sharing platform (“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		12 months ended	
	31 Dec 2021 RM'000	Restated 31 Dec 2020 RM'000	31 Dec 2021 RM'000	Restated 31 Dec 2020 RM'000
<b>Segment revenue</b>				
HealthTech	7,418	5,116	27,037	21,401
FinTech	1,107	1,285	4,159	4,070
GreenTech Solutions	1,895	65	15,649	1,895
TelcoTech	522	602	2,243	2,370
Others	-	-	10	3
<b>Total revenue</b>	<b>10,942</b>	<b>7,068</b>	<b>49,098</b>	<b>29,739</b>

<b>Segment operating profit/(loss) before tax</b>				
HealthTech	419	1,548	5,560	4,515
FinTech	405	502	988	660
GreenTech Solutions	1,101	(6,501)	7,294	(9,481)
TelcoTech	133	(99)	392	318
Others	(705)	(897)	(2,048)	(3,052)
<b>Operating profit / (loss) before tax</b>	<b>1,353</b>	<b>(5,447)</b>	<b>12,186</b>	<b>(7,040)</b>

	<b>31 Dec 2021 RM'000</b>	<b>Restated 31 Dec 2020 RM'000</b>
<b>Segment Assets</b>		
HealthTech	15,681	9,051
FinTech	4,404	3,705
GreenTech Solutions	20,413	13,752
TelcoTech	4,307	3,180
Others	6,140	9,909
<b>Total Assets</b>	<b>50,945</b>	<b>39,597</b>

<b>Segment Liabilities</b>		
HealthTech	4,486	3,420
FinTech	354	335
GreenTech Solutions	1,411	765
TelcoTech	1,476	1,773
Others	2,292	15,610
<b>Total Liabilities</b>	<b>10,019</b>	<b>21,903</b>

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

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31 Dec 2021 RM'000</b>	<b>Restated 31 Dec 2020 RM'000</b>	<b>31 Dec 2021 RM'000</b>	<b>Restated 31 Dec 2020 RM'000</b>
Malaysia	9,165	6,183	41,674	22,286
Asian countries other than Malaysia	690	506	3,068	2,045
Russia	1,086	264	3,595	4,431
Others	1	115	761	977
<b>Total</b>	<b>10,942</b>	<b>7,068</b>	<b>49,098</b>	<b>29,739</b>

Year to date revenue from Malaysia, Asian countries other than Malaysia, Russia and Others contributed to approximately 84.88%, 6.25%, 7.32% and 1.55% 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**

On 2 November 2020, the Company announced that it had entered into a shares sale agreement (“SSA”) with Sedania Corporation Sdn Bhd (“SedaniaCorp”) for the acquisition of 51% equity interest in Offspring Inc Sdn Bhd (“Offspring”), for a total Purchase Consideration of RM15,116,400 to be fully satisfied by cash, and proposed to diversify the business of SIB and its subsidiaries (“SIB Group”) to include the following business activities:

- (a) consumer products specialising in healthcare, personal care, household as well as baby and childcare products; and
- (b) health technologies specialising in preventive healthcare technology solutions

On 4 January 2021, the Group has completed its acquisition of Offspring from SedaniaCorp. A payment of RM11,240,400 has been made to SedaniaCorp and a security of RM3,876,000 has been retained by the Company pursuant to the SSA. SedaniaCorp had guaranteed that Offspring will achieve actual Profit After Tax (“PAT”) of RM3,800,000 per annum for the financial years ended 31 December 2020 and 2021. First tranche of the security amounting to RM1.938 million was released on 15 June 2021 to SedaniaCorp for attainment of the FYE 31 December 2020’s profit guarantee. The new subsidiary is included under the Health Technology segment.

**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**

There was no significant related party transaction entered into during the current quarter.

**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			12 months ended		
	31 Dec 2021 RM’000	31 Dec 2020 RM’000	Changes %	31 Dec 2021 RM’000	31 Dec 2020 RM’000	Changes %
Revenue	10,942	7,068	55	49,098	29,739	65
Operating Profit/(Loss)	1,480	(5,232)	>100	12,429	(6,167)	>100
Profit/(Loss) Before Interest and Tax	1,480	(5,232)	>100	12,429	(6,167)	>100
Profit/(Loss) Before Tax	1,353	(5,447)	>100	12,186	(7,040)	>100
Profit/(Loss) After Tax for the Period	368	(6,767)	>100	10,537	(8,526)	>100
Profit/(Loss) After Tax and Non-controlling Interest for the Period	599	(7,016)	>100	8,515	(10,230)	>100

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

Total revenue increased 55% or RM3.87 million in Q4 2021 compared to the same quarter in 2020, driven primarily by growth and higher revenue from the HealthTech and GreenTech segments.

The Group recorded an operating profit before tax of RM1.35 million in 4Q 2021 as compared to an operating loss before tax of RM5.45 million in 4Q 2020.

Group profit after tax in 4Q 2021 was RM0.37 million compared to a loss after tax of RM6.77 million in 4Q 2020.

For 4Q 2021, the Group recorded a profit after tax and non-controlling interest of RM0.60 million as compared to loss after tax of RM7.02 million for the preceding year corresponding quarter. The improvement in results is mainly due to positive contributions from the HealthTech and GreenTech segments.

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 December 2021, total equity attributable to the owners of the Company was RM41.16 million as compared to RM17.94 million as at 31 December 2020.

Total assets as at 31 December 2021 increased by 28.28% to RM51.57 million from RM40.20 million as at 31 December 2020 mainly due to increased lease receivables from the GreenTech and inventories from the HealthTech segments in the current period end.

Total liabilities decreased from RM22.26 million as at 31 December 2020 to RM10.41 million as at 31 December 2021. The decrease in total liabilities was driven mainly by a decrease in trade and other payables in the current period end.

### (iii) Statement of Cash Flows

The Group recorded a net cash outflow of RM85,000 as at 31 December 2021. As at 31 December 2021, the Group had short term deposits and bank balances of RM13.31 million, borrowings of 4.7 million and lease liabilities of RM0.94 million.

For the twelve (12) months ended 31 December 2021, the net cash used in operating activities of the Group was RM0.19 million as compared to RM3.98 million used in the previous corresponding period in 2020.

Net cash used in investing activities was RM13.74 million in the twelve (12) months ended 31 December 2021, as compared to RM2.61 million used in the previous corresponding period in 2020.

Net cash generated from financing activities was RM13.85 million during the period against RM7.79 million generated for the corresponding period in 2020.

### Segmental analysis

#### **a. Current quarter ended 31 December 2021 (“4Q 2021”) compared with the previous corresponding quarter ended 31 December 2020 (“4Q 2020”):**

##### HealthTech

In 4Q 2021, HealthTech segment revenue was RM7.42 million, an increase of 45% compared to RM5.12 million in 4Q 2020 due primarily to higher net sales in both local and international markets.

Nevertheless, the segment recorded an operating profit before tax of RM0.42 million in the current quarter as compared to a RM1.55 million operating profit before tax in 4Q 2020 due to higher staff compensation and benefit costs from increased staff to support business growth, office facilities and related expenses.

##### FinTech

In 4Q 2021, FinTech segment revenue was RM1.11 million, a decrease of 13.95% or RM0.18 million from RM1.29 million in 4Q 2020. This was mainly due to lower traffic from its Tawarruq platform in the current quarter under review compared to 4Q 2020.

Compared to 4Q 2020, segment operating profit before tax decreased by 18% to RM0.41 million in the current quarter.

##### Green Technology solutions

The GreenTech segment recorded a revenue of RM1.89 million in 4Q 2021 as compared to RM65,000 in 4Q 2020.

The segment recorded an operating profit before tax of RM1.10 million in 4Q 2021 as compared to segment operating loss before tax of RM6.50 million in 4Q 2020. This was largely contributed from a reversal of impairment losses on receivables recognised in 4Q 2021.

TelcoTech

TelcoTech recorded revenue of RM0.52 million in 4Q 2021, a decrease of 13.29% from the same period last year primarily due to lower mobile phone airtime sharing transactions performed in the current quarter compared to 4Q 2020.

The segment recorded an operating loss before tax of RM0.13 million in 4Q 2021 as compared to RM0.10 million operating loss before tax in 4Q 2020.

Others

This segment comprises operations relating to investment holding company and the Big Data Analytics solutions.

The segment recorded an operating loss before tax of RM0.71 million in 4Q 2021 as compared to a segment operating loss before tax of RM0.89 million in 4Q 2020. 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 Dec 2021 RM'000	30 Sep 2021 RM'000	
Revenue	10,942	10,252	7
Operating Profit/(Loss) Before Interest and Tax	1,480	2,336	(37)
Profit/(Loss) Before Tax	1,353	2,299	(43)
Profit/(Loss) After Tax for the Period	368	2,062	(76)
Profit/(Loss) After Tax and Non-controlling Interest For the Period	599	1,240	(48)

The Group recorded a revenue of RM10.94 million during the quarter under review against a revenue of RM10.25 million compared to the immediate preceding quarter. The increase in total revenue in the current quarter was mainly due to higher revenue contributions from the GreenTech and FinTech segments.

The following table shows net revenue by segment for the three months ended 31 December 2021 compared to the preceding quarter ended 30 September 2021.

	31 Dec 2021 RM'000	30 Sep 2021 RM'000	Changes +/(-) %
<b>Segment revenue</b>			
HealthTech	7,418	7,880	(6)
FinTech	1,107	972	14
GreenTech Solutions	1,895	848	>100
TelcoTech	522	552	(5)
<b>Total revenue</b>	<b>10,942</b>	<b>10,252</b>	<b>7</b>

Nevertheless, the Group recorded a higher tax provision for FYE2021 in the current quarter, resulting in a lower profit after tax and non-controlling interest compared to the previous quarter. The profit after tax and non-controlling interest was RM0.60 million in the current quarter compared to profit after tax and non-controlling interest of RM1.24 million in the immediate preceding quarter.

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

The Group fared considerably well in 2021 boosted mainly by the contribution from Offspring Inc Sdn Bhd, under our HealthTech segment. This is on the back of a challenging environment as global economies are recovering from the impact of the COVID-19 pandemic.

With the acceleration of the country's immunisation programme, the Malaysian economy is expected to pick up in tandem with the rest of the world. This augurs well for the Group as we remain committed to delivering key business priorities particularly in our Sustainable segments; GreenTech and HealthTech.

For Financial Year Ending 2022, we are 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 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 Dec 2021	Restated 31 Dec 2020	31 Dec 2021	Restated 31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Tax expense recognised in profit or loss:				
Current tax provision	985	1,320	1,649	1,486
Deferred Tax:				
Relating to origination of Temporary Difference	-	-	-	-
Tax expense for the financial period	985	1,320	1,649	1,486

**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 a gross proceed 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	2,407	Within 12 months	3,672	60	(1)
General working capital	7,786	8,519	Within 12 months	-	-	(a)(b)
Private Placement expenses	500	250	Within 1 month	-	-	(b)
<b>Total gross proceeds</b>	<b>14,365</b>	<b>11,176</b>		<b>3,672</b>	<b>60</b>	

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 28 February 2022, being the date of this report.



## B7. Borrowings

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

	31 Dec 2021 RM'000	31 Dec 2020 RM'000
Current liabilities		
Term loan (secured)	50	325
Revolving credit	500	500
Trade facilities	753	-
	1,303	825
Non-current liabilities		
Term loan (secured)	3,349	1,956
	3,349	1,956
	4,652	2,781
Total borrowings		

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

## B8. Material litigation

**Kuala Lumpur High Court ("KLHC") Summon No. WA-22NCvC-879-11/2019 between Sedania Technologies Sdn. Bhd. (formerly known as IDOTTV Sdn. Bhd.)("the Plaintiff") vs (1) Professional Science Technologies Sdn. Bhd. ("1st Defendant") and (2) Encik Muzir Bin Md Zanib ("2nd Defendant")(collectively referred to as "the Defendants")**

The Plaintiff and the Defendants had on 10 June 2021 entered into a Settlement Agreement for the Plaintiff to accept the sum of Ringgit Malaysia: One Million and Five Hundred Thousand (RM1,500,000.00) only as full and final settlement of the Judgment Sum ("Settlement Sum") in the following manner subject to the terms and conditions as stipulated in the Settlement Agreement:-

1. to pay the Plaintiff the sum of Ringgit Malaysia: One Million (RM1,000,000.00) only being the partial payment of the Settlement Sum on or before 31 May 2021 in a form of banker's cheque;
2. to pay the Plaintiff the sum of Ringgit Malaysia: Five Hundred Thousand (RM500,000.00) only being the final balance of the Settlement Sum on or before 26 August 2021 in a form of post dated cheque; and
3. there shall be no further interest and costs payable to the Plaintiff.

The Defendant's solicitor had filed a Notice of Discontinuance in relation the Notice of Appeal filed at Court of Appeal : Civil Appeal No, : W-02(IM)(NCvC)-1216-09/2020 and Notice of Application for stay of execution at Kuala Lumpur High Court Civil Suit No. WA-22NCvC-879-11/2019, both on 31 May 2021.

Payment for the first RM1,000,000 of the Settlement Sum has been received by the Plaintiff on 10 June 2021. The RM500,000 final balance from the Settlement Sum has been received by the Plaintiff on 26 August 2021.

Save as disclosed above, there has been no significant change in material litigation, including the status of pending material litigation in respect of the Company and its subsidiaries during the current quarter under review.

**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 Dec 2021	Restated 31 Dec 2020	31 Dec 2021	Restated 31 Dec 2020
Profit/(Loss) attributable to the owners of the Company (RM'000)	599	(7,016)	8,515	(10,230)
Weighted average number of ordinary shares in issue ('000)	347,189	298,724	329,247	264,466
Basic earnings/(loss) per share (sen)	0.17	(2.35)	2.59	(3.87)

(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 Dec 2021	Restated 31 Dec 2020	31 Dec 2021	Restated 31 Dec 2020
Profit/(Loss) attributable to the owners of the Company (RM'000)	599	(7,016)	8,515	(10,230)
Weighted average number of ordinary shares in issue ('000)	347,189	298,724	329,247	264,466
Effect of dilution from share options ('000)	412	568	412	568
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	347,601	299,292	329,659	265,034
Diluted earnings/(loss) per share (sen)	0.17	(2.34)	2.58	(3.86)

**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 Dec 2021 RM'000	Restated 3 months ended 31 Dec 2020 RM'000	12 months ended 31 Dec 2021 RM'000	Restated 12 months ended 31 Dec 2020 RM'000
Depreciation of property, plant and equipment	73	34	346	578
Depreciation of right-of-use assets	342	395	548	552
(Gain)/Loss on foreign exchange				
- realised	52	35	53	97
- unrealised	-	(2)	-	-
Income distribution received from short term funds	(29)	(44)	(10)	(187)
Interest income from finance lease	(499)	(311)	(2,119)	(1,387)
Impairment losses on trade & finance lease receivables	8	5,887	1,962	7,610
Interest expense	127	215	186	176
Reversal of impairment losses on trade receivables	(1,433)	(1)	(2,883)	(1)

By Order of the Board

**CHUA SIEW CHUAN (MAICSA 0777689)**  
**CHENG CHIA PING (MAICSA 1032514)**  
 Company Secretaries

Kuala Lumpur  
 28 February 2022