



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

**INTERIM FINANCIAL REPORT FOR THE  
FIRST (1<sup>ST</sup>) QUARTER ENDED 30 SEPTEMBER 2024**

<b>Contents</b>	<b>Page</b>
Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
Unaudited Condensed Consolidated Statement of Financial Position	3
Unaudited Condensed Consolidated Statement of Changes in Equity	4
Unaudited Condensed Consolidated Statement of Cash Flows	5-6
Notes to the Condensed Consolidated Financial Report	7

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIRST (1<sup>ST</sup>) QUARTER ENDED 30 SEPTEMBER 2024**

	<i>Quarter Ended</i>			<i>Year-To-Date Ended</i>		
	<b>30 Sep 2024</b>	<b>30 Sep 2023</b>	<b>Changes</b>	<b>30 Sep 2024</b>	<b>30 Sep 2023</b>	<b>Changes</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	15,881	10,621	50	15,881	10,621	50
Other income	355	1,150	(69)	355	1,150	(69)
Cost of sales	(6,781)	(4,888)	39	(6,781)	(4,888)	39
Administration expenses	(9,610)	(5,439)	77	(9,610)	(5,439)	77
(Loss)/ Profit from operations	(155)	1,444	(>100)	(155)	1,444	(>100)
Finance costs	(351)	(181)	94	(351)	(181)	94
Share of result of associates, net of tax	416	27	>100	416	27	>100
(Loss)/ Profit before taxation	(90)	1,290	(>100)	(90)	1,290	(>100)
Taxation	(291)	(292)	-	(291)	(292)	-
(Loss)/ Profit for the period	(381)	998	(>100)	(381)	998	(>100)
Other comprehensive loss, net of tax:						
Exchange difference on translation of foreign operation	(72)	-	(>100)	(72)	-	(>100)
(Loss)/ Profit for the period, representing total comprehensive income	(453)	998	(>100)	(453)	998	(>100)
<b>NET PROFIT ATTRIBUTABLE TO:</b>						
- Owners of the parent	(685)	801	(>100)	(685)	801	(>100)
- Non-controlling interests	304	197	54	304	197	54
	(381)	998	(>100)	(381)	998	(>100)
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>						
- Owners of the parent	(721)	801	(>100)	(721)	801	(>100)
- Non-controlling interests	268	197	36	268	197	36
	(453)	998	(>100)	(453)	998	(>100)
Weighted average number of ordinary shares ('000)	365,352	347,352	5	365,352	347,255	5
<b>Earnings per share attributable to the owners of the parent (Sen):</b>						
- Basic	(0.19)	0.23	(>100)	(0.19)	0.23	(>100)
- Diluted	(0.19)	0.23	(>100)	(0.19)	0.23	(>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 financial period ended 30 June 2024 and the accompanying explanatory notes attached to this interim financial report.)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

	Unaudited as at 30 Sep 2024 RM'000	Audited as at 30 June 2024 RM'000
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	19,311	19,266
Right-of-use assets	1,540	1,774
Intangible asset	2,932	2,962
Contract assets	11,786	11,786
Deferred tax asset	1,341	1,341
Investment in associate	4,211	3,795
	<u>41,121</u>	<u>40,924</u>
<b>CURRENT ASSETS</b>		
Receivables, deposit & prepayments	16,615	15,873
Contract assets	1,727	2,047
Inventories	8,884	5,754
Short term funds	40	39
Cash and bank balances	9,363	7,753
Current tax asset	711	1,304
	<u>37,340</u>	<u>32,770</u>
<b>TOTAL ASSETS</b>	<b><u>78,461</u></b>	<b><u>73,694</u></b>
<b>EQUITY</b>		
Share capital	68,493	68,493
Reserves	(31,558)	(30,837)
Non-controlling interest	14,503	14,235
<b>TOTAL EQUITY</b>	<b><u>51,438</u></b>	<b><u>51,891</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowing	9,020	9,307
Lease liabilities	748	655
Deferred tax liabilities	1,871	1,871
	<u>11,639</u>	<u>11,833</u>
<b>CURRENT LIABILITIES</b>		
Payables, accruals & other current liabilities	11,491	6,312
Lease liabilities	850	1,203
Bank borrowing	2,971	2,342
Current tax liability	72	113
	<u>15,384</u>	<u>9,970</u>
<b>TOTAL LIABILITIES</b>	<b><u>27,023</u></b>	<b><u>21,803</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>78,461</b>	<b>73,694</b>
Weighted average number of ordinary shares ('000)	365,352	355,184
<b>NET ASSETS PER SHARE (Sen)</b>	<b>14.08</b>	<b>14.61</b>

(The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial period ended 30 June 2024 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 30 SEPTEMBER 2024**

	Share Capital	ESOS Reserve	Reorganisation Reserve	Foreign Exchange 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 30 September 2024</b>								
Balance as at 1 July 2024	68,493	-	(24,440)	(6)	(6,391)	37,656	14,235	51,891
(Loss)/ Profit for the financial period	-	-	-	-	(685)	(685)	304	(381)
Other comprehensive loss for the financial period	-	-	-	(36)	-	(36)	(36)	(72)
<b>Balance as at 30 September 2024</b>	<b>68,493</b>	<b>-</b>	<b>(24,440)</b>	<b>(42)</b>	<b>(7,076)</b>	<b>36,935</b>	<b>14,503</b>	<b>51,438</b>
<b>Preceding year corresponding period ended 30 September 2023</b>								
Balance as at 1 July 2023	65,712	147	(24,440)	-	(1,218)	40,201	4,454	44,655
Total comprehensive income	-	-	-	-	801	801	197	998
<b>Transactions with owners:</b>								
Share options vested under ESOS	-	5	-	-	-	5	-	5
<b>Balance as at 30 September 2023</b>	<b>65,712</b>	<b>152</b>	<b>(24,440)</b>	<b>-</b>	<b>(417)</b>	<b>41,007</b>	<b>4,651</b>	<b>45,658</b>

(The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial period ended 30 June 2024 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 30 SEPTEMBER 2024**

	3 months ended 30 Sep 2024 RM'000	18 months ended 30 Jun 2024 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	(90)	(1,492)
Adjustments for:		
Depreciation of property, plant, and equipment	260	967
Depreciation of right-of-use assets	309	1,770
Amortisation of intangible assets	24	113
Bad debts written off	-	18
Fair value on short term funds	-	(32)
Gain on disposal of property, plant and equipment	(1)	(252)
Gain on bargain purchase	-	(2,509)
Interest expense	279	1,518
Interest income	(357)	(2,454)
Inventories written down	-	12
Impairment losses on contract assets	-	92
Impairment losses on trade receivables	-	4,826
Reversal of impairment losses on contract assets	-	(680)
Reversal of impairment losses on trade receivables	(76)	(6)
Share of results in associate	(416)	(819)
Share options granted under ESOS	-	44
Unrealised loss on foreign exchange	49	53
Operating (loss)/ profit before working capital changes	(19)	1,169
Changes in working capital:		
Trade and other receivables	41	(6,399)
Inventory	(3,130)	8,250
Contract assets	655	5,567
Trade and other payables	5,117	(2,740)
	2,683	4,678
Cash generated from operations	2,664	5,847
Interest paid	-	(311)
Tax paid	(433)	(2,571)
<b>NET CASH GENERATED OPERATING ACTIVITIES</b>	<b>2,231</b>	<b>2,965</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries	-	(5,249)
Change in pledged deposit	-	(50)
Purchase of property, plant and equipment	(304)	(840)
Interest received	22	67
Investment in an associate	-	(3,000)
Proceed from disposal of property, plant and equipment	1	313
Withdrawal of short term funds	-	3,006
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(281)</b>	<b>(5,753)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advances from directors	-	191
Drawdown of bank borrowing	1,208	3,855
Repayment of hire purchase	(47)	(285)
Repayment of term loan	(819)	(4,797)
Repayment of lease liabilities	(334)	(1,467)
Interest paid	(279)	(1,206)

**SEDANIA INNOVATOR BERHAD** [Registration No. 201301044527 (1074350-A)]

Proceeds from the issuance of ordinary shares	-	2,781
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(271)</b>	<b>(928)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,679</b>	<b>(3716)</b>
Effects of exchange rate changes on cash and cash equivalents	(69)	(7)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>7,753</b>	<b>11,476</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>9,363</b>	<b>7,753</b>
<b>Cash and cash equivalents comprised the following:</b>		
Cash and bank balances	9,313	7,703
Deposit	50	50
	<b>9,363</b>	<b>7,753</b>
Short term funds	40	39
	<b>9,403</b>	<b>7,792</b>

(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2024 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 30 SEPTEMBER 2024**

**A: EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2024**

**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 30 June 2024, 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 significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the latest audited financial statements, except for the adoption of the following new and revised MFRSs, Amendments to MFRSs and IC interpretations.

**a) New MFRSs and Amendments to MFRSs that have been issued, but yet to be effective**

The Group have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

New MFRSs		Effective for financial periods beginning on or after
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
<b>Amendments to MFRSs</b>		
MFRS 7	Financial Instruments: Disclosures	1 January 2024/ 1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statement of Cash Flows	1 January 2024

**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") 30 June 2024.

**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 the 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, or repayments of debt and equity securities in the current quarter and the financial period ended 30 September 2024.

**A8. Segmental information**

For management purposes, the Group is organised into four (4) 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 FMCG

Provision of essential and eco-friendly consumer products specialising in premium mother care, healthcare, personal care, household, as well as baby and childcare products, catering to the needs of health-conscious families.

b) Sustainable Consumer Technology

Provision of innovative consumer-based digital solutions for the banking and financial services sector, and offering patented airtime sharing technology for telecommunications providers.

c) Sustainable Energy

Provision of Intelligent Power Management Solutions, renewal energy, energy audit, and related energy optimisation solutions for businesses and large-scale organisations.



d) Others

Others mainly comprise the 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 is as follows:-

	3 months ended		3 months ended	
	30 Sep 2024 RM'000	30 Sep 2023 RM'000	30 Sep 2024 RM'000	30 Sep 2023 RM'000
<b>Segment revenue</b>				
Sustainable FMCG	13,386	8,076	13,386	8,076
Sustainable Consumer Technology	2,385	2,395	2,385	2,395
Sustainable Energy	110	150	110	150
<b>Total revenue</b>	<b>15,881</b>	<b>10,621</b>	<b>15,881</b>	<b>10,621</b>
<b>Segment operating profit/(loss) before tax</b>				
Sustainable FMCG	704	1,197	704	1,197
Sustainable Consumer Technology	304	165	304	165
Sustainable Energy	(575)	170	(575)	170
Others	(523)	(337)	(523)	(337)
<b>Operating profit before tax</b>	<b>(90)</b>	<b>1,195</b>	<b>(90)</b>	<b>1,195</b>
			<b>30 Sep 2024 RM'000</b>	<b>30 Sep 2023 RM'000</b>
<b>Segment Assets</b>				
Sustainable FMCG			44,510	16,913
Sustainable Consumer Technology			5,070	4,467
Sustainable Energy			21,351	31,005
Others			5,477	8,579
<b>Total Assets</b>			<b>76,408</b>	<b>60,964</b>
<b>Segment Liabilities</b>				
Sustainable FMCG			14,256	6,295
Sustainable Consumer Technology			1,556	1,216
Sustainable Energy			8,512	9,296
Others			756	245
<b>Total Liabilities</b>			<b>25,080</b>	<b>17,052</b>

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

	3 months ended		3 months ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
	RM'000	RM'000	RM'000	RM'000
Malaysia	14,092	9,967	14,092	9,967
Asian countries other than Malaysia	1,015	427	1,015	427
Europe	711	227	711	227
Others	63	-	63	-
<b>Total</b>	<b>15,881</b>	<b>10,621</b>	<b>15,881</b>	<b>10,621</b>

Year-to-date revenue from Malaysia, Asian countries other than Malaysia, Europe and, Others contributed to approximately 88.74%, 6.39%, 4.48% and 0.39% 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, no significant related party transaction was 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			3 months ended		
	30 Sep 2024 RM'000	30 Sep 2023 RM'000	Changes %	30 Sep 2024 RM'000	30 Sep 2023 RM'000	Changes %
Revenue	15,881	10,621	50	15,881	10,621	50
Operating Profit	(155)	1,444	(>100)	(155)	1,444	(>100)
(Loss)/Profit Before Interest and Tax	(155)	1,444	(>100)	(155)	1,444	(>100)
(Loss)/Profit Before Tax	(90)	1,290	(>100)	(90)	1,290	(>100)
(Loss)/Profit After Tax for the Period	(381)	998	(>100)	(381)	998	(>100)
(Loss)/Profit After Tax & Attributable to Ordinary Equity Holders of the Parent	(685)	801	(>100)	(685)	801	(>100)

The Group recorded revenue of RM15.88 million in 1Q 2025, a 50% increase from the same period last year, driven primarily by growth in the Sustainable FMCG segment. However, operating profit declined significantly, falling over 100%, due to higher advertising and promotion costs and increased staff benefits linked to brand positioning investments.

This decline impacted the Group's Profit Before Tax (PBT) and Profit After Tax (PAT), with PBT recording a loss of RM90,000 compared to RM1.29 million in the prior year and PAT dropping to a loss of RM0.38 million from a profit of RM0.99 million, primarily due to a higher tax provision. This further compounded the challenges posed by increased operating expenses, limiting the Group's ability to achieve positive net earnings despite the strong revenue growth.

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

Segmental analysis

**a. Current quarter ended 30 September 2024 ("1Q 2025") compared with the previous corresponding quarter ended 30 September 2023 ("3Q 2023"):**

Sustainable FMCG

The Sustainable FMCG segment recorded revenue of RM13.39 million in 1Q 2025, a growth of over 66% compared to the same period last year, driven by the inclusion of Tanamera Group Sdn Bhd following its acquisition in November 2023. This acquisition expanded the segment's product portfolio and market reach, significantly boosting performance. However, operating profit declined by 41.2%, impacted by higher advertising, promotion, and staff costs as part of strategic investments in brand positioning to enhance market presence. While these

initiatives support long-term growth, they have temporarily affected short-term profitability.

An analysis of domestic and international sales is as follows:

	3 months ended		3 months ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
	RM'000	RM'000	RM'000	RM'000
Malaysia	11,598	7,422	11,598	7,422
Asian countries other than Malaysia	1,015	427	1,015	427
Europe	711	227	711	227
Others	62	-	62	-
<b>Total</b>	<b>13,386</b>	<b>8,076</b>	<b>13,386</b>	<b>8,076</b>

### Sustainable Consumer Technology

	3 months ended	3 months ended	Changes %
	30 Sep 2024	30 Sep 2023	
	RM'000	RM'000	
Revenue			
Fintech	2,269	2,130	6.5
Telcotech	116	266	(56.4)
	<b>2,385</b>	<b>2,396</b>	<b>(0.4)</b>

Revenue from Sustainable Consumer Technology in 1Q 2025 amounted to RM2.39 million, showing a slight decrease of 0.4% compared to the same period last year. The revenue was driven by the Fintech platform, which grew by 6.5%, offsetting a significant decline in Telcotech's Airtime Sharing Platform due to unresolved issues with a major telco provider. Despite the flat revenue, operating profit improved significantly, reflecting better cost control and efficiency enhancements.

### Sustainable Energy

The Sustainable Energy segment recorded revenue of RM0.11 million in the current quarter, slightly lower than RM0.15 million in the same period last year, driven by ongoing maintenance and servicing contracts. However, the segment's performance declined significantly, turning from a profit to a loss due to increased costs and delays in energy project implementations, with no new roll-outs under energy performance contracts during the quarter.

### Others

This segment comprises operations relating to investment holding company.

The segment recorded a segment operating loss before tax of RM0.52 million in 1Q 2025 as compared to a segment operating loss of RM0.34 million in 3Q 2023.

## B2. Comparison with the immediate preceding quarter's results

	Quarter ended		Changes %
	30 Sep 2024 RM'000	30 Jun 2024 RM'000	
Revenue	15,881	14,217	12
Operating Loss Before Interest and Tax	(155)	(3,897)	(96)
Loss Before Tax	(90)	(3,787)	(98)
Loss After Tax for the Period	(381)	(4,560)	(92)
Loss After Tax and Non-controlling Interest For the Period	(685)	(4,607)	(85)

The following table shows the revenue breakdown comparison with the immediate preceding quarter:-

	30 Sep 2024 RM'000	30 Jun 2024 RM'000	Changes + / (-) %
<b>Segment revenue</b>			
Sustainable FMCG	13,386	11,731	14
Sustainable Consumer Technology	2,385	2,332	2
Sustainable Energy	110	154	(28)
<b>Total revenue</b>	<b>15,881</b>	<b>14,217</b>	<b>12</b>

Revenue for the quarter ended 30 September 2024 increased by 12% to RM15.88 million, driven by a 14% growth in the Sustainable FMCG segment and a modest 2% increase in Sustainable Consumer Technology, offset by a 28% decline in the Sustainable Energy segment. The Group's losses improved significantly, with the operating loss before interest and tax narrowing by 96% to RM0.16 million and the loss before tax improving by 98% to RM0.09 million. Similarly, the loss after tax was reduced by 92% to RM0.38 million, while the loss after tax and non-controlling interest decreased by 85% to RM0.69 million. This improvement is partly due to the absence of substantial impairment losses on trade receivables and contract assets recorded in the previous quarter. These results reflect substantial progress in mitigating losses through revenue growth and cost optimisation, though challenges persist in the Sustainable Energy segment due to declining revenue.

## B3. Prospects for the current financial year

The Group aims to drive growth across all business segments in FY2025.

The Sustainable FMCG segment, anchored by Offspring, Tanamera, and FA Herbs, will focus on penetrating densely populated markets, enhancing margins, and improving operational efficiency.

The Sustainable Consumer Technology segment plans to broaden its Shariah-compliant financial solutions through strategic partnerships and increase engagement with financial institutions to expand market reach.

For the Sustainable Energy segment, the focus will be on fulfilling existing contracts while seeking opportunities to diversify its energy solutions portfolio.

The Group remains committed to prudent risk management, seizing strategic growth opportunities, and delivering positive outcomes in the coming financial year, while navigating the economic landscape with cautious optimism.

**B4. Profit forecast**

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

**B5. Taxation**

	3 months ended		9 months ended	
	30 Sep 2024 RM'000	30 Sep 2023 RM'000	30 Sep 2024 RM'000	30 Sep 2023 RM'000
Tax expense recognised in profit or loss:				
Current tax provision	291	292	291	292
		292		292
Deferred Tax:				
Relating to origination of Temporary Difference	-	-	-	-
Over provision in prior years	-	-	-	-
Tax expense for the financial period	291	292	291	292

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

On 20 July 2023, the Company announced that it proposes to undertake a private placement exercise (“Private Placement”) of up to 10% of the total number of issued shares of SIB based on a shareholders’ mandate procured pursuant to Sections 75(1) and 76(1) of the Companies Act 2016 approved by its shareholders at the Company’s 9th Annual General Meeting convened on 24 May 2023 (“Proposed Private Placement”). On 3 August 2023, Bursa Securities approved the listing and quotation of up to 36,518,905 Placement Shares to be issued pursuant to the Proposed Private Placement, subject to conditions.

On 6 November 2023, approximately 49.29% of the proposed private placement was completed via issuance of 18,000,000 new shares at RM0.1545 each – raising a gross proceed of RM2,781,000/-. These proceeds were fully utilised during the financial period that ended 30 June 2024.

On 6 February 2024, the Company announced that Bursa Securities granted the Company an extension of 6 months from 3 February 2024 to 2 August 2024 to complete the implementation of the Private Placement.

On 2 August 2024, the Company announced that the timeframe to implement the Private Placement had lapsed on 2 August 2024, which marks the completion of the Private Placement.

As of 22 November 2024, the date of this report, there are no other corporate proposals announced by the Company that remain incomplete.

## B7. Borrowings

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

	<b>30 Sep 2024 RM'000</b>	<b>30 Sep 2023 RM'000</b>
Current liabilities		
Term loan (secured)	763	3,072
Revolving credit	500	500
Trade finance products	1,708	1,482
	<u>2,971</u>	<u>5,054</u>
Non-current liabilities		
Term loan (secured)	9,020	7,246
	<u>9,020</u>	<u>7,246</u>
Total borrowings	<u>12,041</u>	<u>12,300</u>

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

## B8. Material litigation

On 22 September 2023, the Company announced that it had received a letter from the solicitors representing Karine Low and Tan Kien Yeow ("the Plaintiffs"), accompanied by a Court Order dated 30 August 2023 (Originating Summons No.: WA24NCC(ARB)-18-06/2023) by the Kuala Lumpur High Court of Malaya ("Court Order").

As a piece of background information, on 17 November 2020, the Company received a letter of demand from two individuals who claimed to have 49% equity interest in the issued and paid-up share capital of Offspring Inc Sdn. Bhd. ("OFFSPRING") via a Shareholder Agreement entered into between the Plaintiffs and Sedania Corporation Sdn. Bhd. ("SCSB") dated 8 October 2018. As of to-date, the Company holds 51% equity interest whilst SCSB holds 49% equity interest in OFFSPRING.

The plaintiffs initiated an arbitration against SCSB and OFFSPRING (collectively referred to as "the Defendants"). The Plaintiffs claimed that they were entitled to rights and interest to 49% of shares in OFFSPRING along with damages. However, the Statement of Claim did not mention any specific amount for the claim.

The Plaintiffs obtained a Court Order to recognise and enforce an arbitration award that granted certain reliefs, namely:

- a. SCSB and OFFSPRING are jointly and severally to pay for the damages in the amount of RM14,523,599.99 or any part thereof remaining unpaid, at the rate of 5% per annum from 22 December 2020 until the date of the Court Order;

- b. SCSB and OFFSPRING are jointly and severally to bear the entire costs of the arbitration in the sum of RM416,358.02 as determined by the Director of the Asian International Arbitration Centre;
- c. SCSB and OFFSPRING are jointly and severally to pay legal and other costs (inclusive of disbursements, expenses and tax) in the sum of RM365,937.40; and
- d. SCSB and OFFSPRING are jointly and severally to pay simple interest on sums awarded above or any part thereof remaining unpaid, at the rate of 5% per annum from the date of Court Order until final payment.

As the Plaintiffs had obtained a Court Order against the Defendants dated 30 August 2023 for enforcement (“Ex-Parte Court Order”), the Defendants have on 25 September 2023, filed an application to set aside and stay the Ex-Parte Court Order at the Kuala Lumpur High Court of Malaya pursuant to Section 29 of the Arbitration Act 2005.

SCSB has indemnified and will continue to indemnify the Company from any potential claims relating to the above.

The Company will issue further announcements to Bursa Malaysia Securities Berhad as and when there are any material developments related to this matter.

Save as disclosed above, there was no other material litigation taken or threatened against the Company and its subsidiaries.

## **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		3 months ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
Profit attributable to the owners of the Company (RM'000)	(685)	801	(685)	801
Weighted average number of ordinary shares in issue ('000)	365,352	347,352	365,352	347,352
Basic earnings per share (sen)	(0.19)	0.23	(0.19)	0.23



(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		3 months ended	
	30 Sep 2024	30 Sep 2023	30 Sep 2024	30 Sep 2023
Profit attributable to the owners of the Company (RM'000)	(685)	801	(685)	801
Weighted average number of ordinary shares in issue ('000)	365,352	347,352	365,352	347,352
Effect of dilution from share options ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares applicable to diluted earnings per share ('000)	365,352	347,352	365,352	347,352
Diluted earnings per share (sen)	(0.19)	0.23	(0.19)	0.23

**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	3 months ended	3 months ended	3 months ended
	30 Sep 2024 RM'000	30 Sep 2023 RM'000	30 Sep 2024 RM'000	30 Sep 2023 RM'000
Depreciation of property, plant and equipment	260	61	260	61
Depreciation of right-of-use assets	309	187	309	187
Amortisation of intangible assets	24	3	24	3
Loss on foreign exchange				
- unrealised	49	-	49	-
Interest income	(22)	(3)	(22)	(3)
Interest income on contract assets	(335)	(420)	(335)	(420)
Interest expense	279	181	279	181
Reversal of impairment losses on trade receivables	(76)	(669)	(76)	(669)

**SEDANIA INNOVATOR BERHAD** [Registration No. 201301044527 (1074350-A)]

By Order of the Board,

**TAN TONG LANG (MAICSA 7045482)**

**ANG WEE MIN (MAICSA 7076022)**

Company Secretaries

Kuala Lumpur

22 November 2024