



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

**INTERIM FINANCIAL REPORT FOR THE  
THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2015**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2015**

	<----Individual Quarter ---->		<----Cumulative Quarter ---->	
	30 Sept 2015 RM'000	30 Sept 2014 RM'000	30 Sept 2015 RM'000	30 Sept 2014 RM'000
Revenue	2,198	2,816	6,985	8,613
Other income	207	105	402	132
Administration expenses	<u>(2,207)</u>	<u>(1,395)</u>	<u>(6,002)</u>	<u>(3,832)</u>
Profit from operations	198	1,526	1,385	4,913
Finance costs	<u>(9)</u>	<u>(1)</u>	<u>(18)</u>	<u>(4)</u>
Profit before taxation	189	1,525	1,367	4,909
Taxation	<u>(8)</u>	<u>(6)</u>	<u>423</u>	<u>(23)</u>
Net profit for the financial year, representing total comprehensive income	<u>181</u>	<u>1,519</u>	<u>1,790</u>	<u>4,886</u>
<b>NET PROFIT/TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
- Owners of the parent	181	1,519	1,790	4,886
- Non-controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12)</u>
	<u>181</u>	<u>1,519</u>	<u>1,790</u>	<u>4,874</u>
Weighted average number of ordinary shares ('000)	200,000	111,400 <sup>1</sup>	166,254	37,541 <sup>1</sup>
Earnings per share attributable to owners of the parent (RM):				
- Basic	0.001	0.01	0.011	0.13
- Diluted	0.001	0.01	0.011	0.13

(The 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 2014 and the accompanying explanatory notes attached to the interim financial statements.)

<sup>1</sup> Includes 148,532,800 shares issued on 24 July 2014 for the acquisition of IDOTTV pursuant to the listing of Sedania on the ACE Market of Bursa Malaysia Securities Berhad. The issued and paid up share capital of Sedania up to 21 July 2014 was RM2 comprising 2 shares of RM1 each. Further details on the changes in the issued and paid-up share capital of Sedania can be found in the prospectus of the Company dated 9 June 2015.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

	Unaudited As at 30 Sept 2015 RM'000	Audited As at 31 December 2014 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSET</b>		
Property, plant and equipment	4,519	2,662
	<u>4,519</u>	<u>2,662</u>
<b>CURRENT ASSETS</b>		
Trade receivables	3,828	5,229
Other receivables	802	8,522
Fixed deposits with licensed banks	33,874	4,866
Cash and bank balances	465	639
	<u>38,969</u>	<u>19,256</u>
<b>TOTAL ASSETS</b>	<b><u>43,488</u></b>	<b><u>21,918</u></b>
<b>EQUITY</b>		
Share capital	20,000	14,853
Reserves	22,265	6,470
Equity attributable to owners of the parent	<u>42,265</u>	<u>21,323</u>
<b>TOTAL EQUITY</b>	<b><u>42,265</u></b>	<b><u>21,323</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Bank borrowings	745	-
Deferred tax liabilities	53	53
	<u>798</u>	<u>53</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015 (CONT'D)**

	<b>Unaudited As at 30 Sept 2015 RM'000</b>	<b>Audited As at 31 December 2014 RM'000</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	-	-
Other payables	236	313
Bank borrowings	71	-
Current tax liabilities	118	229
	425	542
<b>TOTAL LIABILITIES</b>	<b>1,223</b>	<b>595</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>43,488</b>	<b>21,918</b>
<b>NET ASSETS PER SHARE (RM)</b>	0.21	0.14

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2015

	←----- -Non-Distributable-----→			Distributable		
	Share Capital RM'000	Share Premium RM'000	Reorganisation Reserve RM'000	Retained Profits RM'000	Non-controlling Interests RM'000	Total Equity RM'000
<b>Current year-to-date ended 30 September 2015</b>						
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	-	-	-	1,790	-	1,790
<b>Transactions with owners</b>						
Public Issue, net of issuance expenses	5,147	14,005	-	-	-	19,152
<b>Balance as at 30 September 2015</b>	<b>20,000</b>	<b>14,005</b>	<b>(853)</b>	<b>9,113</b>	<b>-</b>	<b>42,265</b>
<b>Preceding year corresponding period ended 30 September 2014</b>						
Balance as at 1 January 2014	2,000	-	-	12,853	(65)	14,788
Net profit for the financial year, representing total comprehensive income for the financial year	-	-	-	4,886	(12)	4,874
<b>Transactions with owners</b>						
Adjustment arising from restructuring exercise	12,853	-	(853)	(12,000)	-	-
Disposal of a subsidiary	-	-	-	-	77	77
<b>Balance as at 30 September 2014</b>	<b>14,853</b>	<b>-</b>	<b>(853)</b>	<b>5,739</b>	<b>-</b>	<b>19,739</b>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2015**

	Current year to date 30 Sept 2015 RM'000	Preceding year to date 30 Sept 2014 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,367	4,909
Adjustments for:		
Depreciation of property, plant and equipment	516	212
Gain on disposal of property, plant and equipment	(1)	-
Gain on disposal of a subsidiary	-	(66)
Interest income	(309)	(66)
Interest expense	18	4
Operating profit before working capital changes	<u>1,591</u>	<u>4,993</u>
Changes in working capital:		
Trade receivables	1,401	(687)
Other receivables	(220)	595
Trade payables	-	-
Other payables	(78)	(518)
	<u>1,103</u>	<u>(610)</u>
Cash generated from operations	<u>2,694</u>	<u>4,383</u>
Interest paid	(18)	(4)
Interest received	309	66
Tax paid	(135)	(104)
Tax refunded	448	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>3,298</u>	<u>4,341</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,373)	(137)
Proceeds from disposal of property, plant and equipment	1	-
Repayment from substantial corporate shareholder	7,940	-
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>	<u>5,568</u>	<u>(137)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Public Issue, net of issuance expenses	19,152	-
Drawdown of term loan	850	-
Repayment of term loan	(34)	-
Repayment of hire purchase liabilities	-	(97)

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	<b>Current year to date 30 Sept 2015 RM'000</b>	<b>Preceding year to date 30 Sept 2014 RM'000</b>
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	19,968	(97)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	28,834	4,107
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	-	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	5,505	3,007
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	34,339	7,114
Cash and bank balances	465	1,013
Fixed deposits with licensed banks	33,874	6,101
	34,339	7,114

(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements.)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2015**

**A: EXPLANATORY NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 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 2018</i>
<i>MFRS 9 Financial Instruments (IFRS 9 issued by IASB in July 2014)</i>	<i>1 January 2018</i>

**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 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:

	3 months ended		9 months ended	
	30 Sept 2015 RM'000	30 Sept 2014 RM'000	30 Sept 2015 RM'000	30 Sept 2014 RM'000
Malaysia	1,636	2,239	5,099	6,931
Bangladesh	557	577	1,859	1,682
Indonesia	5	n/a	27	n/a
<b>Total</b>	<b>2,198</b>	<b>2,816</b>	<b>6,985</b>	<b>8,613</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.

Year to date revenue from Malaysia and Bangladesh contributed to approximately 73.00% and 26.61% respectively of the Group's total revenue. Revenue from Indonesia represents pre-sales income from proof-of-concept.

**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**

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

**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 RM2.198 million and profit before tax of RM0.189 million for the third quarter ended 30 September 2015. The revenue was mainly derived from the provision of ATS services, which has contributed approximately 99% to the Group's revenue.

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

	Quarter ended		Variance
	30 Sept 2015 RM'000	30 June 2015 RM'000	RM '000
Revenue	2,198	2,207	(9)
Profit before taxation	189	122	67

Group's revenue decreased by 0.41% from approximately RM2.207 million recorded in the immediate preceding quarter to approximately RM2.198 million in the current financial quarter. The decrease in revenue is due to lower average number of transactions per day recorded for the Group's Airtime Sharing services during the current quarter as compared to the previous quarter.

The profit before tax of the Group increased 54.92% to RM0.189 million, from approximately RM0.122 million in the previous quarter. The increase in profit before tax from the last quarter is mainly due to an increase in other operating income, namely interest income, despite a marginal increase in operating and administrative expenses.

Our operating and administrative expenses includes RM402,000 arising from recurring post-listing expenses and non-recurring expenses such as expenses in relation to Employees' Share Option Scheme (ESOS), legal fee for renewal of a major contract and the remaining balance of listing related expenses.

**B3. Prospects for 2015**

During the year, the Group has launched Enhanced Favourite Number and ATS Community Portal/ATS Loyalty Points, Enhanced Schedule Transfer and Application based ATS. The Group has also expanded its customer base, launching a marketing campaign with a new Mobile Virtual Network Operator (“MVNO”) partner during the quarter. As part of the expansion of Research and Development (“R&D”) talent pool, the Group had appointed a Chief Executive Officer at Sedania Innovator and Chief Technology Officer for IDOTTV Sdn Bhd (“IDOTTV”) during the quarter. All the above, form part of the series of plans and strategies to further expand the business as disclosed in the Company’s prospectus dated 9 June 2015.

In addition to the above, the Group’s other future plans and strategies targeted for implementation by year end, include continuous development of new products and services such as GreenBilling© mobile application and voice sharing platform.

Based on the aforesaid series of plans and strategies and barring any unforeseen circumstances, the Board of Directors of the Company (“**Board**”) is of the view that the Group expects to remain profitable 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**

	3 months ended		9 months ended	
	30 Sept 2015 RM'000	30 Sept 2014 RM'000	30 Sept 2015 RM'000	30 Sept 2014 RM'000
Tax expense recognized in profit or loss:				
Current tax provision	8	6	25	23
(Over)/Under provision in prior years	-	-	(448)	-
	<u>8</u>	<u>6</u>	<u>(423)</u>	<u>23</u>
Deferred tax:				
Relating to origination of temporary differences	-	-	-	-
Over provision in prior years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Tax expense / (refund) for the financial period	<u>8</u>	<u>6</u>	<u>(423)</u>	<u>23</u>

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.

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

(i) **Status of corporate proposal**

There is no corporate proposal announced but not completed as at the date of this report.

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(ii) **Utilisation of proceeds**

The status of utilisation of the IPO proceeds amounting to RM19.557 million are as follows:

<b>Purpose</b>	<b>Estimated Timeframe for Utilisation upon Listing</b>	<b>Amount Allocated  RM'000</b>	<b>Amount Utilised as at 30 Sept 2015  RM'000</b>	<b>Balance of IPO Proceed as at 30 Sept 2015  RM'000</b>
Capital Expenditure	24 months	4,000	794	3,206
Marketing Expenses	24 months	4,100	183	3,917
R&D Expenses	12 months	2,500	390	2,110
Working capital	24 months	6,757	968	5,789
Listing expenses*	3 months	2,200	1,083	1,117
		<u>19,557</u>	<u>3,418</u>	<u>16,139</u>

\*The total listing expenses amounted to RM1.989 million, of which RM906,221 was paid from the Company's internally generated funds as at 31 December 2014 and a further RM1.083 million was utilised up to 30 September 2015. As such, the balance of RM1.117 million 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.

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**B7. Borrowings**

The Group's borrowings as at 30 September 2015 are as follows:

	<b>RM'000</b>
<b>Secured</b>	
Term loan*	
- not later than one (1) year	71
- later than one (1) year but not later than five (5) years	745
<b>Total bank borrowings</b>	<u>816</u>

\* The term loan is secured by first legal charge against the Company's office premise.

**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.

**SEDANIA INNOVATOR BERHAD** (Company No. 1074350-A)**B10. Earnings per share**

The basic earnings per share are calculated as follows:

	3 months ended		9 months ended	
	30 Sept 2015	30 Sept 2014	30 Sept 2015	30 Sept 2014
Profit attributable to owners of the parent (RM'000)	181	1,519	1,790	4,874
Weighted average number of ordinary shares in issue ('000)	200,000	111,400 <sup>1</sup>	166,254	37,541 <sup>1</sup>
Basic earnings per share (RM)	0.001	0.01	0.011	0.13

<sup>1</sup> Includes 148,532,800 shares issued on 24 July 2014 for the acquisition of IDOTTV pursuant to the listing of Sedania on the ACE Market of Bursa Malaysia Securities Berhad. The issued and paid up share capital of Sedania up to 21 July 2014 was RM2 comprising 2 shares of RM1 each. Further details on the changes in the issued and paid-up share capital of Sedania can be found in the prospectus of the Company dated 9 June 2015.

**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	9 months ended	9 months ended
	30 Sept 2015 RM'000	30 Sept 2014 RM'000	30 Sept 2015 RM'000	30 Sept 2014 RM'000
Interest income	(206)	(39)	(309)	(66)
Interest expense	9	2	18	4
Gain on disposal of a subsidiary	-	(66)	-	(66)
Gain on disposal of fixed asset	(1)	-	(1)	-
Depreciation and amortisation expenses	211	67	516	212
Foreign exchange gain	-	-	(92)	-

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

The breakdown of the retained profits of the Group as at 30 September 2015 into realised and unrealised profits is as follows:

	<b>As at 30 Sept 2015</b> <b>RM'000</b>	<b>As at 30 Sept 2014</b> <b>RM'000</b>
Total retained profits of the Group:		
- Realised	9,113	5,739
- Unrealised	-	-
Total	<u>9,113</u>	<u>5,739</u>
Less: Consolidation adjustments	-	-
Total retained profits of the Group	<u>9,113</u>	<u>5,739</u>

By Order of the Board

**SHAHNIZA ANOM ELIAS (LS0006472)**

**TIA HWEI PING (MAICSA 7057636)**

Company Secretaries

Kuala Lumpur

18 November 2015