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TECHNA-X SUCCESSFULLY TURNS AROUND IN 1Q2022

- **RECORDS PROFIT OF RM13.7 MIL IN 1QFY22**
- **CONTINUES TO FOCUS ON ENERGY STORAGE AND DIGITAL TRANSFORMATION BUSINESSES AS CATALYST FOR GROWTH**

KUALA LUMPUR, 26 May 2022 – Techna-X Berhad (“Techna-X” or the “Group”), a leading Tech Innovator in Malaysia and a next generation energy storage and digital transformation enabler in the Asia Pacific region today reported the ***Group’s successful turnaround in its first quarter (Q1FY22) results, recording a profit of RM13.7mil.***

The Group’s 1QFY22 performance was attributable to its relevant business entities’ continued implementation and servicing of existing contracts as well as new project wins, coupled with the stemming of losses from the industrial business as a result of the discontinuation of the metallurgical coke operations as at 31 December 2021. The Group reported a rise in revenue across its main business streams, i.e. the technology-driven food & beverage and the digital & technology businesses, which resulted in a revenue of RM21.2 mil in the reporting quarter compared to RM7.3 mil in the same quarter last year.

The 1st quarter results reported also saw an increase in profit to RM13.7 mil from a loss of RM23.5 mil reported in the same quarter a year ago. This included a one-off profit of approximately RM7.3 million as a result of the disposal of some scrap metal following the discontinued metallurgical coke business. Techna-X’s profitability from its main technology business streams recorded a profit of RM6.4m.

“We are operating in an ever-changing digital environment that has never been more challenging. However, ***our positive results have reaffirmed us of our decision to abort the coke business and refocus the company’s resources to grow our technology business streams moving forward.*** Our businesses acquired since 2019 have gained traction and yielded positive outcomes with several project wins in Malaysia and in other countries. Some of our recent key projects include, a 2-year technology development and support contract from SHT Engineering Sdn. Bhd, to design and deliver an analytics-enabled public safety and security command system; a 5-year exclusive technology partnership agreement with Pesappas Limited, to develop the revenue management system for Kenya Wildlife Service and a 5-year partnership with Borneo ECO Star, to digitize aquaculture farming in Malaysia,” said Datuk Jared Lim, Executive Director of Techna-X.



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“Techna-X’s strategic business pillars namely **‘Energy Storage’, ‘Smart City’, ‘Agritech’, ‘Electric Mobility’ and ‘Communication and Security Solutions’**, have contributed profitability to our last 2 financial quarters. Our teams have progressed well with positive developments on-going in various countries including China, Croatia, South Africa and Kenya. We will continue to see these business segments reporting sustainable income for the Group and look forward to further strengthening our capabilities in our core energy storage and digital transformation solution businesses.”, added Datuk Jared Lim.

On-going Corporate Exercises

The Group has decided to reduce the equity participation in Electric Revolution Expert d.o.o. (E-Rex), the joint venture company set up in Croatia together with experienced industry experts, from 51% to 10% in order to facilitate participation of other European strategic partners to accelerate product development and expansion of the subsidiary. Work has begun on the Electric Vehicle prototype which is expected to be completed by mid-2022.

Techna-X will continue to play a strategic role in the electric mobility space and remain as a partner and sole representative of E-Rex to develop markets in the ASEAN region and on “project to project” basis in other countries of Asia.

In respect of the energy storage division, the Group is looking to unlock the value of this division and tap into the capital market via a US\$500m reverse takeover (RTO) exercise of its subsidiary, HK Aerospace Beidou New Energy Technology Co., Ltd (HKAB). The Group has proposed to list HKAB on the Singapore Exchange (SGX) by 1H 2023. “There is a genuine need for energy storage across industries and our patented battery technologies have attracted significant interest from government, energy, transport and automotive sectors. There are a few major projects in development within our energy storage operations in Malaysia as well as in China and we will be making the appropriate announcements in due course.”, said Datuk Jared Lim.

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Techna-X Berhad (Techna-X)

www.techna-x.com

Techna-X (formerly known as Sino Hua-An International Berhad) is a leading Tech Innovator in Malaysia and a next generation energy storage and digital transformation enabler in the Asia Pacific region. Techna- X provides platform solutions, Internet of Things (IoT) systems, Data Analytics and Artificial Intelligence (AI) to transform cities and catalysing businesses for the Industry Revolution 4.0. Focused on digital transformation and energy storage space which is projected to be a US\$850B market in Asia Pacific by 2025, Techna-X is currently the only company in the world with the technology, capabilities and patents to manufacture ruthenium based ultra- capacitor. Techna-X has expertise in the area of Energy Storage, Smart City, Agritech, Electric Mobility and Communication and Security Solutions. The Company is listed on the Main Board of Bursa Malaysia on 26 March 2007, and is classified as a Shariah-Compliant security approved by the Shariah Advisory Council of the Securities Commission, Malaysia.

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