

SANICHI TECHNOLOGY BERHADCompany No.661826-K
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED****31 DECEMBER 2009**

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 31 December 2009 RM'000	Preceding Year Corresponding Quarter 31 December 2008 RM'000	Current Year to date 31 December 2009 RM'000	Preceding Year Corresponding Period 31 December 2008 RM'000
Revenue	5,298	2,945	11,397	9,779
Operating expenses	(4,176)	(3,979)	(8,319)	(11,040)
Other operating (expenses)/income	(16)	18	-	98
Profit/(Loss) from operations	1,106	(1,016)	3,078	(1,163)
Finance costs	(329)	(361)	(658)	(765)
Profit/(Loss) before taxation	777	(1,377)	2,420	(1,928)
Tax (expenses)/Income	(5)	43	(8)	(24)
Profit/(Loss) after taxation	772	(1,334)	2,412	(1,952)
Attributable to:				
Ordinary equity holders of the parent	772	(1,334)	2,412	(1,952)
Minority interest	-	-	-	-
	772	(1,334)	2,412	(1,952)
Earnings/(Loss) per share (sen)				
Basic (note B13)	0.7	(1.2)	2.1	(1.7)
Diluted (note B13)	0.7	(1.2)	2.1	(1.7)

(The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHADCompany No.661826-K
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009**

	(Unaudited) As at 31 December 2009 RM'000	(Audited) As at 30 June 2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,786	26,665
Prepaid land lease payments	1,675	1,690
Development expenditure	148	148
Goodwill on consolidation	7	7
	27,616	28,510
Current assets		
Inventories	5,398	4,959
Trade receivables	18,705	14,441
Other receivables, deposits and prepayments	1,261	1,314
Tax recoverables	716	782
Fixed deposits	616	741
Cash and bank balances	63	92
	26,759	22,329
TOTAL ASSETS	54,375	50,839
EQUITY AND LIABILITIES		
EQUITY		
Share capital	11,350	11,350
Share premium	10,586	10,586
Exchange translation reserve	(7)	59
Retained earnings	(104)	(2,516)
Equity attributable to equity holders of the parent	21,825	19,479
Non-current liabilities		
Long term borrowings	11,734	7,192
Deferred taxation	-	-
	11,734	7,192
Current liabilities		
Trade payables	2,976	3,868
Other payables and accruals	2,052	3,927
Amount owing to directors	1,036	1,481
Provision for taxation	-	10
Short term borrowings	13,261	13,116
Bank overdrafts	1,491	1,766
	20,816	24,168
TOTAL LIABILITIES	32,550	31,360
TOTAL EQUITY AND LIABILITIES	54,375	50,839
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.19	0.17

(The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the interim financial statements.)

SANICHI TECHNOLOGY BERHAD

Company No.661826-K
(Incorporated In Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED
31 DECEMBER 2009**

(The figures below are unaudited)

	Current Year to 31 December 2009 RM'000	Preceding Year Corresponding Year to 31 December 2008 RM'000
Cash flows from operating activities		
Profit/(Loss) before tax	2,420	(1,928)
Adjustments for:-		
Non-cash items	1,310	2,531
Non-operating items	658	755
Operating profit before changes in working capital	<u>4,388</u>	<u>1,358</u>
Changes in working capital:-		
Net change in current assets	(4,631)	1,001
Net change in current liabilities	(3,213)	1,491
Net cash (for)/from operations	<u>(3,456)</u>	<u>3,850</u>
Interest paid	(658)	(764)
Net tax refund/(paid)	47	(288)
Net cash (for)/from operating activities	<u>(4,067)</u>	<u>2,798</u>
Cash flows for investing activities		
Interest received	-	10
Increase in development expenditure	-	-
Proceeds from disposal of equipment	595	-
Purchase of plant and equipment	(1,028)	(2,942)
Net cash for investing activities	<u>(433)</u>	<u>(2,932)</u>
Cash flows from financing activities		
Dividend paid	-	-
(Repayment)/Net drawdown of other short-term bank borrowings	(253)	1,333
Net drawdown/(Repayment) of term loans	5,341	(865)
Repayment of hire purchase liabilities	(401)	(1,312)
Net cash from/(for) financing activities	<u>4,687</u>	<u>(844)</u>
Net increase/(decrease) in cash and cash equivalents	187	(978)
Effects of changes in exchange rates	(66)	3
Cash and cash equivalents at beginning of the period	<u>(933)</u>	<u>1,083</u>
Cash and cash equivalents at end of the year	<u>(812)</u>	<u>108</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks**	616	1,138
Cash and bank balances	63	298
Bank overdrafts	(1,491)	(1,328)
	<u>(812)</u>	<u>108</u>

** Fixed deposits with licensed banks have been pledged to licensed banks for banking facilities granted to the Group.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the Interim financial statements.)

SANICHI TECHNOLOGY BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED
31 DECEMBER 2009**

(The figures below are unaudited)

	← Attributable to Equity Holders of the Parent →				Total Equity RM'000
	Share Capital RM'000	Non-Distributable Share Premium RM'000	Translation reserve RM'000	Distributable Retained Profit RM'000	
At 1 July 2009	11,350	10,586	59	(2,516)	19,479
Profit for the period	-	-	-	2,412	2,412
Exchange translation differences	-	-	(66)	-	(66)
Total recognised income for the period	-	-	(66)	2,412	2,346
At 31 December 2009	<u>11,350</u>	<u>10,586</u>	<u>(7)</u>	<u>(104)</u>	<u>21,825</u>
At 1 July 2008	11,350	10,586	3	8,320	30,259
Loss for the period	-	-	-	(1,952)	(1,952)
Exchange translation differences	-	-	3	-	3
Total recognised expenses for the period	-	-	3	(1,952)	(1,949)
At 31 December 2008	<u>11,350</u>	<u>10,586</u>	<u>6</u>	<u>6,368</u>	<u>28,310</u>

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2009 and accompanying explanatory notes attached to the interim financial statements.)