

**SANICHI TECHNOLOGY BERHAD**Company No.661826-K  
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE  
QUARTER ENDED 30 JUNE 2011**

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 30 June 2011 RM'000	Preceding Year Corresponding Quarter 30 June 2010 RM'000	Current Year to date 30 June 2011 RM'000	Preceding Year Corresponding Period 30 June 2010 RM'000
Revenue	584	3,557	9,445	19,262
Operating expenses	(11,990)	(5,251)	(22,263)	(16,679)
Other operating income	23	6	23	6
<b>(Loss)/Profit from operations</b>	<b>(11,383)</b>	<b>(1,688)</b>	<b>(12,795)</b>	<b>2,589</b>
Finance costs	(1,090)	(1,411)	(1,989)	(2,360)
<b>(Loss)/Profit before taxation</b>	<b>(12,473)</b>	<b>(3,099)</b>	<b>(14,784)</b>	<b>229</b>
Tax (expenses)/income	(142)	2	(142)	(26)
<b>(Loss)/Profit after taxation</b>	<b>(12,615)</b>	<b>(3,097)</b>	<b>(14,926)</b>	<b>203</b>
<b>Other Comprehensive Income/(expense)</b>				
Translation of foreign subsidiaries	27	(52)	185	(78)
<b>Total Comprehensive Income/(expense) For The Period</b>	<b>(12,588)</b>	<b>(3,149)</b>	<b>(14,741)</b>	<b>125</b>
<b>(Loss)/Profit attributable to:</b>				
Owners of the Parent	(12,615)	(3,097)	(14,926)	203
Non-controlling interest	-	-	-	-
	<b>(12,615)</b>	<b>(3,097)</b>	<b>(14,926)</b>	<b>203</b>
<b>Total comprehensive income/(expense) attributable to:</b>				
Owners of the Parent	(12,588)	(3,149)	(14,741)	125
Non-controlling interest	-	-	-	-
	<b>(12,588)</b>	<b>(3,149)</b>	<b>(14,741)</b>	<b>125</b>
<b>(Loss)/Earnings per share (sen)</b>				
Basic (note B13)	(7.7)	(1.9)	(9.1)	0.1
Diluted (note B13)	(7.7)	(1.9)	(9.1)	0.1

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and accompanying explanatory notes attached to the interim financial statements.)

**SANICHI TECHNOLOGY BERHAD**Company No.661826-K  
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011**

	(Unaudited) As at 30 June 2011 RM'000	(Audited) As at 30 June 2010 (restated) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	23,008	26,608
Development expenditure	-	33
Goodwill on consolidation	7	7
	<u>23,015</u>	<u>26,648</u>
<b>Current assets</b>		
Inventories	3,937	6,374
Trade receivables	12,574	19,093
Other receivables, deposits and prepayments	288	417
Tax recoverables	619	761
Fixed deposits	639	501
Cash and bank balances	214	63
	<u>18,271</u>	<u>27,209</u>
<b>TOTAL ASSETS</b>	<u>41,286</u>	<u>53,857</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	16,350	16,350
Share premium	10,586	10,586
Exchange translation reserve	166	(19)
Retained earnings	(17,239)	(2,313)
Equity attributable to owners of the parent	<u>9,863</u>	<u>24,604</u>
<b>Non-current liabilities</b>		
Long term borrowings	-	9,218
<b>Current liabilities</b>		
Trade payables	2,334	2,616
Other payables and accruals	2,313	2,021
Amount owing to directors	1,341	794
Short term borrowings	23,856	13,483
Bank overdrafts	1,579	1,121
	<u>31,423</u>	<u>20,035</u>
<b>TOTAL LIABILITIES</b>	<u>31,423</u>	<u>29,253</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>41,286</u>	<u>53,857</u>
Net assets per share attributable to owners of the parent (RM)	0.06	0.15

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and accompanying explanatory notes attached to the interim financial statements.)

**SANICHI TECHNOLOGY BERHAD**Company No.661826-K  
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE QUARTER ENDED****30 JUNE 2011**

(The figures below are unaudited)

	<b>Current Year to 30 June 2011 RM'000</b>	<b>Preceding Year Corresponding Year to 30 June 2010 RM'000</b>
<b>Cash flows from operating activities</b>		
(Loss)/Profit before tax	(14,784)	229
Adjustments for:-		
Non-cash items	8,506	2,712
Non-operating items	1,616	3,865
Operating (loss)/profit before changes in working capital	<u>(4,662)</u>	<u>6,806</u>
Changes in working capital:-		
Net change in current assets	3,600	(6,446)
Net change in current liabilities	558	(3,699)
Net cash for operations	<u>(506)</u>	<u>(3,339)</u>
Interest paid	(1,989)	(2,362)
Net tax paid	-	(15)
Net cash for operating activities	<u>(2,495)</u>	<u>(5,716)</u>
<b>Cash flows from investing activities</b>		
Interest received	23	-
Proceeds from disposal of equipment	2,019	460
Purchase of plant and equipment	(1,056)	(1,715)
Net cash from/(for) investing activities	<u>986</u>	<u>(1,255)</u>
<b>Cash flows from financing activities</b>		
Proceed from issuance of shares	-	5,000
Pledged of fixed deposit	-	(500)
Repayment of short-term bank borrowings	803	(414)
Net (repayment)/drawdown of term loans	352	3,976
Net drawdown/(repayment) of hire purchase liabilities	-	(1,169)
Net cash from financing activities	<u>1,155</u>	<u>6,893</u>
Net decrease in cash and cash equivalents	(354)	(78)
Effects of changes in exchange rates	185	(45)
Cash and cash equivalents at beginning of the period	<u>(557)</u>	<u>(933)</u>
<b>Cash and cash equivalents at end of the period</b>	<u>(726)</u>	<u>(1,056)</u>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits with licensed banks**	639	1
Cash and bank balances	214	64
Bank overdrafts	(1,579)	(1,121)
	<u>(726)</u>	<u>(1,056)</u>

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

(The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2010 and accompanying explanatory notes attached to the interim financial statements.)

**SANICHI TECHNOLOGY BERHAD**Company No.661826-K  
(Incorporated In Malaysia)**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED  
30 JUNE 2011**

	← Attributable to Owners of the Parent →				Total RM'000	Non- controlling interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Translation reserve RM'000	Retained Profit RM'000			
At 1 July 2010	16,350	10,586	(19)	(2,313)	24,604	-	24,604
Total comprehensive income/(expense) for the year	-	-	185	(14,926)	(14,741)	-	(14,741)
At 30 June 2011	<u>16,350</u>	<u>10,586</u>	<u>166</u>	<u>(17,239)</u>	<u>9,863</u>	-	<u>9,863</u>
At 1 July 2009	11,350	10,586	59	(2,516)	19,479	-	19,479
Total comprehensive income/(expense) for the year	-	-	(78)	203	125	-	125
Issuance of shares	5,000	-	-	-	5,000	-	5,000
At 30 June 2010	<u>16,350</u>	<u>10,586</u>	<u>(19)</u>	<u>(2,313)</u>	<u>24,604</u>	-	<u>24,604</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 2010 and accompanying explanatory notes attached to the interim financial statements.)