

# **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

## **A. EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134**

### **A1. Basis of Preparation**

The unaudited condensed interim financial statements for the third quarter ended 31 March 2012 have been prepared in accordance with the Financial Reporting Standards ("FRS") No. 134 - Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the ACE Market ("ACE Listing Requirements"). The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of Sanichi Technology Berhad ("Sanichi" or "Company") and its subsidiary companies (collectively known as "Sanichi Group" or "Group") for the financial year ended ("FYE") 30 June 2011.

The significant accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2011, except for those standards, amendments and interpretations which are effective for financial periods beginning on or after 1 July 2011.

These are the Group's condensed consolidated interim financial statements for part of the period covered by the Group's first MFRS framework annual financial statements and MFRS 1: First Time Adoption of Malaysia Financial Reporting Standards has been applied.

The transition to MFRS framework does not have any material financial impact to these interim financial statements.

Besides, the Group has completed the valuation on leasehold land, plant and machineries of the subsidiaries during the period. The valuation had created an revaluation reserve of RM1,379,777 and RM7,378,811 for leasehold land and plant and machineries respectively.

### **A2. Seasonality or Cyclicity Factors**

The Group's operations for the current quarter under review were not significantly affected by any seasonal or cyclical factors.

### **A3. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

During the quarter, there were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

### **A4. Material Change in Estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect on the results for the quarter under review.

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### A5. Issuances, Repurchases and Repayments of Debt and Equity Securities

During the quarter, there were no issuances, repurchases and repayments of debt and equity securities.

### A6. Dividend Paid

There was no dividend paid during the quarter under review.

### A7. Segmental Information

The board views the Group has a single business segment from the geographic perspective. The reportable segments are Malaysia and Thailand which both segments are in design and fabrication of precision moulds and tooling.

<b>The Group 31 March 2012</b>	<b>Malaysia RM'000</b>	<b>Thailand RM'000</b>	<b>Eliminations RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenue</b>				
External sales	1,578	826	-	2,404
Inter segment sales	<u>360</u>	<u>-</u>	<u>(360)</u>	<u>-</u>
Total Revenue	<u>1,938</u>	<u>826</u>	<u>(360)</u>	<u>2,404</u>
<b>Results</b>				
Loss from operations	(3,393)	(446)	-	(3,839)
Finance cost	(1,633)	-	-	(1,633)
Income from other investment	-	-	-	-
Loss before tax				<u>(5,472)</u>
Income tax expenses	-	-	-	<u>-</u>
Net loss for the period				<u>(5,472)</u>
<b>Other information</b>				
Additions of fixed assets	2,674	95	-	2,769
Depreciation and Amortisation	1,482	162	-	1,644
<b>Consolidated Balance Sheet Assets</b>				
Segment assets	47,017	1,686	-	48,703
Segment liabilities	29,683	3,898	-	33,581

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

<b>The Group</b> <b>31 March 2011</b>	<b>Malaysia</b> <b>RM'000</b>	<b>Thailand</b> <b>RM'000</b>	<b>Eliminations</b> <b>RM'000</b>	<b>Consolidated</b> <b>RM'000</b>
<b>Revenue</b>				
External sales	7,717	1,144	-	8,861
Inter segment sales	<u>611</u>	<u>-</u>	<u>(611)</u>	<u>-</u>
Total Revenue	<u>8,328</u>	<u>1,144</u>	<u>(611)</u>	<u>8,861</u>
(Loss)/Profit from operations	(1,782)	370	-	(1,412)
Finance cost	(899)	-	-	(899)
Income from other investment	-	-	-	-
Loss before tax				<u>(2,311)</u>
Income tax expenses	-	-	-	<u>-</u>
Net loss for the period				<u>2,311)</u>
<b>Other information</b>				
Additions of fixed assets	1,053	-	-	1,053
Depreciation and Amortisation	1,583	149	-	1,732
<b>Consolidated Balance Sheet Assets</b>				
Segment assets	50,098	1,845	-	51,943
Segment liabilities	26,072	3,420	-	29,492

### Segment sales

	<b>Current</b> <b>Quarter</b> <b>31.3.2012</b> <b>RM'000</b>	<b>Preceding Year</b> <b>Corresponding</b> <b>Quarter to</b> <b>31.3.2011</b> <b>RM'000</b>
Malaysia	71	1,943
European countries	437	-
Other countries in Asia Pacific	308	527
	<u>816</u>	<u>2,470</u>

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

<b>Segment sales</b>	<b>Current Year To date 31.3.2012 RM'000</b>	<b>Preceding Year Corresponding Period to 31.3.2011 RM'000</b>
Malaysia	828	4,671
European countries	548	1,535
Other countries in Asia Pacific	1,028	2,655
	<hr/>	<hr/>
	2,404	8,861

### **A8. Valuation Of Property, Plant And Equipments**

There were a revaluation of plant and machinery were carried out during the quarter under review.

An excess of plant and machinery's valuation was created by revaluation reserve under the equity. These were valuation done by valuer on the land and building, plant and machinery for the Group.

### **A9. Material Events Subsequent to the End of the Quarter under Review**

There was appointment of Public Investment Bank Berhad for the exercise of restructuring scheme for the Group subsequent to the end of the quarter under review as disclosed under the B8.

### **A10. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the quarter under review.

### **A11. Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date up to the date of this report.

*- The rest of this page has been intentionally left blank –*

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

### **B. ADDITIONAL INFORMATION REQUIRED BY ACE LISTING REQUIREMENTS (APPENDIX 9B)**

#### **B1. Review of Group's Results for the Current Quarter and Year-to-Date Ended 31 March 2012**

The Group recorded a revenue of RM0.816 million for the third quarter ended 31 March 2012. The Group's loss before tax (" LBT" ) and loss after tax (" LAT" ) for the quarter were RM1.572 million for the both period respectively.

The Group's revenue of RM2.404 million for the 9 months period ended 31 March 2012 represents a decrease of approximately 72.9% as compared to the preceding year corresponding period. In addition, the Group incurred LBT and LAT of RM5.472 million for the both period respectively for the 9 months period ended 31 March 2012, as compared to LBT and LAT of RM2.311 million for the both period respectively for the preceding period ended 31 March 2011. The reasons for the Group's financial performance were mainly due to continuing poor demand from both local and export markets.

#### **B2. Variation of Results for the Current Quarter Ended 31 March 2012 against Immediate Preceding Quarter**

The Group recorded an increase of approximately 42.9% in its revenue to RM0.816 million for the quarter ended 31 March 2012 against RM0.571 million for the immediate preceding quarter ended 31 December 2011. As a result thereof, the Group registered both LBT and LAT of RM1.572 million for the current quarter ended 31 March 2012 as compared to both LBT and LAT of RM1.759 million in the immediate preceding quarter ended 31 December 2011.

The Group recorded an increase in revenue by approximately RM0.245 million for the current quarter under review compared to preceding quarter ended 31 December 2011. However, performance of the Group will be shown positive and reflect at the coming forth quarter.

#### **B3. Group's Prospects for FYE 30 June 2012**

Although the Group still faces a challenging year, the next quarter is expected to show further improvement in revenues from Thailand and Malaysia.

The Group does not expect any immediate development in the collaboration arrangement with FIRC Trade (Malaysia) Sdn Bhd (FIRC) in relation to the trading and supply of iron ore and coal products as the modes of proposed settlement for identified transactions by prospective buyers are not acceptable to the Group and may prove challenging to the Group to close such deals. Shareholders' approval will be sought if and when the Group is in a position to move ahead in this business.

The Board of Directors of Sanichi had entered into a Memorandum of Understanding (" MOU" ) with Projektarbelte Technische Beratung Venretung

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

International ( " PROTEV " ) on 6<sup>th</sup> June 2011 with the intention to form an alliance with PROTEV for a one-stop plastic injection mould fabrication solution centre.

Under the MOU, PROTEV has also expressed interest (without obligation) to explore the possibility of taking up a strategic stake in the Company, the amount of which shall only be determined at a later date.

### B4. Variance of Profit Forecast

The Group did not publish any profit forecast for the period/year under review.

### B5. Tax Expenses

Taxation comprises the following:-

	Individual quarter ended		Cumulative quarter ended	
	31 March 201	31 March 2011	31 March 2012	31 March 2011
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:-				
Current taxation	-	-	-	-
Deferred taxation	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-
In respect of the previous period:-				
Taxation	-	-	-	-
Deferred taxation	-	-	-	-
Net tax charge	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-

The Group did not incur tax expenses for this quarter under review mainly due to the business losses for current quarter under review.

### B6. Profit/(Losses) on Sale of Unquoted Investments and Properties

There was no disposal of unquoted investments and properties during the quarter under review and financial year-to-date.

### B7. Purchase and Disposal of Quoted and Marketable Securities

There was no purchase or disposal of quoted and marketable securities during the quarter under review and financial year-to-date.

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

### **B8. Status of Corporate Proposals Announced**

(i) Restructuring Scheme

On behalf of the Board of Directors of STB ("**Board**"), Public Investment Bank Berhad ("**PIVB**") is pleased to announce that the Company is proposing to undertake the following:

(a) proposed reduction of up to RM10,586,318 from the share premium account of STB pursuant to Section 60(2) and 64(1) of the Companies Act, 1965 ("**Act**") based on the audited financial statements as at 30 June 2011 to set off the accumulated losses of STB ("**Proposed Share Premium Reduction**");

(b) proposed reduction of the issued and paid-up share capital of the Company pursuant to Section 64(1) of the Act, involving the cancellation of RM0.08 of the par value of each ordinary share of RM0.10 each in STB ("**STB Share(s)**") and thereafter the consolidation of five (5) ordinary shares of RM0.02 each into one (1) new STB Share of RM0.10 each on an entitlement date to be determined and announced later ("**Proposed Par Value Reduction and Consolidation**");

(c) proposed increase in authorised share capital of STB from RM25,000,000 comprising 250,000,000 ordinary shares of RM0.10 each to RM100,000,000 comprising 1,000,000,000 ordinary shares of RM0.10 each ("**Proposed Increase in Authorised Share Capital**");

(d) proposed amendments to the Memorandum and Articles of Association ("**M&A**") of STB to facilitate the increase in the authorised share capital of STB pursuant to the Proposed Increase in Authorised Share Capital ("**Proposed M&A Amendments**");

(e) proposed restricted issue of 85,000,000 new STB Shares of RM0.10 each ("**Restricted Issue Shares**") together with 42,500,000 free Warrants ("**Warrant(s) A**") to Protev Asia Limited ("**Protev Asia**") at an issue price of RM0.10 per Restricted Issue Share on the basis of one (1) free Warrant A for every two (2) Restricted Issue Shares subscribed by Protev Asia ("**Proposed Restricted Issue with Warrants**");

(f) proposed restructuring of debts owing to certain financial institutions and trade creditors of STB and its subsidiaries ("**STB Group**" or the "**Group**") pursuant to Section 176 of the Act ("**Proposed Debt Restructuring**");

(g) proposed renounceable rights issue of up to 120,970,000 new STB Shares of RM0.10 each ("**Rights Shares**") together with up to 60,485,000 free Warrants ("**Warrant(s) B**") at an issue price of RM0.10 per Rights Share on the basis of two (2) Rights Shares together with one (1) free Warrant B for every two (2) new STB Shares held after the Proposed Share Premium Reduction, the Proposed Par Value Reduction and

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

Consolidation and the Proposed Restricted Issue with Warrants on an entitlement date to be determined and announced later based on a minimum subscription level of 65,000,000 Rights Shares together with 32,500,000 free Warrants B ("**Proposed Rights Issue with Warrants**"); and

(h) proposed exemption to Protev Asia, Herbert Tucakovic and other person(s) acting in concert ("**PACs**") under Practice Note 9, Paragraph 16.1 of the Malaysian Code on Take-Overs and Mergers 2010 ("**Code**") from the obligation to undertake a mandatory take-over offer to acquire all the remaining STB Shares and convertible securities not already held by Protev Asia and its PACs upon completion of the Proposed Restricted Issue with Warrants as prescribed under Part III of the Code ("**Proposed Exemption**").

Collectively the Proposed Share Premium Reduction, the Proposed Par Value Reduction and Consolidation, the Proposed Increase in Authorised Share Capital, the Proposed M&A Amendments, the Proposed Restricted Issue with Warrants, the Proposed Debt Restructuring, the Proposed Rights Issue with Warrants and the Proposed Exemption shall hereinafter referred to as the "**Proposals**".



## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

### (ii) Utilisation Of Proceeds From Private Placement

The Private Placement which was announced on 12 October 2011 has been completed on 5 December 2011. The gross proceeds of RM1,635,000 raised from the Private Placement of 16,350,000 new ordinary shares of RM0.10 each in Sanichi ("Placement Shares") at an issue price of RM0.10 per share has been utilized as follows:

<b>Purpose</b>	<b>Proposed Utilisation RM'000</b>	<b>Actual Utilisation RM'000</b>	<b>Balance Utilisation RM'000</b>	<b>%</b>	<b>Explanations</b>	<b>Expected time frame for utilisation of proceeds from date of listing of Placement Shares</b>
General working capital for the Sanichi Group	1,265	1,265	-	-	-	Within 6 months
Machinery upgrades and maintenance	300	-	300	100	-	Within 12 months
Estimated expenses relating to the Private Placement	70	70	-	-	-	Within 2 weeks
<b>TOTAL</b>	<b>1,635</b>	<b>1,335</b>	<b>300</b>	<b>18</b>	<b>-</b>	

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### B9. Group Borrowings and Debt Securities

The Group's borrowings, all repayable in Ringgit Malaysia and secured, as at the end of the quarter under review are as follows:

	RM'000
<u>Short Term Borrowings (Secured)</u>	
Term Loans	11,009
Hire Purchase Payables	4,091
Trade Financing	10,336
Bank overdraft	1,714
	<u>27,150</u>
<u>Long Term Borrowings</u>	
Hire Purchase Payables	-
	<u>-</u>
<b>Total</b>	<u><b>27,150</b></u>

The Group does not have any foreign borrowings and debt securities as at the date of this report.

Certain subsidiary companies of the Group have defaulted in the repayment of the bank borrowings and hire purchase instalments and legal action have been instituted by the lenders for recovery of the principal, interest and other costs. Accordingly, all the term loans and a majority of the hire purchase creditors have been reclassified to short term borrowings.

### B10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

### B11. Material Litigation

The material litigation of the Company are stated as below:

- 1) Sanichi had announce that the Company and its subsidiary companies; i.e. Sanichi Precision Mould Sdn. Bhd. and Asia Pinnacle Sdn. Bhd., have been granted a Stay Order ("Order") of all proceedings against them pursuant to Section 176 of the Companies Act, 1965 by the Kuala Lumpur High Court under the originating summons No:24NCC-224-2011 on 27 July 2011. Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.
- 2) We refer to the announcement made on 21 February 2011 by Sanichi in respect of the default in payment by the Company's wholly owned subsidiary, Sanichi Precision

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

Mould Sdn. Bhd. ("SPM") of the banking facilities granted by United Overseas Bank (Malaysia) Bhd ("UOB"). The banking facilities were secured inter alia by a first party legal first legal charge for RM 2,500,000 and second legal charge for RM6,000,000 registered with Presentation No. 71671/2005 and Presentation No. 71672/2005 created over a 1 ½ storey factory at PLO 135, Jalan Cyber 5, Senai Industrial Estate Phase 3, 81400 Senai, Johor held under HS(D) No. 370623, PTD 6552, Mukim Senai, District of Johor Bahru ("the Land") registered under SPM. The Company wishes to inform that SPM had on 24 June 2011 received a Saman Pemula No: MT-24-F1508-2011 from UOB's solicitors, Messrs Raja Darryl & Loh. Under the Saman Pemula, UOB has applied for the Land to be sold under the provisions of Section 257 of the National Land Code 1965 for the purposes of settlement of the amount owing to UOB. Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.

- 3) Advertisement of Winding-up Petition served on Sanichi Precision Mould Sdn Bhd ( "Sanichi Precision") by Kowa Technologies Sdn Bhd. The Winding-up Petition was dated 12 April 2011 and was served on SPM on 27 April 2011. The Petitioner's claims are for the sum of RM16,383.60 as at 6 February 2009 in respect of balance due for goods sold and delivered at SPM's request. The interest rate on the amount claimed is 8% per annum from 7 February 2009 to the date of realisation. The case have been fully settled and closed.
- 4) The Board of Directors of Sanichi had announce that the Company's wholly-owned subsidiary namely Sanichi Precision Mould Sdn Bhd ("SPM") had on 25 March 2011 received a Notice of Demand in respect of the default in payment of the Banking Facilities totaling RM1,979,657.46 granted by RHB Bank Berhad. Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.
- 5) The Board of Directors of Sanichi had announce that the Company's wholly-owned subsidiary namely Sanichi Precision Mould Sdn Bhd ("SPM") had on 14 January 2011 received a Notice of Demand in respect of the default in payment of the Fixed Loan 1, 2, 3 and 4 Facilities totaling RM8,440,126.15 granted by United Overseas Bank Malaysia Berhad. Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.
- 6) The Board of Directors of Sanichi had announce that the Company's wholly-owned subsidiary namely Sanichi Precision Mould Sdn Bhd ("SPM") had on 11 November 2010 received a Notice of Demand in respect of the default in

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

payment of the Term Loan Facilities totaling RM805,105.10 granted by OCBC Bank (Malaysia) Berhad. Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.

- 7) The Board of Directors of Sanichi had announce that the Company's wholly-owned subsidiary namely Asia Pinnacle Sdn Bhd ("AP") had on 11 November 2010 received a Notice of Demand in respect of the default in payment of the Islamic Multi Trade Line-i (MTL-i) Facility totaling RM2,179,788.44 granted by RHB Islamic Bank Berhad. Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.
- 8) Sanichi had announce that Sanichi (as Corporate Guarantor) and the Company's wholly-owned subsidiary namely Asia Pinnacle Sdn Bhd ("AP") had on 8 November 2010 received Notices of Demand for default in payment of monthly instalments amounting to RM25,744.73 in respect of a Hire-Purchase Facility granted by Orix Credit Leasing Sdn Bhd ("Orix"). Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.
- 9) SANICHI's subsidiary, Sanichi Precision Mould Sdn Bhd("SPM")was served a Petition dated 20 October 2010 on 29 October 2010 pursuant to a notice under Section 218 of the Companies Act, 1965.

The total amount claimed under by the Petitioner against SPM was RM4,519.00 together with interest thereon at the rate of 8% per annum from 9/5/2009 to the date of realisation within 21 days from the receipt of the said notice. The case have been fully settled and closed.

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

- 10) Sanichi had announce that Sanichi and the Company's wholly-owned subsidiaries namely Sanichi Precision Mould Sdn Bhd ("SPM") and Asia Pinnacle Sdn Bhd ("AP") had on 22 October 2010 received Notices of Demand in respect of the default in payment of principal and interest on credit facilities granted by EON Bank Berhad ("EON") as follows:

Name of subsidiary: SPM

Type of Facility:

(i) Overdraft of RM2,000,000

(ii) Tradelines of RM2,500,000

(iii) Foreign Exchange Contract Line of RM300,000

Default Amount: RM2,102,145.66

Name of subsidiary: AP

Type of Facility:

(i) Overdraft of RM500,000

(ii) Tradelines of RM3,500,000

(iii) Foreign Exchange Contract Line of RM300,000

Default Amount: RM3,545,237.03

Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.

- 11) Sanichi had announce that the Company and its wholly-owned subsidiary namely Sanichi Precision Mould Sdn Bhd ("SPM") had on 20 December 2010 received Notices of Demand for default in payment of monthly instalments in respect of 10 Hire Purchase Facility(ies) granted by RHB Bank Berhad ("RHB"). Total default amount was RM3,665,712.97. Kuala Lumpur High Court had on 19 January 2012 granted a further extension of Stay Order ("Order") pursuant to Section 176 of the Companies Act 1965, to restrain all further proceedings against Sanichi and its subsidiaries for a period of six (6) months from 26 January 2012 to 25 July 2012.

### **B12. Dividend Proposed**

No dividend was declared and recommended for payment during the quarter under review.

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### B13. Loss Per Share (" LPS" )

#### Basic LPS

	Current quarter ended		Cumulative quarter ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
Net loss for the period (RM'000)	(1,572)	(742)	(5,472)	(2,311)
Weighted average number of shares in issue ('000)	179,985	163,500	170,524	163,500
Basic LPS (sen)	<u>(0.9)</u>	<u>(0.5)</u>	<u>(3.2)</u>	<u>(1.4)</u>

Basic LPS is calculated by dividing the net loss attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

#### Diluted EPS

Diluted EPS is equal to the basic EPS as there were no convertible or option outstanding which can be potentially converted into ordinary shares in both the previous and current financial periods.

### B14. Retained Profits/(Accumulated Losses)

	As at	As at
	31 March 2012	31 March 2011
	RM'000	RM'000
Realized (Loss) / Gain	(14,112)	2,891
Unrealized (Loss) / Gain	(274)	432
	<hr/>	<hr/>
	(14,386)	3,323
Less Consolidated adjustment	(7,964)	(7,947)
	<hr/>	<hr/>
<b>Total group accumulated losses</b>	<b>(22,350)</b>	<b>(4,624)</b>

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### B15. Comprehensive Income Disclosure

	Current quarter ended		Cumulative quarter ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	RM'000	RM'000	RM'000	RM'000
Interest income	(4)	-	(15)	-
Interest expense	560	826	1,633	1,404
Depreciation and amortization	561	584	1,644	1,766
Bad debt recovered	(624)	(408)	(624)	(408)
Loss / (Gain) on foreign exchange	107	(396)	274	(432)
(Gain) / Loss on disposal of property, plant and equipments	38	(1)	(59)	230
	<u>38</u>	<u>(1)</u>	<u>(59)</u>	<u>230</u>

### B16. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Company and its subsidiary companies for the FYE 30 June 2011 were subject to modified opinion with emphasis on the Company's going concern.