

# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2020

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 30 September 2020 RM'000	Preceding Year Corresponding Quarter 30 September 2019 RM'000	Current Year to date 30 September 2020 RM'000	Preceding Year Corresponding Period 30 September 2019 RM'000
Revenue	3,397	2,648	15,705	8,961
Cost of sales	(3,383)	(5,036)	(12,741)	(11,866)
<b>Gross profit / (loss)</b>	14	(2,388)	2,964	(2,905)
Other income	378	801	2,967	1,952
Operating expenses	(2,621)	(6,021)	(10,197)	(16,205)
<b>Loss from operations</b>	(2,229)	(7,608)	(4,266)	(17,158)
Finance costs	(698)	(4)	(2,232)	(32)
<b>Loss before taxation</b>	(2,927)	(7,612)	(6,498)	(17,190)
Tax expense	(276)	(337)	(419)	(1,355)
<b>Loss after tax from continuing operation</b>	(3,203)	(7,949)	(6,917)	(18,545)
Loss from discontinued operations, net of tax	-	-	-	-
<b>Loss for the period</b>	(3,203)	(7,949)	(6,917)	(18,545)
<b>Other Comprehensive Loss, net of tax</b>				
Foreign currency translation	(489)	-	(489)	(19)
Overprovision of taxation	-	-	-	-
	(489)	-	(489)	(19)
<b>Total Comprehensive Loss For The Financial Period</b>	(3,692)	(7,949)	(7,406)	(18,564)
<b>Loss attributable to:</b>				
Owners of the Parent	(3,203)	(7,949)	(6,916)	(18,545)
Non-controlling interest	0	-	(1)	-
	(3,203)	(7,949)	(6,917)	(18,545)
<b>Total comprehensive Loss attributable to:</b>				
Owners of the Parent	(3,692)	(7,949)	(7,406)	(18,564)
Non-controlling interest	-	-	-	-
	(3,692)	(7,949)	(7,406)	(18,564)
<b>Loss per share (sen)</b>				
Basic (note B13)	(0.28)	(0.72)	(0.61)	(1.67)
Diluted (note B13)	(0.21)	(0.52)	(0.46)	(1.22)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to the interim financial statements.

# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
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## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	(Unaudited) As at 30 September 2020 RM'000	(Audited) As at 31 December 2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	81,536	84,694
Right-of-use of asset	23	34
Other investment	14,811	5,303
	96,370	90,031
<b>Current assets</b>		
Inventories	68,915	63,113
Trade and other receivables	44,162	63,469
Tax assets / (liabilities)	110	110
Cash and cash equivalents	97,510	99,578
	210,697	226,270
<b>TOTAL ASSETS</b>	307,067	316,301
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	180,147	169,347
Retained earnings	54,086	61,002
Other reserve	7,866	8,355
Equity attributable to owners of the parent	242,099	238,704
Non-controlling interests	1,264	1,265
Total equity	243,363	239,969
<b>Non-current liabilities</b>		
Borrowings	39,024	36,177
Deferred tax liabilities	192	192
	39,216	36,369
<b>Current liabilities</b>		
Trade and other payables	23,679	37,472
Provision	768	768
Borrowings	41	1,723
	24,488	39,963
<b>TOTAL LIABILITIES</b>	63,704	76,332
<b>TOTAL EQUITY AND LIABILITIES</b>	307,067	316,301
Net assets per share attributable to owners of the parent (RM)	0.19	0.14

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to the interim financial statements.)

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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2020

	Attributable to Owners of the Parent					
	Share Capital RM'000	Translation reserve RM'000	Warrant reserve RM'000	Accumulated Profit RM'000	Non-controlling interest RM'000	Total Equity RM'000
At 1 January 2020	169,347	(878)	9,233	61,002	1,265	239,969
Loss for the financial period	-	-	-	(6,916)	(1)	(6,917)
Exercised of ESOS	10,800	-	-	-	-	10,800
Foreign currency translation	-	(489)	-	-	-	(489)
At 30 September 2020 (unaudited)	180,147	(1,367)	9,233	54,086	1,264	243,363
At 1 January 2019	169,343	(887)	25,245	65,522	1,464	260,687
Loss for the financial period	-	-	-	(20,532)	(199)	(20,731)
Foreign currency translation	-	9	-	-	-	9
Expiration of warrant C and D	-	-	(16,012)	16,012	-	-
Exercised of warrants	4	-	-	-	-	4
At 31 December 2019 (audited)	169,347	(878)	9,233	61,002	1,265	239,969

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30 SEPTEMBER 2020

(The figures below are unaudited)

	Current Year to 30 September 2020 RM'000	Preceding Year Corresponding Period to 30 September 2019 RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(6,498)	(17,190)
Adjustments for:-		
Depreciation of property, plant and equipment	3,698	2,378
Interest expenses	1,686	32
Interest income	(1,667)	(2,214)
Unrealised loss on foreign exchange	(71)	(26)
Operating loss before working capital changes	(3,563)	(17,019)
Inventories	(5,802)	(1,726)
Receivables	19,819	(2,476)
Payables	(13,793)	188
Cash used in operations	(3,339)	(21,033)
Interest received	1,667	2,214
Tax paid	(143)	(1,355)
Net cash used in operating activities	(1,815)	(20,174)
<b>Cash flows from investing activities</b>		
Purchase of short term investment	-	(3,300)
Purchase of plant and equipment	(535)	553
Net cash used in investing activities	(10,043)	(2,747)
<b>Cash flows from financing activities</b>		
Interest paid	(1,686)	(32)
Proceeds from issuance of shares	10,800	-
Drawdown / (Repayment) of borrowings	1,165	(576)
Net cash from / (used in) financing activities	10,279	(608)
Effects of changes in exchange rates	(489)	(19)
Net decrease in cash and cash equivalents	(2,068)	(23,548)
Cash and cash equivalents at beginning of the period	99,578	132,621
<b>Cash and cash equivalents at end of the period</b>	<b>97,510</b>	<b>109,073</b>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits	98,379	105,498
Cash and bank balances**	(869)	3,575
	97,510	109,073

\*\* Cash and bank balances include amounts held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 and accompanying explanatory notes attached to the interim financial statements.

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

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

The unaudited condensed interim financial statements for the quarter ended 31 March 2020 have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 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 subsidiaries (collectively known as “Sanichi Group” or “Group”) for the financial year ended (“FYE”) 31 December 2019.

The significant accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2019, except in the current financial year, the Group has adopted all the new and revised standards which are effective for the financial year beginning 1 January 2020. The adoption of these standards did not have any effect on the financial performance or position of the Group and of the Company.

### **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 materials changes in estimates of amounts reported in prior financial years that have a material effect on the results for the quarter under review.

### **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 except for disclosed in Note B7 and (1) issuance of 30,000,000 shares under ESOS at RM0.075 dated 7 August 2020, and (2) issuance of 114,000,000 shares under ESOS at RM0.075 dated 18 August 2020.

### **A6. Dividend Paid**

There was no dividend paid during the quarter under review.

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## A7. Segmental Information

The board views the Group as having two segments from an industry perspective. The reportable segments are the Precision Mould business and the Property Development business. The Precision Mould business is geographically located in Malaysia and Thailand. The Property Development business is geographically located in Malaysia only.

<b>The Group</b>	<b>Precision Mould</b>	<b>Property Development</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>30 September 2020</b>				
<b>Revenue</b>				
External sales	6,747	8,958	-	15,705
Inter segment sales	-	-	-	-
Total revenue	<u>6,747</u>	<u>8,958</u>	<u>-</u>	<u>15,705</u>
<b>Results</b>				
(Loss) / Profit from operations	(5,961)	1,695	-	(4,266)
Finance cost	(2,232)	-	-	(2,232)
Income from other investment	-	-	-	-
Loss before tax				<u>(6,498)</u>
Income tax				<u>(419)</u>
Net loss for the period				<u>(6,917)</u>
<b>30 September 2019</b>				
<b>Revenue</b>				
External sales	2,259	6,702	-	8,961
Inter segment sales	-	-	-	-
Total revenue	<u>2,259</u>	<u>6,702</u>	<u>-</u>	<u>8,961</u>
<b>Results</b>				
(Loss) / Profit from operation	(17,473)	315	-	(17,158)
Finance cost	(32)	-	-	<u>(32)</u>
Loss before tax				<u>(17,190)</u>
Income tax				<u>(1,355)</u>
Net loss for the period				<u>(18,545)</u>

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## **A8. Material Events Subsequent to the End of the Quarter under Review**

There were no material events subsequent to the end of the quarter under review except for those disclosed in note B7.

## **A9. Changes in the Composition of the Group**

During the quarter under review, there were no significant changes in the composition of the Group.

## **A10. 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.

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### 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 30 September 2020

	Individual period (period ended 30 September 2020)			Cumulative period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (in Amount)	Current Year-to-date	Preceding Year Corresponding Period	Changes (in Amount)
	30 Sep 2020	30 Sep 2019		30 Sep 2020	30 Sep 2019	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	3,397	2,648	749	15,705	8,961	6,744
Operating (loss) / profit	(2,229)	(7,608)	5,379	(4,266)	(17,158)	12,892
(Loss) / Profit before interest and tax	(2,229)	(7,608)	5,379	(4,266)	(17,158)	12,892
(Loss) / Profit before tax	(2,927)	(7,612)	4,685	(6,498)	(17,190)	10,692
(Loss) / Profit after tax	(3,203)	(7,949)	4,746	(6,917)	(18,545)	11,628
(Loss) / Profit attributable to ordinary equity holders of the parent	(3,203)	(7,949)	4,746	(6,916)	(18,564)	11,648

The Group recorded a revenue of RM 3.397 million for the quarter ended 30 September 2020. The Group's loss before tax ("LBT") and loss after tax ("LAT") for the quarter were RM 2.927 million and RM 3.203 million for the period respectively.

The Group recorded a revenue of RM 2.648 million for the immediate preceding quarter at 30 September 2019. The Group achieved LBT and LAT of RM 7.612 million and RM 7.949 million respectively for the immediate preceding quarter at 30 September 2019.

The increase in revenue reflected the recovered contribution from precision mould division but slightly offset by the slow recognition from property development segments which resulted a decrease in revenue recognition in property segment as compared to immediate preceding quarter ended 30 September 2019. The tighten of cost controlling that resulted with a lower operation costs that attributed to lower loss for the quarter ended 30 September 2020 as compared to immediate preceding quarter ended 30 September 2019.



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### B2. Variation of Results for the Current Quarter Ended 30 June 2020 against Immediate Preceding Quarter

	Current Quarter 30/9/2020 RM'000	Preceding Quarter 30/6/2020 RM'000	Variance RM'000
Revenue	3,397	2,943	454
Operating (Loss) / Profit	(2,229)	(2,163)	(66)
Loss before Interest and tax	(2,229)	(2,163)	(66)
Loss before tax	(2,927)	(2,907)	(20)
Loss after tax	(3,203)	(2,907)	(296)
Loss attributable to ordinary equity holders of the parent holders of the parent	(3,203)	(2,907)	(296)

The Group recorded an increase of approximately 15% in its revenue to RM 3.397 million for the quarter ended 30 September 2020 against RM 2.943 million for the immediate preceding quarter ended 30 June 2020. The Group registered LBT and LAT of RM 2.927 million and RM 3.203 million respectively for the current quarter ended 30 September 2020, as compared to LBT and LAT of RM 2.907 million and RM 2.907 million respectively in the immediate preceding quarter ended 30 June 2020. The reason for the Group's increase in revenue for the current quarter was mainly due to higher contribution from precision mould division within the quarter ended 30 September 2020 as compared to preceding quarter 30 June 2020.

### B3. Group's Prospects for FYE 31 December 2021

Barring any unforeseen circumstances, the Board expects the Group's performance to be challenging for the financial year ending 31 December 2021. Volatility of foreign exchange rates will continue to affect the Group's tooling business as a significant percentage of its revenue is derived from overseas markets. Furthermore, the uncertainty carried the impact of covid-19 that might affect the performance of the Group in the near future. However, the completion of right issue on 29 December 2018 and the expected completion of property development in Marina Point Melaka would strengthen the financial health of the Group. Furthermore, the Group had entered several memorandum of understanding with reputable corporations such as Collaboration Agreement with PDZ and several reputable corporation, the Group is of the view that the Group might yield a fruitful results in the near future.

### B4. Variance of Profit Forecast

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

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## B5. Tax Expenses

Taxation comprises the following:-

	Individual quarter ended		Cumulative quarter ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
In respect of the current period:-				
Current taxation	(276)	(337)	(419)	(1,355)
Deferred taxation	-	-	-	-
	<u>(276)</u>	<u>(337)</u>	<u>(419)</u>	<u>(1,355)</u>
In respect of the previous period:-				
Taxation	-	-	-	-
Deferred taxation	-	-	-	-
Net tax charge/(credit)	<u>(276)</u>	<u>(337)</u>	<u>(419)</u>	<u>(1,355)</u>

## 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. Status of Corporate Proposals Announced

There were no corporate proposal announced but not completed as at the date of this report except for:-

- 1.) On behalf of the Board of Directors of the Company ("Board"), Mercury Securities Sdn Bhd ("Mercury Securities" or the "Principal Adviser" or the "Placement Agent") wishes to announce that the Company proposes to undertake the private placement of up to 524,815,000 new ordinary shares in the Company ("Sanichi Shares" or "Shares"), representing 30% of the enlarged total number of issued shares of the Company, to independent third-party investor(s) to be identified later and at an issue price to be determined later ("Placement Shares") ("Proposed Private Placement"). Please refer to announcement dated 25 September 2020, 9 October 2020 and 16 October 2020 for further details.
- 2.) The Board of Directors of Sanichi ("Board") wishes to announce that the Company had on 17 July 2020 entered into a Collaboration Agreement ("the Agreement") with PDZ Holdings Bhd ("PDZ") (individually and collectively known as "Party" or "the Parties") to jointly develop and operate a regional e-Commerce logistics hub located in Desaru, Kota Tinggi, Johor which will eventuate to the forming of Special Purpose Vehicle ("SPV"). Please refer to announcement dated 17 May 2020, 17 July 2020 and 30 October 2020 for further details.
- 3.) The Board of Directors of Sanichi Technology Berhad ("Sanichi" or "the Company") wishes to announce that the Company had on 11 December 2018 entered into a Memorandum of Understanding ("MOU") with FKS Holdings Pte. Ltd. ("FKS") (Company No. 201502196H), a company incorporated in Singapore. The Board of Directors of Sanichi on 14 December 2018 wishes to further inform that the

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Parties agree to enter into an agreement within 6 months from the date of the MOU (i.e. 11 December 2018) or such other extended period as may be agreed by the Parties. Please refer to announcement for further details. No major development after the MOU signed.

- 4.) The Board of Directors of Sanichi Technology Berhad (“Sanichi” or “the Company”) wishes to announce that the Company had on 18 May 2020 entered into a Memorandum of Understanding with PNE PCB BERHAD (Registration No. 198801000741 (168098-V) or any of its subsidiaries, a company incorporated in Malaysia and having its correspondence address at 6, Jalan Firma 2/1, Kawasan Perindustrian Tebrau, 81100 Johor Bahru, Johor, AT SYSTEMATIZATION BERHAD (Registration No. 200401006297 (644800-X) or any of its subsidiaries, a company incorporated in Malaysia and having its correspondence address at Lot 11.2, Level 11, Menara Lien Hoe, No.8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor and ARZON SOLAR, LLC, a company incorporated in the United States of America and having its correspondence address at 3425 Fujita Street, Torrance, California 90505, USA. Please refer to announcements dated 18 May 2020, 20 May 2020, 27 May 2020 and 17 August 2020 for further details. No major development after the MOU signed.
- 5.) On behalf of the Board, Mercury Securities wishes to announce that the Rights Issue with Warrants has been completed following the listing and quotation of 738,658,516 Rights Shares, 369,329,241 Warrants E, 13,541,530 additional Warrants C and 31,792,007 additional Warrants D with effect from 9.00 a.m. today on the ACE Market of Bursa Securities. Please refer to announcements dated 9 Oct 2017, 27 July 2018, 24 Oct 2018, 21 Nov 2018 and 12 Dec 2018, 18 Dec 2018 and 20 Dec 2018 for further details.

### Status of Utilisation of Proceeds

Purpose	Proposed Utilisation	Actual Utilisation as at 30/9/2020	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Property development activities	60,000	36,564	Within thirty-six (36) months	23,436	39
Working capital	12,946	12,946	Up to twelve (12) months	-	-
Estimated expenses for the corporate exercise	920	920	Immediate	-	-
	73,866	50,430		23,436	32

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- 6.) On 9 October 2017, the Company proposes to undertake the proposed renounceable rights issue of up to 1,012,285,042 new ordinary shares in Sanichi (“Sanichi Shares” or “Shares”) (“Rights Shares”) together with up to 506,142,521 free detachable warrants in Sanichi (“Warrants E”) on the basis of 2 Rights Shares together with 1 free Warrant E for every 1 existing Sanichi Share held by entitled shareholders of Sanichi on an entitlement date to be determined later (“Proposed Rights Issue With Warrants”). Bursa Malaysia had vide its letter dated 18 July 2018 approved this proposal. Shareholders via the deed poll had passed the resolution of EGM held on 27 August 2018. For more details, please refer to Bursa Malaysia announcement.

### Status of Utilisation of Proceeds

Purpose	Proposed Utilisation	Actual Utilisation as at 30/9/2020	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Completing the construction of a factory building	5,500	5,500	Within eighteen (18) months	-	-
Expansion of production capacity	6,000	6,000	Within twenty four (24) months	-	-
Marketing expenses	4,000	4,000	Within twenty four (24) months	-	-
Acquisition of properties for investment	36,000	10,000	Within twenty four (24) months	26,000	72
Acquisition and/or investment in other complementary businesses	4,957	4,957	Within twenty four (24) months	-	-
Working capital	5,493	5,493	Within twenty four (24) months	-	-
Estimated expenses for the corporate exercise	1,000	1,000	Immediate	-	-
	62,950	36,950		26,000	41

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### B8. 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</u>	
Lease Liabilities	41
Term Loans	-
	<hr/> 41
<u>Long Term Borrowings</u>	
Lease Liabilities	-
Term Loans	39,024
	<hr/> 39,024
<b>Total</b>	<hr/> <b>39,065</b> <hr/>

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

### B9. Trade Receivables

The Group's normal trade credit terms granted to trade receivables ranged from 1 month to 2 months (2019: 1 month to 2 months). Other credit terms are assessed and approved on a case by case basis. There are no trade receivables from related parties.

	As at quarter ended 30 September 2020				
	Current	1 – 3 months	3 – 6 months	More than 6 months	Total
	RM'00	RM'00	RM'00	RM'00	RM'00
	0	0	0	0	0
Precision mould division	1,882	65	919	169	3,035
Property development division	613	-	31	557	1,201
<b>Total</b>	2,495	65	950	726	4,236

### B10. Off Balance Sheet Financial Instruments

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

### B11. Material Litigation

There was no material litigation involving the Group as at the date of this report.

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## B12. Dividend Proposed

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

## B13. Earnings Per Share (“EPS”)

### Basic EPS

	Current quarter ended		Cumulative quarter ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
Net (loss) / profit for the period (RM'000)	(3,203)	(7,949)	(6,916)	(18,545)
Weighted average number of shares in issue ('000)	1,132,686	1,108,795	1,132,686	1,108,795
Basic (LPS) / EPS (sen)	<u>(0.28)</u>	<u>(0.72)</u>	<u>(0.61)</u>	<u>(1.67)</u>

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

### Diluted EPS

#### 1) Diluted Earnings per ordinary shares

The diluted earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue and issuable after the conversion of all outstanding warrants during the financial period ended 30 September 2020.

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30/09/2020	Preceding Corresponding Quarter Ended 30/09/2019	Current Year To Date Ended 30/09/2020	Preceding Corresponding Year To Date Ended 30/09/2019
Net (loss) / profit attributable to ordinary equity holders of the Company (RM'000)	(3,203)	(7,949)	(6,916)	(18,545)
Weighted average number of ordinary shares in issue ('000)	1,132,686	1,108,795	1,132,686	1,108,795
Effect of dilution after conversion of all outstanding ICULS, ESOS and Warrants ('000)	369,329	414,663	369,329	414,663
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share	1,502,015	1,523,458	1,502,015	1,523,458

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(Incorporated in Malaysia)

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Diluted basic (loss) / earnings per share (sen)	(0.21)	(0.52)	(0.46)	(1.22)
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## B14. Comprehensive Income / (Expenses) Disclosure

	Current quarter ended		Cumulative quarter ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Interest income	253	750	1,641	1,952
Interest expense	(518)	(4)	(1,686)	(32)
Depreciation and amortization	(1,233)	(442)	(3,698)	(2,378)
Fair value adjustment in quoted shares	-	-	706	-
Unrealized (loss) / gain on foreign exchange	26	16	(71)	26
Realized loss on foreign exchange	5	(211)	(101)	(329)

## B15. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Company and its subsidiaries for the FYE 31 December 2019 were not subject to any qualification.