

# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2022

(The figures below are unaudited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31 March 2022 RM'000	Preceding Year Corresponding Quarter 31 March 2021 RM'000	Current Year to Date 31 March 2022 RM'000	Preceding Year Corresponding Period 31 March 2021 RM'000
Revenue	4,628	4,084	4,628	4,084
Cost of sales	(5,863)	(6,169)	(5,863)	(6,169)
<b>Gross loss</b>	(1,235)	(2,085)	(1,235)	(2,085)
Other income	1,038	353	1,038	353
Operating expenses	(2,498)	(3,338)	(2,498)	(3,338)
<b>Loss from operations</b>	(2,695)	(5,070)	(2,695)	(5,070)
Finance costs	(711)	(747)	(711)	(747)
<b>Loss before taxation</b>	(3,406)	(5,817)	(3,406)	(5,817)
Tax expense	(145)	(149)	(145)	(149)
<b>Loss after tax from continuing operation</b>	(3,551)	(5,966)	(3,551)	(5,966)
Loss from discontinued operations, net of tax	-	-	-	-
<b>Loss for the period</b>	(3,551)	(5,966)	(3,551)	(5,966)
<b>Other Comprehensive Profit / (Loss), net of tax</b>				
Foreign currency translation	-	(58)	-	(58)
Overprovision of taxation	-	-	-	-
	-	(58)	-	(58)
<b>Total Comprehensive Loss For The Financial Period</b>	<b>(3,551)</b>	<b>(6,024)</b>	<b>(3,551)</b>	<b>(6,024)</b>
<b>Loss attributable to:</b>				
Owners of the Parent	(3,592)	(5,966)	(3,592)	(5,966)
Non-controlling interest	41	0	41	0
	(3,551)	(5,966)	(3,551)	(5,966)
<b>Total comprehensive Loss attributable to:</b>				
Owners of the Parent	(3,592)	(6,024)	(3,592)	(6,024)
Non-controlling interest	41	0	41	0
	(3,551)	(6,024)	(3,551)	(6,024)
<b>Loss per share (sen)</b>				
Basic (note B13)	(0.26)	(2.98)	(0.26)	(2.98)
Diluted (note B13)	(0.26)	(2.98)	(0.26)	(2.98)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 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 31 MARCH 2022

	(Unaudited) As at 31 March 2022 RM'000	(Audited) As at 31 December 2021 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	40,526	40,896
Right-of-use of asset	47	94
Investment properties	34,946	35,130
Other investment	20,692	20,389
	<u>96,211</u>	<u>96,509</u>
<b>Current assets</b>		
Inventories	99,175	59,606
Trade and other receivables	33,780	48,190
Contract assets	5,224	5,224
Tax assets	174	208
Cash and cash equivalents	150,414	154,230
	<u>288,767</u>	<u>267,458</u>
<b>TOTAL ASSETS</b>	<u>384,978</u>	<u>363,967</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	332,886	332,886
Accumulated losses	(59,499)	(55,948)
Other reserve	9,251	9,204
Equity attributable to owners of the parent	282,638	286,142
Non-controlling interests	9,169	9,156
Total equity	<u>291,807</u>	<u>295,298</u>
<b>Non-current liabilities</b>		
Borrowings	33,377	33,846
<b>Current liabilities</b>		
Trade and other payables	48,956	24,197
Finance lease payables	28	28
Borrowings	6,907	6,699
Current tax liabilities	827	823
Provisions	3,076	3,076
	<u>59,794</u>	<u>34,823</u>
<b>TOTAL LIABILITIES</b>	<u>93,171</u>	<u>68,669</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>384,978</u>	<u>363,967</u>
Net assets per share attributable to owners of the parent (RM)	0.20	0.20

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 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 PERIOD ENDED 31 MARCH 2022

	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 2022	332,886	(29)	9,233	(55,948)	9,156	295,298
Loss for the financial year	-	-	-	(3,551)	13	(3,538)
Foreign currency translation	-	47	-	-	-	47
At 31 March 2022 (unaudited)	332,886	18	9,233	(59,499)	9,169	291,807
At 1 January 2021	236,676	239	9,233	38,444	8,996	293,588
Loss for the financial year	-	-	-	(94,392)	160	(94,232)
Foreign currency translation	-	(268)	-	-	-	(268)
Issuance Rights Issue Shares	96,210	-	-	-	-	96,210
At 31 December 2021 (audited)	332,886	(29)	9,233	(55,948)	9,156	295,298

# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 MARCH 2022

(The figures below are unaudited)

	Current Year to 31 March 2022 RM'000	Preceding Year Corresponding Period to 31 March 2021 RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(3,406)	(5,817)
Adjustments for:-		
Non-cash items	1,423	1,366
Non operating items	125	690
Operating loss before working capital changes	(1,858)	(3,761)
Changes in working capital:		
Net changes in current assets	(25,650)	(31,477)
Net changes in current liabilities	24,759	22,364
Cash used in operations	(2,749)	(12,874)
Interest received	587	21
Tax paid	(145)	(149)
Net cash used in operating activities	(2,307)	(13,002)
<b>Cash flows from investing activities</b>		
Purchase of other investment	-	(38,961)
Purchase of plant and equipment	(489)	-
Net cash used in investing activities	(489)	(38,961)
<b>Cash flows from financing activities</b>		
Interest paid	(712)	(711)
Repayment of borrowings	(261)	1,066
Net cash (used in)/generated from financing activities	(973)	355
Effects of changes in exchange rates	(47)	(58)
Net decrease in cash and cash equivalents	(3,816)	(51,666)
Cash and cash equivalents at beginning of the year	154,230	137,130
<b>Cash and cash equivalents at end of the year</b>	<b>150,414</b>	<b>85,464</b>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits	144,072	49,124
Cash and bank balances**	6,342	36,340
	150,414	85,464

\*\* 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 2021 and accompanying explanatory notes attached to the interim financial statements.

# **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 quarter ended 31 March 2022 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 2021.

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 2021, 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 2022. 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.

### **A6. Dividend Paid**

There were no dividends declared or paid during the current financial quarter under review.

# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

## 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>31 March 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
External sales	4,628	-	-	4,628
Inter segment sales	-	-	-	-
Total revenue	<u>4,628</u>	<u>-</u>	<u>-</u>	<u>4,628</u>
<b>Results</b>				
Loss from operations	(2,010)	(685)	-	(2,695)
Finance cost	(711)	-	-	(711)
Income from other investment	-	-	-	-
Loss before tax				<u>(3,406)</u>
Income tax				<u>(145)</u>
Net loss for the period				<u>(3,551)</u>

<b>The Group</b>	<b>Precision Mould</b>	<b>Property Development</b>	<b>Elimination</b>	<b>Consolidated</b>
<b>31 March 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
External sales	2,451	1,633	-	4,084
Inter segment sales	-	-	-	-
Total revenue	<u>2,451</u>	<u>1,633</u>	<u>-</u>	<u>4,084</u>
<b>Results</b>				
Loss from operation	(4,747)	(323)	-	(5,070)
Finance cost	(747)	-	-	(747)
Loss before tax				<u>(5,817)</u>
Income tax				<u>(149)</u>
Net loss for the period				<u>(5,966)</u>

# **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

## **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.

## **A11. Capital Commitments**

There were no material capital commitments in respect of property, plant and equipment as at the end of the current quarter under review.

## **A12. Significant Related Parties Transactions**

During the current financial quarter, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

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# 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 2022

	Individual period (period ended 31 March 2022)			Cumulative period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (in Amount)	Current Year-to-date	Preceding Year Corresponding Period	Changes (in Amount)
	31 Mar 2022	31 Mar 2021		31 Mar 2022	31 Mar 2021	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	4,628	4,084	544	4,628	4,084	544
Operating loss	(3,733)	(5,070)	1,337	(3,733)	(5,070)	1,337
Loss before interest and tax	(2,695)	(5,070)	2,375	(2,695)	(5,070)	2,375
Loss before tax	(3,406)	(5,817)	2,411	(3,406)	(5,817)	2,411
Loss after tax	(3,551)	(5,966)	2,415	(3,551)	(5,966)	2,415
Loss attributable to ordinary equity holders of the parent	(3,592)	(5,966)	2,374	(3,592)	(5,966)	2,374

The Group recorded a revenue of RM 4.63 million for the quarter ended 31 March 2022. The Group's loss before tax ("LBT") and loss after tax ("LAT") for the quarter were RM 3.41 million and RM 3.55 million for the period respectively.

The Group recorded a revenue of RM 4.08 million for the immediate preceding quarter at 31 March 2021. The Group recorded LBT and LAT of RM 5.82 million and RM 5.97 million respectively for the immediate preceding quarter at 31 March 2021.

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 31 March 2021. The tighten of cost controlling that resulted with a lower operation costs that attributed to lower loss for the quarter ended 31 March 2022 as compared to immediate preceding quarter ended 31 March 2021.



## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### B2. Variation of Results for the Current Quarter Ended 31 March 2022 against Immediate Preceding Quarter

	Current Quarter 31/03/2022 RM'000	Preceding Quarter 31/12/2021 RM'000	Variance RM'000
Revenue	4,628	6,117	(1,489)
Operating Loss	(3,733)	(87,804)	84,071
Loss before Interest and tax	(2,695)	(85,451)	82,756
Loss before tax	(3,406)	(85,688)	82,282
Loss after tax	(3,551)	(86,489)	82,938
Loss attributable to ordinary equity holders of the parent holders of the parent	(3,592)	(86,655)	83,063

The Group recorded the decrease of approximately 24% in its revenue to RM 4.63 million for the quarter ended 31 March 2022 against RM 6.12 million for the immediate preceding quarter ended 31 December 2021. The Group registered LBT and LAT of RM 3.41 million and RM 3.55 million respectively for the current quarter ended 31 March 2022, as compared to LBT and LAT of RM 85.69 million and RM 86.49 million respectively in the immediate preceding quarter ended 31 December 2021. The reason for the Group's decrease in revenue for the current quarter was mainly due to slowing down of revenue recognition from property development division within the quarter ended 31 March 2022 as compared to preceding quarter 31 December 2021.

### B3. Group's Prospects for FYE 31 December 2022

Barring any unforeseen circumstances, the Board expects the Group's performance to be challenging for the financial year ending 31 December 2022. 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. In transitioning to the endemic phase of Covid-19, all the economic sectors and international border are slowly re-opening. This would allow the resumption of business activities. The uncertainty caused the overall market in a downtrend which has an adverse impact that trigger the adjustment of fair value for Sanichi's financial assets. However, the completion of several share issuances in the previous year and the expected completion of property development in Marina Point Melaka would strengthen the financial health of the Group. The Group would cautiously observe the market and explore every business opportunities despite in this uncertain market.

### B4. Variance of Profit Forecast

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

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### B5. Tax Expenses

Taxation comprises the following:-

	Individual quarter ended		Cumulative quarter ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
In respect of the current period:-				
Current taxation	(145)	(149)	(145)	(149)
Deferred taxation	-	-	-	-
	<u>(145)</u>	<u>(149)</u>	<u>(145)</u>	<u>(149)</u>
In respect of the previous period:-				
Taxation	-	-	-	-
Deferred taxation	-	-	-	-
Net tax credit	<u>(145)</u>	<u>(149)</u>	<u>(145)</u>	<u>(149)</u>

### B6. Profits / (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.

# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

## B7. Status of Corporate Proposals

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

- 1.) The Company wishes to announce that the Company proposes to undertake (1) proposed diversification of the business of Sanichi and its subsidiaries (“Sanichi Group” or the “Group”) to include the manufacture, sale and marketing of gloves and other related activities (“Gloves Business”) (“Proposed Diversification”); (2) proposed consolidation of every 10 existing ordinary shares in Sanichi (“Sanichi Shares” or “Shares”) into 1 Share (“Consolidated Share”) (“Proposed Share Consolidation”); (3) proposed renounceable rights issue of up to 1,424,437,980 new Shares (“Rights Shares”) together with up to 712,218,990 free detachable warrants in Sanichi (“Warrants F”) on the basis of 6 Rights Shares together with 3 free Warrants F for every 1 Consolidated Share held by the entitled shareholders of the Company on an entitlement date to be determined (“Entitlement Date”) (“Entitled Shareholders”) (“Proposed Rights Issue with Warrants”); (4) termination of the existing employees’ share options scheme of the Company, which took effect on 7 November 2014 for a period of 5 years and subsequently extended for another 5 years (“Existing ESOS”) (“Proposed Termination of Existing ESOS”); and (5) proposed establishment of a new employees’ share options scheme (“New ESOS” or “Scheme”) involving up to 30% of the total number of issued Shares (excluding treasury shares, if any) (“Proposed New ESOS”). Please refer to announcement dated 3 February 2021, 19 February 2021 and 22 March 2021 for further details. The Company had on 5 April 2021 announced that the listing and quotation of 200,471,911 Consolidated Shares and 36,932,791 Consolidated Warrants E on the ACE Market of Bursa Securities has been completed on 6 April 2021. The Company wishes to announce that the effective date for the implementation of the ESOS is 19 August 2021, being the date on which the Company is in full compliance with requirements including Rule 6.44(1) of the Listing Requirements.

The Company wishes to announce that the Company has resolved to fix the issue price of the Rights Shares at RM0.08 per Rights Share (“Issue Price”) and the exercise price of the Warrants F at RM0.10 per Warrant F (“Exercise Price”). The Board had fixed the Issue Price after taking into consideration (i) the funding requirements of the Group as set out in Section 7 of the circular to shareholders of the Company dated 24 February 2021 (“Circular”); (ii) the TEAP of Sanichi Shares based on the 5-day VWAP of Sanichi Shares up to and including 7 April 2021, being the last trading day before the date of fixing the Issue Price and the Exercise Price (“LTD”); and (iii) the rationale for the Rights Issue with Warrants, as set out in Section 8 of the Circular. The Issue Price represents a discount of 23.44% to the TEAP of Sanichi Shares of RM0.1045, calculated based on the 5-day VWAP of Sanichi Shares up to and including the LTD of RM0.2648. The Board had fixed the Exercise Price after taking into consideration, amongst others, the TEAP of Sanichi Shares. The Exercise Price represents a discount of 4.31% to the aforementioned TEAP. Please refer to announcement dated 8 April 2021.

- 2.) The Company 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. No major development after the agreement signed.

## **SANICHI TECHNOLOGY BERHAD**

Company No. 661826-K  
(Incorporated in Malaysia)

- 3.) 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 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 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, 17 August 2020, 27 November 2020, 25 February 2021, 12 May 2021, 30 August 2021, 30 November 2021 and 28 February 2022 for further details. No major development after the MOU signed.
- 5.) The Company wishes to announce a Press Release entitled "Sanichi's 8 sen Rights Issue offer is world's lowest price for Glove Stocks". Please refer to announcements dated 22 April 2021.
- 6.) The Company wishes to announce that the Company renounceable the Rights Issue of up to 1,424,428,212 new ordinary shares in Sanichi (“Sanichi Shares” or “Shares”) (“Rights Shares”) at an issue price of RM0.08 per rights share together with up to 712,214,106 free detachable warrants in Sanichi (“Warrants F”) on the basis of 6 Rights Shares together with 3 free Warrants F for every 1 existing share held by the entitled shareholders of Sanichi. On behalf of the Board, Mercury Securities wishes to announce that pursuant to the close of acceptance, excess applications and payment for the Rights Shares with Warrants F, the Company had received valid acceptance and excess applications for a total of 1,202,623,503 Rights Shares, representing 99.98% subscription of the total number of Rights Shares available for subscription under the Rights Issue with Warrants. Successful applicants of the Rights Shares will be given Warrants F on the basis of 1 Warrants F for every 2 Rights Shares successfully subscribed for. The total number of excess Rights Shares available for allocation was 616,725,714. In view that the total number of excess Rights Shares applied for was 616,517,751, the board has decided to allot the excess Rights Shares to all the entitled shareholders and/or their renounce(s) and/or transferee(s) who have applied for the excess Right Shares in full. Please refer to announcements dated 23 April 2021, 11 May 2021 and 20 May 2021. 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 1,202,623,503 Rights Shares, 601,311,751 Warrants F and 63,302,561 Additional Warrants E on the ACE Market of Bursa Securities on 28 May 2021.

# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

## Status of utilization of proceeds raised from corporate proposals

### a) Rights Issue with Warrants

The utilization of the proceeds of RM62.95 million from the Rights Issue with Warrants of 572,273,460 new ordinary shares of RM0.11 each with 286,136,730 Warrants D, 6,064,595 Warrants B and 34,889,061 Warrants C.

Purpose	Proposed Utilisation	Actual Utilisation as at 23/05/2022	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	36,000	Within twenty four (24) months	-	-
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	62,950		-	-

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### b) Rights Issue with Warrants

The utilization of the proceeds of RM73.866 million from the Rights Issue with Warrants of 738,658,516 new ordinary shares of RM0.10 each with free 369,329,241 Warrants E, 13,541,530 Warrants C and 31,792,008 Warrants D.

Purpose	Proposed Utilisation	Actual Utilisation as at 23/05/2022	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Property development activities	60,000	41,557	Within thirty-six (36) months	18,443	30.74
Working capital	12,946	12,946	Up to twelve (12) months	-	-
Estimated expenses for the corporate exercise	920	920	Immediate	-	-
	73,866	55,423		18,443	24.97

### c) Private placement

The utilization of the proceeds of RM23.217 million from the Private Placement of 200,000,000 new ordinary shares of RM0.0526 each, 100,000,000 new ordinary shares of RM0.0602 each and 113,938,600 new ordinary shares of RM0.0586 each as of the date of this report is as follows:-

Purpose	Proposed Utilisation	Actual Utilisation as at 23/05/2022	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Development of Marina Point Project	22,866	-	Within eighteen (18) months	22,866	100
Estimated expenses for the corporate exercise	351	351	Immediate	-	-
	23,217	351		22,866	98.49

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### 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>	
Bank Overdraft	4,843
Finance Lease Payables	99
Lease Liabilities	167
Term Loans	1,965
	<hr/>
	7,074
<u>Long Term Borrowings</u>	
Lease Liabilities	45
Term Loans	33,377
	<hr/>
	33,422
	<hr/>
<b>Total</b>	<b>40,496</b>

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 (2021: 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 31 March 2022				
	Current	1 – 3 months	3 – 5 months	More than 6 months	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Precision mould division	4,108	-	32	4,612	8,752
Property development division	37	19	18	4,873	4,947
Total	4,145	19	50	9,485	13,699

### B10. Off Balance Sheet Financial Instruments

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

## SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

### B11. Material Litigation

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

### B12. Dividend Proposed

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

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

#### Basic / Diluted LPS

	Current quarter ended		Cumulative quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Net loss attributable to owners of the Company (RM'000)	(3,592)	(5,966)	(3,592)	(5,966)
Weighted average number of shares in issue ('000)	1,403,096	200,472	1,403,096	200,472
Basic <sup>(1)</sup> / Diluted <sup>(2)</sup> LPS (sen)	(0.26)	(2.98)	(0.26)	(2.98)

#### Notes:

- (1) 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.
- (2) Diluted LPS of the Company for the current quarter and cumulative quarter is equivalent to the basic LPS as the effect on the assumed exercise of the share options under warrants is anti-dilutive.



# SANICHI TECHNOLOGY BERHAD

Company No. 661826-K  
(Incorporated in Malaysia)

## B14. Comprehensive Income / (Expenses) Disclosure

	Current quarter ended		Cumulative quarter ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Interest income	587	21	587	21
Interest expense	(712)	(747)	(712)	(747)
Depreciation and amortization	(1,091)	(1,354)	(1,091)	(1,354)
Unrealised gain on investment	302	-	302	-
Realised gain on investment	29	-	29	-
Unrealised (loss) / gain on foreign exchange	(4)	11	(4)	11
Realised gain / (loss) on foreign exchange	1	(3)	1	(3)

## B15. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Company and its subsidiaries for the FYE 31 December 2021 were not subject to any qualification.