

**SANICHI TECHNOLOGY BERHAD**

Company No.661826-K  
(Incorporated In Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 30 September 2022 RM'000	Preceding Year Corresponding Quarter 30 September 2021 RM'000	Current Year to Date 30 September 2022 RM'000	Preceding Year Corresponding Period 30 September 2021 RM'000
Revenue	4,315	6,186	12,686	11,591
Cost of sales	(4,906)	(2,300)	(15,148)	(8,756)
<b>Gross (Loss)/Profit</b>	(591)	3,886	(2,462)	2,835
Other income	2,675	748	3,786	1,502
Operating expenses	(13,339)	(1,735)	(18,073)	(9,568)
<b>(Loss)/Profit from operations</b>	(11,255)	2,899	(16,749)	(5,231)
Finance costs	(674)	(596)	(2,080)	(2,065)
<b>(Loss)/Profit before taxation</b>	(11,929)	2,303	(18,829)	(7,296)
Tax expense	(345)	(153)	(636)	(447)
<b>(Loss)/Profit after tax from continuing operation</b>	(12,274)	2,150	(19,465)	(7,743)
Loss from discontinued operations, net of tax	-	-	-	-
<b>(Loss)/Profit for the period</b>	(12,274)	2,150	(19,465)	(7,743)
<b>Other Comprehensive Loss, net of tax</b>				
Foreign currency translation	-	(895)	-	(1,169)
	-	(895)	-	(1,169)
<b>Total Comprehensive (Loss)/Profit For The Financial Period</b>	(12,274)	1,255	(19,465)	(8,912)
<b>(Loss)/Profit attributable to:</b>				
Owners of the Parent	(12,241)	2,153	(19,514)	(7,737)
Non-controlling interest	(33)	(3)	49	(6)
	(12,274)	2,150	(19,465)	(7,743)
<b>Total comprehensive (Loss)/Profit attributable to:</b>				
Owners of the Parent	(12,241)	1,255	(19,514)	(8,912)
Non-controlling interest	(33)	-	49	-
	(12,274)	1,255	(19,465)	(8,912)
<b>Loss/Earning per share (sen)</b>				
Basic (note B13)	(0.87)	0.15	(1.39)	(1.02)
Diluted (note B13)	(0.87)	0.15	(1.39)	(1.02)

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.

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**INTERIM FINANCIAL REPORT FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(The figures below are unaudited)

	(Unaudited) As at 30 September 2022 RM'000	(Audited) As at 31 December 2021 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	38,467	40,896
Right-of-use of asset	53	94
Investment properties	34,578	35,130
Other investment	14,254	20,389
	<u>87,352</u>	<u>96,509</u>
<b>Current assets</b>		
Inventories	102,738	59,606
Trade and other receivables	38,313	48,190
Contract assets	5,224	5,224
Tax assets	175	208
Cash and cash equivalents	136,379	154,230
	<u>282,829</u>	<u>267,458</u>
<b>TOTAL ASSETS</b>	<u>370,181</u>	<u>363,967</u>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	332,886	332,886
Accumulated losses	(75,413)	(55,948)
Other reserve	9,139	9,204
Equity attributable to owners of the parent	266,612	286,142
Non-controlling interests	9,169	9,156
Total equity	<u>275,781</u>	<u>295,298</u>
<b>Non-current liabilities</b>		
Borrowings	32,389	33,846
<b>Current liabilities</b>		
Trade and other payables	52,209	24,197
Finance lease payables	28	28
Borrowings	5,671	6,699
Current tax liabilities	1,027	823
Provisions	3,076	3,076
	<u>62,011</u>	<u>34,823</u>
<b>TOTAL LIABILITIES</b>	<u>94,400</u>	<u>68,669</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>370,181</u>	<u>363,967</u>
Net assets per share attributable to owners of the parent (RM)	0.19	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.)

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**INTERIM FINANCIAL REPORT FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(The figures below are unaudited)

	Attributable to Owners of the Parent					
	Share Capital RM'000	Translation reserve RM'000	Warrant reserve RM'000	Accumulated Losses 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 period	-	-	-	(19,465)	13	(19,452)
Foreign currency translation	-	(65)	-	-	-	(65)
At 30 September 2022 (unaudited)	332,886	(94)	9,233	(75,413)	9,169	275,781
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

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**INTERIM FINANCIAL REPORT FOR THE THIRD (3rd) QUARTER ENDED 30 SEPTEMBER 2022****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

(The figures below are unaudited)

	Current Year to 30 Sep 2022 RM'000	Preceding Year Corresponding Period to 30 Sep 2021 RM'000
<b>Cash flows from operating activities</b>		
Loss before tax	(18,829)	(7,296)
Adjustments for:-		
Non-cash items	14,631	3,672
Non operating items	356	1,349
Operating loss before working capital changes	(3,842)	(2,275)
Changes in working capital:		
Net changes in current assets	(33,425)	(43,596)
Net changes in current liabilities	28,012	18,630
Cash used in operations	(9,255)	(27,241)
Interest received	1,724	628
Tax paid	(296)	(447)
Net cash used in operating activities	(7,827)	(27,060)
<b>Cash flows from investing activities</b>		
Purchase of other investment	(12,176)	(49,336)
Purchase of plant and equipment	(712)	(21)
Net cash used in investing activities	(12,888)	(49,357)
<b>Cash flows from financing activities</b>		
Interest paid	(2,080)	(1,977)
Proceeds from disposal of plant and equipment	253	18,222
Proceeds from disposal of quoted shares	7,241	-
Proceeds from issuance of shares	-	96,210
Repayment of borrowings	(2,485)	(1,271)
Net cash generated from financing activities	2,929	111,184
Effects of changes in exchange rates	(65)	(296)
Net decrease/increase in cash and cash equivalents	(17,851)	34,471
Cash and cash equivalents at beginning of the period	154,230	137,130
<b>Cash and cash equivalents at end of the period</b>	<b>136,379</b>	<b>171,601</b>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits	126,702	120,862
Cash and bank balances**	9,677	50,739
	<b>136,379</b>	<b>171,601</b>

\*\* 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.

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## **INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2022**

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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 30 September 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.

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### A7. Segmental Information

The Group's reportable segments comprise of precision mould, property development, investment holding and other (represented an entity which yet to commence operation). The precision mould business is geographically located in Malaysia and Thailand. The property development business and investment holding is geographically located in Malaysia only.

For each reportable segment, the Group's chief operating decision makers which is the Board of Directors of the Company, reviews internal management reports on quarterly basis.

<b>The Group</b>	<b>Precision Mould</b>	<b>Property Development</b>	<b>Investment Holding</b>	<b>Others/ Elimination</b>	<b>Consolidated</b>
<b>30 September 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>					
External sales	11,821	-	865	-	12,686
Inter segment sales	-	-	65	(65)	-
Total revenue	<u>11,821</u>	<u>-</u>	<u>930</u>	<u>(65)</u>	<u>12,686</u>
<b>Results</b>					
Loss from operations	(6,982)	(1,934)	(11,633)	14	(20,535)
Finance cost	(249)	-	(1,831)	-	(2,080)
Other income	1,828	14	1,615	329	3,786
Loss before tax					<u>(18,829)</u>
Income tax					<u>(636)</u>
Net loss for the period					<u>(19,465)</u>

<b>The Group</b>	<b>Precision Mould</b>	<b>Property Development</b>	<b>Investment Holding</b>	<b>Others/ Elimination</b>	<b>Consolidated</b>
<b>30 September 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>					
External sales	8,572	2,145	874	-	11,591
Inter segment sales	-	98	-	(98)	-
Total revenue	<u>8,572</u>	<u>2,243</u>	<u>874</u>	<u>-</u>	<u>11,591</u>
<b>Results</b>					
Loss from operations	(466)	(490)	(5,814)	37	(6,733)
Finance cost	(275)	-	(1,790)	-	(2,065)
Other income	577	13	912	-	1,502
Loss before tax					<u>(7,296)</u>
Income tax					<u>(447)</u>
Net loss for the period					<u>(7,743)</u>

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## **INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2022**

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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.

### **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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### 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 2022

	Individual period (period ended 30 September 2022)			Cumulative period		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes (in Amount)	Current Year-to-date	Preceding Year Corresponding Period	Changes (in Amount)
	30 September 2022	30 September 2021		30 September 2022	30 September 2021	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	4,315	6,186	(1,871)	12,686	11,591	1,095
Operating (loss)/profit	(13,930)	2,151	(16,081)	(20,535)	(6,733)	(13,802)
(Loss)/Profit before interest and tax	(11,255)	2,899	(14,154)	(16,749)	(5,231)	(11,518)
(Loss)/Profit before tax	(11,929)	2,303	(14,232)	(18,829)	(7,296)	(11,533)
(Loss)/Profit after tax	(12,274)	2,150	(14,424)	(19,465)	(7,743)	(11,722)
(Loss)/Profit attributable to ordinary equity holders of the parent	(12,241)	2,153	(14,394)	(19,514)	(7,737)	(11,777)

The Group recorded a revenue of RM4.32 million for the quarter ended 30 September 2022. The Group's loss before tax ("LBT") and loss after tax ("LAT") for the quarter were RM11.93 million and RM12.27 million for the period respectively.

The Group recorded a revenue of RM6.19 million for the immediate preceding quarter at 30 September 2021. The Group recorded PBT and PAT of RM2.30 million and RM2.20 million respectively for the immediate preceding quarter at 30 September 2021.

The lower revenue was mainly due to the decrease in revenue contribution from precision mould division and the slow recognition from property development segments which resulted a decrease in revenue as compared to immediate preceding quarter ended 30 June 2021. The higher losses was mainly due to higher labour cost, realised loss on investment in quoted share and loss on disposal of plant and equipment for the quarter ended 30 September 2022 as compared to immediate preceding quarter ended 30 September 2021.



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### B2. Variation of Results for the Current Quarter Ended 30 September 2022 against Immediate Preceding Quarter

	Current Quarter 30/09/2022 RM'000	Preceding Quarter 30/06/2022 RM'000	Variance RM'000
Revenue	4,315	3,743	572
Operating Loss	(13,930)	(2,872)	(11,058)
Loss before Interest and tax	(11,255)	(2,799)	(8,456)
Loss before tax	(11,929)	(3,494)	(8,435)
Loss after tax	(12,274)	(3,640)	(8,634)
Loss attributable to ordinary equity holders of the parent holders of the parent	(12,241)	(3,681)	(8,560)

The Group recorded the increase of approximately 15.28% in its revenue to RM4.32 million for the quarter ended 30 September 2022 against RM3.74 million for the immediate preceding quarter ended 30 June 2022. The Group registered LBT and LAT of RM11.93 million and RM12.27 million respectively for the current quarter ended 30 September 2022, as compared to LBT and LAT of RM3.49 million and RM3.64 million respectively in the immediate preceding quarter ended 30 June 2022.

The reason for the Group's increase in revenue for the current quarter was mainly due to contribution from precision mould division within the quarter ended 30 September 2022 as compared to preceding quarter 30 June 2022. The loss before tax reported in the current quarter was mainly due to higher labour cost, realised loss on investment in quoted share and loss on disposal of plant and equipment.

### 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.

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### 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	
	30 Sep 2022 RM'000	30 Sep 2021 RM'000	30 Sep 2022 RM'000	30 Sep 2021 RM'000
In respect of the current period:-				
Current taxation	(345)	(153)	(636)	(447)
Deferred taxation	-	-	-	-
	<u>(345)</u>	<u>(153)</u>	<u>(636)</u>	<u>(447)</u>
In respect of the previous period:-				
Taxation	-	-	-	-
Deferred taxation	-	-	-	-
Net tax credit	<u>(345)</u>	<u>(153)</u>	<u>(636)</u>	<u>(447)</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.

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### **B7. Status of Corporate Proposals**

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

- 1.) On 17 July 2020, the Company announced that the Company had 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 July 2020 and 30 October 2020 for further details. There were no major developments after the agreement signed.
- 2.) On 11 December 2018, the Company announced that the Company had entered into a Memorandum of Understanding (“MOU”) with FKS Holdings Pte. Ltd. (“FKS”) (Company No. 201502196H), a company incorporated in Singapore. On 14 December 2018, the Company informed that the Parties agree to enter into an agreement within 6 months from the date of the MOU or such other extended period as may be agreed by the Parties. Please refer to announcement for further details. There were no major developments after the MOU signed.

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### 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 of RM0.10 each, 6,064,595 Warrants B and 34,889,061 Warrants C.

Purpose	Proposed Utilisation	Actual Utilisation as at 18/11/2022	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	24,864	Within twenty four (24) months	11,136	30.93
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	51,814		11,136	17.69

There was no deviation between the approved utilization amount and actual utilized amount.

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### b) Rights Issue with Warrants

The utilization of the proceeds of RM73.87 million have been partially utilised in the following manner as at 18 August 2022 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 18/11/2022	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Property development activities	60,000	41,628	Within thirty-six (36) months	18,372	30.62
Working capital	12,946	12,946	Up to twelve (12) months	-	-
Estimated expenses for the corporate exercise	920	920	Immediate	-	-
	73,866	55,494		18,372	24.49

There was no deviation between the approved utilization amount and actual utilized amount.

### c) Private placement

The utilization of the proceeds of RM23.22 million have been partially utilised in the following manner as at 18 August 2022 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 22/08/2022	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

There was no deviation between the approved utilization amount and actual utilized amount.

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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>	
Bank Overdraft	3,615
Finance Lease Payables	92
Lease Liabilities	28
Term Loans	1,964
	<u>5,699</u>
<u>Long Term Borrowings</u>	
Term Loans	32,389
	<u>32,389</u>
<b>Total</b>	<b><u>38,088</u></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 30 September 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	2,959	148	2,061	9,093	14,261
Property development division	-	-	-	4,227	4,227
Investment holding division	25	16			41
<b>Total</b>	2,984	164	2,061	13,320	18,529

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## INTERIM FINANCIAL REPORT FOR THE THIRD (3<sup>rd</sup>) QUARTER ENDED 30 SEPTEMBER 2022

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### 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.

### B12. Dividend Proposed

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

### B13. Loss/Earning Per Share ("LPS/EPS")

#### Basic and Diluted (Loss)/Earning Per Share

	Current quarter ended		Cumulative quarter ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
(Loss)/Profit attributable to owners of the Company (RM'000)	(12,241)	2,153	(19,514)	(7,737)
Weighted average number of shares in issue ('000)	1,403,096	1,403,095	1,403,096	755,529
Basic <sup>(1)</sup> / Diluted <sup>(2)</sup> LPS/ EPS (sen)	(0.87)	0.15	(1.39)	(1.02)

#### Notes:

- (1) Basic LPS/EPS is calculated by dividing the (loss)/profit 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/EPS of the Company for the current quarter and cumulative quarter is equivalent to the basic LPS/EPS as the effect on the assumed exercise of the share options under warrants is anti-dilutive.

# SANICHI TECHNOLOGY BERHAD

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### B14. Financial Instruments

(a) **Derivatives**

There were no outstanding derivatives as at 30 September 2022.

(b) **Gain/(Loss) arising from fair value changes in financial liabilities**

There were no gain/(loss) arising from fair value changes in financial liabilities during the current quarter and period to date.

### B15. Comprehensive Income / (Expenses) Disclosure

	Current quarter ended		Cumulative quarter ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Interest income	334	279	1,724	628
Other income (excluded interest income)	849	-	1,077	-
Interest expense	(674)	(583)	(2,080)	(1,977)
Depreciation and amortization	(838)	(1,274)	(2,521)	(3,967)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-
Gain and loss on disposal of quoted share	(7,397)	323	(7,870)	294
Investment or properties	-	-	-	-
Foreign exchange (gain)/loss	(47)	(8)	(80)	(26)
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

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### B16. 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.