

SANICHI TECHNOLOGY BERHAD

Company No.661826-K
(Incorporated In Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST (1st) QUARTER ENDED 31 MARCH 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(The figures below are unaudited)

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current Quarter 31 March 2023 RM'000	Preceding Year Corresponding Quarter 31 March 2022 RM'000	Current Year to Date 31 March 2023 RM'000	Preceding Year Corresponding Period 31 March 2022 RM'000
Revenue	5,688	4,628	5,688	4,628
Cost of sales	(5,422)	(5,863)	(5,422)	(5,863)
Gross Profit/(Loss)	266	(1,235)	266	(1,235)
Other income	1,073	1,038	1,073	1,038
Operating expenses	(4,026)	(2,498)	(4,026)	(2,498)
Loss from operations	(2,687)	(2,695)	(2,687)	(2,695)
Finance costs	(647)	(711)	(647)	(711)
Loss before taxation	(3,334)	(3,406)	(3,334)	(3,406)
Tax expense	(161)	(145)	(161)	(145)
Loss after tax from continuing operation	(3,495)	(3,551)	(3,495)	(3,551)
Loss from discontinued operations, net of tax	-	-	-	-
Loss for the period	(3,495)	(3,551)	(3,495)	(3,551)
Other Comprehensive Loss, net of tax				
Foreign currency translation	-	-	-	-
	-	-	-	-
Total Comprehensive Loss For The Financial Period	(3,495)	(3,551)	(3,495)	(3,551)
Loss attributable to:				
Owners of the Parent	(3,534)	(3,592)	(3,534)	(3,592)
Non-controlling interest	39	41	39	41
	(3,495)	(3,551)	(3,495)	(3,551)
Total Comprehensive Loss attributable to:				
Owners of the Parent	(3,534)	(3,592)	(3,534)	(3,592)
Non-controlling interest	39	41	39	41
	(3,495)	(3,551)	(3,495)	(3,551)
Loss per share (sen)				
Basic (note B13)	(0.25)	(0.26)	(0.25)	(0.26)
Diluted (note B13)	(0.25)	(0.26)	(0.25)	(0.26)

The condensed consolidated statement of comprehensive income should be read in conjunction with the unaudited financial statements for the financial year ended 31 December 2022 and accompanying explanatory notes attached to the interim financial statements.

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INTERIM FINANCIAL REPORT FOR THE FIRST (1st) QUARTER ENDED 31 MARCH 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(The figures below are unaudited)

	(Unaudited) As at 31 March 2023 RM'000	(Audited) As at 31 December 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	37,315	37,925
Right-of-use of asset	25	74
Investment properties	34,211	34,395
Other investment	38,030	14,270
	<u>109,581</u>	<u>86,664</u>
Current assets		
Inventories	89,246	87,932
Trade and other receivables	42,882	53,050
Contract assets	44	2,592
Tax assets	530	530
Cash and cash equivalents	96,833	125,810
	<u>229,535</u>	<u>269,914</u>
TOTAL ASSETS	<u>339,116</u>	<u>356,578</u>
EQUITY AND LIABILITIES		
EQUITY		
Share capital	332,886	332,886
Accumulated losses	(82,992)	(79,458)
Other reserve	9,325	9,274
Equity attributable to owners of the parent	259,219	262,702
Non-controlling interests	9,260	9,221
Total equity	<u>268,479</u>	<u>271,923</u>
Non-current liabilities		
Borrowings	<u>30,910</u>	<u>31,454</u>
Current liabilities		
Trade and other payables	23,788	37,349
Lease liabilities	29	72
Borrowings	6,180	5,843
Current tax liabilities	60	267
Provisions	9,670	9,670
	<u>39,727</u>	<u>53,201</u>
TOTAL LIABILITIES	<u>70,637</u>	<u>84,655</u>
TOTAL EQUITY AND LIABILITIES	<u>339,116</u>	<u>356,578</u>
Net assets per share attributable to owners of the parent (RM)	0.18	0.19

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022 and accompanying explanatory notes attached to the interim financial statements.)

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INTERIM FINANCIAL REPORT FOR THE FIRST (1st) QUARTER ENDED 31 MARCH 2023**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 2023	332,886	41	9,233	(79,458)	9,221	271,923
Loss for the financial period	-	-	-	(3,534)	39	(3,495)
Foreign currency translation	-	51	-	-	-	51
At 31 March 2023 (unaudited)	332,886	92	9,233	(82,992)	9,260	268,479
At 1 January 2022	332,886	(29)	9,233	(55,948)	9,156	295,298
Loss for the financial year	-	-	-	(23,510)	65	(23,445)
Foreign currency translation	-	70	-	-	-	70
At 31 December 2022 (audited)	332,886	41	9,233	(79,458)	9,221	271,923

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INTERIM FINANCIAL REPORT FOR THE FIRST (1st) QUARTER ENDED 31 MARCH 2023**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

(The figures below are unaudited)

	Current Year to 31 March 2023 RM'000	Preceding Year Corresponding Period to 31 March 2022 RM'000
Cash flows from operating activities		
Loss before tax	(3,334)	(3,406)
Adjustments for:-		
Non-cash items	1,267	1,423
Non operating items	624	125
Operating loss before working capital changes	(1,443)	(1,858)
Changes in working capital:		
Net changes in current assets	11,266	(25,650)
Net changes in current liabilities	(13,561)	24,759
Cash used in operations	(3,738)	(2,749)
Interest received	23	587
Tax paid	(130)	(145)
Net cash used in operating activities	(3,845)	(2,307)
Cash flows from investing activities		
Proceeds from disposal of plant and equipment	1	-
Proceeds from disposal of quoted shares	1,338	-
Purchase of plant and equipment	(218)	(489)
Purchase of other investment	(25,305)	-
Addition of fixed deposit	(89,720)	(141,072)
Net cash used in investing activities	(113,904)	(141,561)
Cash flows from financing activities		
Interest paid	(647)	(712)
Repayment of lease liabilities	(43)	-
Repayment of borrowings	(207)	(261)
Net cash used in financing activities	(897)	(973)
Effects of changes in exchange rates	(51)	(47)
Net decrease in cash and cash equivalents	(118,697)	(144,888)
Cash and cash equivalents at beginning of the year	125,810	154,230
Cash and cash equivalents at end of the year	7,113	9,342
Cash and cash equivalents comprise:		
Fixed deposits with licensed bank	1,500	3,000
Fixed deposits with cooperative	89,720	141,072
Cash and bank balances**	5,613	6,342
Less: Fixed deposit with a maturity period more than 3 months	(89,720)	(141,072)
	7,113	9,342

** 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 2022 and accompanying explanatory notes attached to the interim financial statements.

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INTERIM FINANCIAL REPORT FOR THE FIRST (1st) QUARTER ENDED 31 MARCH 2023

A. EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134

A1. Basis of Preparation

The unaudited condensed interim financial statements for the quarter ended 31 March 2023 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 2022.

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 2022, 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 2023. 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.

The Group	Precision Mould	Property Development	Investment Holding	Others/ Elimination	Consolidated
31 March 2023	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	910	4,457	321	-	5,688
Inter segment sales	-	-	33	(33)	-
Total revenue	910	4,457	354	(33)	5,688
Results					
Loss from operations	(2,189)	752	(2,309)	(14)	(3,760)
Finance cost	(80)	(4)	(567)	4	(647)
Other income	76	70	797	130	1,073
Loss before tax					(3,334)
Income tax					(161)
Net loss for the year					(3,495)

The Group	Precision Mould	Property Development	Investment Holding	Others/ Elimination	Consolidated
31 March 2022	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	4,318	-	310	-	4,628
Inter segment sales	-	-	-	-	-
Total revenue	4,318	-	310	-	4,628
Results					
Loss from operations	(2,116)	(688)	(924)	(5)	(3,733)
Finance cost	(84)	-	(627)	-	(711)
Other income	121	3	810	104	1,038
Loss before tax					(3,406)
Income tax					(145)
Net loss for the year					(3,551)

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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 31 December 2022

	Individual period (period ended 31 December 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 2023	31 Mar 2022		31 Mar 2023	31 Mar 2022	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	5,688	4,628	1,060	5,688	4,628	1,060
Operating loss	(3,760)	(3,733)	(27)	(3,760)	(3,733)	(27)
Loss before interest and tax	(2,687)	(2,695)	8	(2,687)	(2,695)	8
Loss before tax	(3,334)	(3,406)	72	(3,334)	(3,406)	72
Loss after tax	(3,495)	(3,551)	56	(3,495)	(3,551)	56
Loss attributable to ordinary equity holders of the parent	(3,534)	(3,592)	58	(3,534)	(3,592)	58

The Group recorded a revenue of RM5.69 million for the quarter ended 31 March 2023. The Group's loss before tax ("LBT") and loss after tax ("LAT") for the quarter were RM3.33 million and RM3.50 million for the period respectively.

The Group recorded a revenue of RM4.63 million for the immediate preceding quarter at 31 Mar 2022. The Group recorded LBT and LAT of RM3.41 million and RM3.55 million respectively for the immediate preceding quarter at 31 March 2022.

The increase in revenue reflected the recovered contribution from recognition of revenue from property development segments as compared to immediate preceding quarter ended 31 March 2022. The tighten of cost controlling that resulted with a lower operation costs that attributed to lower loss for the quarter ended 31 March 2023 as compared to immediate preceding quarter ended 31 March 2022.

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B2. Variation of Results for the Current Quarter Ended 31 March 2023 against Immediate Preceding Quarter

	Current Quarter 31/03/2023 RM'000	Preceding Quarter 31/12/2022 RM'000	Variance RM'000
Revenue	5,688	10,360	(4,672)
Operating Loss	(3,760)	(8,364)	4,604
Loss before Interest and tax	(2,687)	(4,479)	1,792
Loss before tax	(3,334)	(5,222)	1,888
Loss after tax	(3,495)	(4,245)	750
Loss attributable to ordinary equity holders of the parent holders of the parent	(3,534)	(4,621)	1,087

The Group recorded the decrease of approximately 45.10% in its revenue to RM5.69 million for the quarter ended 31 March 2023 against RM10.36 million for the immediate preceding quarter ended 31 December 2022. The Group registered LBT and LAT of RM3.33 million and RM3.50 million respectively for the current quarter ended 31 March 2023, as compared to LBT and LAT of RM5.22 million and RM4.25 million respectively in the immediate preceding quarter ended 31 December 2022.

The reason for the Group's lower revenue for the current quarter was mainly due to slow recovery of tooling job completion recorded within the quarter ended 31 March 2023 as compared to preceding quarter 31 December 2022.

B3. Group's Prospects for FYE 31 December 2023

Barring any unforeseen circumstances, the Board expects the Group's performance to be challenging for the financial year ending 31 December 2023. 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	
	31 Mar 2023 RM'000	31 Mar 2022 RM'000	31 Mar 2023 RM'000	31 Mar 2022 RM'000
In respect of the current year:-				
Current taxation	(161)	(145)	(161)	(145)
	<u>(161)</u>	<u>(145)</u>	<u>(161)</u>	<u>(145)</u>
In respect of the previous year:-				
Taxation	-	-	-	-
Net tax credit	<u>(161)</u>	<u>(145)</u>	<u>(161)</u>	<u>(145)</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.

Status of utilization of proceeds raised from corporate proposals

a) Rights Issue with Warrants

The utilization of proceeds of RM96.21 million from the Rights Issue with Warrants of 1,202,623,503 new ordinary share of RM0.08 each with 601,311,751 Warrants F of RM0.10 each and 63,302,561 additional Warrants E.

Purpose	Proposed Utilisation	Actual Utilisation as at 19/05/2023	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Acquisition of factory building for the Gloves Business	38,000	-	Within six (6) months	38,000	100
Capital expenditure for the Gloves Business	41,500	15,000	Within twelve (12) months	26,500	63.86
Working capital	16,050	4,269	Within twelve (12) months	11,781	73.40
Estimated expenses for the corporate exercise	660	660	Immediate	-	-
	96,210	19,929		76,281	79.29

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 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.

The gross proceeds raised from the Rights Issue with Warrants D amounting to 62.95 million have been fully utilized in the following manner as at 19 May 2023.

Purpose	Proposed Utilisation	Actual Utilisation as at 19/05/2023	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		-	-

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

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c) 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 19/05/2023	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Property development activities	60,000	50,000	Within thirty-six (36) months	10,000	16.67
Working capital	12,946	12,946	Up to twelve (12) months	-	-
Estimated expenses for the corporate exercise	920	920	Immediate	-	-
	73,866	63,866		10,000	13.54

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

d) 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 19/05/2023	Intended Timeframe for Utilisation	Balance Unutilised	
	RM'000	RM'000		RM'000	%
Development of Marina Point Project	22,866	15,800	Within eighteen (18) months	7,066	30.90
Estimated expenses for the corporate exercise	351	351	Immediate	-	-
	23,217	16,151		7,066	30.43

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	3,964
Finance Lease Payables	84
Lease Liabilities	28
Term Loans	2,132
	<u>6,208</u>
<u>Long Term Borrowings</u>	
Term Loans	30,910
	<u>30,910</u>
Total	<u>37,118</u>

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 (2022: 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 2023				
	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	340	250	29	1,428	2,047
Property development division	-	-	-	22,386	22,386
Investment holding division	(10)	11	11	-	12
Total	330	261	40	23,814	24,445

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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 Per Share (“LPS”)

Basic and Diluted Loss Per Share

	Current quarter ended		Cumulative quarter ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Loss attributable to owners of the Company (RM'000)	(3,534)	(3,592)	(3,534)	(3,592)
Weighted average number of shares in issue ('000)	1,403,096	1,403,096	1,403,096	1,403,096
Basic ⁽¹⁾ /Diluted ⁽²⁾ LPS (sen)	(0.25)	(0.26)	(0.25)	(0.26)

Notes:

- (1) Basic LPS is calculated by dividing the 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.

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B14. Financial Instruments

(a) Derivatives

There were no outstanding derivatives as at 31 March 2023.

(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 Expenses Disclosure

	Current quarter ended		Cumulative quarter ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Interest income	23	587	23	587
Other income (excluded interest income)	76	123	76	123
Interest expense	(647)	-	(647)	-
Depreciation and amortization	(1,060)	(1,091)	(1,060)	(1,091)
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-
Gain and loss on disposal of quoted share/investment or properties	(207)	331	(207)	331
Foreign exchange (gain)/loss	46	(3)	46	(3)
Gain or loss on derivatives	-	-	-	-
Exceptional items	-	-	-	-

B16. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Company and its subsidiaries for the FYE 31 December 2022 were not subject to any qualification.