SANICHI TECHNOLOGY BERHAD

Registration No.: 200401023320 (661826-K)
(Incorporated In Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 31 DECEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(The figures below are unaudited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year Corresponding Period
	3 months ended		9 months ended	
	31 Dec 2025 RM'000	31 Dec 2024 RM'000	31 Dec 2025 RM'000	31 Dec 2024 RM'000
Revenue	736	5,484	2,190	9,077
Cost of sales	(1,776)	(3,889)	(4,127)	(8,334)
Gross Loss	(1,040)	1,595	(1,937)	743
Other income	21,382	474	23,571	3,943
Operating expenses	(32,387)	(5,122)	(39,159)	(13,132)
Loss from operations	(12,045)	(3,053)	(17,525)	(8,446)
Finance costs	(473)	(545)	(1,466)	(1,638)
Loss before taxation	(12,518)	(3,598)	(18,991)	(10,084)
Tax expense	1,512	(297)	(446)	(892)
Loss after tax from continuing operation	(11,006)	(3,895)	(19,437)	(10,976)
Loss from discontinued operations, net of tax	-	-	-	-
Loss for the period	(11,006)	(3,895)	(19,437)	(10,976)
Other Comprehensive Income/(Loss), net of tax				
Foreign currency translation	(35)	-	(39)	-
	(35)	-	(39)	-
Total Comprehensive Loss For The Financial Period	(11,041)	(3,895)	(19,476)	(10,976)
Loss attributable to:				
Owners of the Parent	(11,065)	(3,906)	(19,753)	(11,115)
Non-controlling interest	59	11	316	139
	(11,006)	(3,895)	(19,437)	(10,976)
Total Comprehensive Loss attributable to:				
Owners of the Parent	(11,100)	(3,906)	(19,792)	(11,115)
Non-controlling interest	59	11	316	139
	(11,041)	(3,895)	(19,476)	(10,976)
Loss Per Share (sen)				
Basic/Diluted (note B13)	(6.73)	(2.38)	(12.02)	(7.29)

Notes:

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and accompanying explanatory notes attached to the interim financial statements

SANICHI TECHNOLOGY BERHAD
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(Incorporated In Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 31 DECEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(The figures below are unaudited)

	(Unaudited) As at 31 December 2025 RM'000	(Audited) As at 31 March 2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	21,690	23,802
Right-of-use of asset	1,017	1,137
Intangible asset	7,890	8,313
Investment properties	37,136	37,843
Other investments	2,509	2,529
Prepayments	1,470	1,680
	71,712	75,304
Current assets		
Inventories	78,445	102,612
Trade and other receivables	62,299	16,130
Contract assets	-	14,386
Tax assets	901	1,589
Cash and cash equivalents	75,487	75,683
	217,132	210,400
TOTAL ASSETS	288,844	285,704
EQUITY AND LIABILITIES		
EQUITY		
Share capital	293,153	293,153
Accumulated losses	(77,652)	(57,899)
Other reserve	87	126
Equity attributable to owners of the parent	215,588	235,380
Non-controlling interests	9,794	9,478
Total equity	225,382	244,858
Non-current liabilities		
Bank borrowings	23,453	25,418
Hire purchase payable	23	36
Lease liabilities	-	35
	23,476	25,489
Current liabilities		
Trade and other payables	36,057	10,803
Contract liability	-	38
Bank borrowings	3,545	4,321
Hire purchase payable	17	17
Lease liabilities	27	95
Current tax liabilities	340	83
	39,986	15,357
TOTAL LIABILITIES	63,462	40,846
TOTAL EQUITY AND LIABILITIES	288,844	285,704
Net assets per share attributable to owners of the parent (RM)	1.31	1.43

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and accompanying explanatory notes attached to the interim financial statements)

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INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 31 DECEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(The figures below are unaudited)

	<------ Attributable to Owners of the Parent ------>							
	Share Capital RM'000	**Share Option Reserve**	**Translation Reserve RM'000**	**Warrant Reserve RM'000**	**Accumulated Losses RM'000**	**Total RM'000**	**Non-controlling interest RM'000**	**Total Equity RM'000**
At 1 April 2025	293,153	-	126	-	(57,899)	235,380	9,478	244,858
Total comprehensive expense for the financial year								
Loss for the financial period	-	-	-	-	(19,753)	(19,753)	316	(19,437)
Other comprehensive income for the fianancial period	-	-	(39)	-	-	(39)	-	(39)
	-	-	(39)	-	(19,753)	(19,792)	316	(19,476)
At 31 December 2025 (unaudited)	293,153	-	87	-	(77,652)	215,588	9,794	225,382
At 1 January 2024	332,886	-	97	9,233	(92,359)	249,857	9,487	259,344
Total comprehensive expense for the financial year								
Loss for the financial year	-	-	-	-	(18,802)	(18,802)	(9)	(18,811)
Other comprehensive income for the fianancial year	-	-	29	-	-	29	-	29
	-	-	29	-	(18,802)	(18,773)	(9)	(18,782)
Transactions with owners:								
Issuance of Right Issue Shares								
- pursuant to exercise of ESOS	4,296	456	-	-	-	4,752	-	4,752
- expiry of warrant E	-	-	-	(9,233)	9,233	-	-	-
- exercise of capital reduction	(44,029)	-	-	-	44,029	-	-	-
Share option granted under ESOS	-	(456)	-	-	-	(456)	-	(456)
	(39,733)	-	-	(9,233)	53,262	4,296	-	4,296
At 31 March 2025 (audited)	293,153	-	126	-	(57,899)	235,380	9,478	244,858

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and accompanying explanatory notes attached to the interim financial statements)

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INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 31 DECEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

(The figures below are unaudited)

	Current Year to 31 December 2025 RM'000	Preceding Year Corresponding Period to 31 December 2024 RM'000
Cash flows from operating activities		
Loss before tax	(18,991)	(10,084)
Adjustments for:-		
Non-cash items	23,849	2,271
Non operating items	(504)	611
Operating loss before working capital changes	4,354	(7,202)
Changes in working capital:		
Net changes in current assets	(29,167)	(10,947)
Net changes in current liabilities	25,216	2,251
Cash from/(used in) operations	403	(15,898)
Interest received	1,970	1,030
Interest paid	(1,466)	(1,641)
Tax refund	810	-
Tax paid	(312)	(892)
Net cash from/(used in) operating activities	1,405	(17,401)
Cash flows from investing activities		
Proceeds from disposal of: Property, plant and equipment	714	219
Other investments	-	3,509
Subsidiary	500	-
Right of use assets	43	-
Purchase of : Property, plant and equipment	(831)	(825)
Right of use assets	-	(8)
Uplift of fixed deposits	(155)	(36,406)
Net cash used in investing activities	271	(33,511)
Cash flows from financing activities		
Proceeds from issue of ordinary share	-	4,296
Repayment of bank borrowings	(2,741)	(1,860)
Repayment of hire purchase	(13)	(12)
Repayment of lease liabilities	(103)	19
Net cash used in financing activities	(2,857)	2,443
Effects of changes in exchange rates	(39)	37
Net increase/(decrease) in cash and cash equivalents	(1,220)	(48,432)
Cash and cash equivalents at beginning of the period	6,868	53,955
Cash and cash equivalents at end of the period	5,648	5,523

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INTERIM FINANCIAL REPORT FOR THE THIRD (3RD) QUARTER ENDED 31 DECEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
(The figures below are unaudited)

	Current Year to 31 December 2025 RM'000	Preceding Year Corresponding Period to 31 December 2024 RM'000
Cash and cash equivalents comprise:		
Cash and bank balances**	6,538	5,939
Fixed deposits	68,949	75,369
Bank overdrafts	(890)	(1,916)
	74,597	79,392
Less: Fixed deposit with a muturity period more than 3 months	(68,949)	(73,869)
	5,648	5,523

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

Notes:
The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 March 2025 and accompanying explanatory notes attached to the interim financial statements.

A. EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134

A1. Basis of Preparation

The unaudited condensed interim financial statements for the quarter ended 31 December 2025 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 period ended ("FYE") 31 March 2025.

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 period ended 31 March 2025, 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 April 2025. 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 Cyclicality 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

There were no issuances, cancellation repurchase, resale and repayment of debt and equity securities for the current financial quarter and financial period to-date.

A6. Dividend Paid

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

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 December 2025	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue					
External sales	951	367	872	-	2,190
Inter segment sales	-	104,764	87	(104,851)	-
Total revenue	951	105,131	959	(104,851)	2,190
Results					
Loss from operations	(3,823)	2,878	(32,206)	(7,945)	(41,096)
Finance cost	(210)	(7)	(1,256)	7	(1,466)
Other income	666	35	5,127	17,743	23,571
Loss before tax					(18,991)
Income tax					(446)
Net loss for the period					(19,437)

The Group	Precision Mould	Property Development	Investment Holding	Others/ Elimination	Consolidated
31 December 2024	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	5,520	2,720	837	-	9,077
Inter segment sales	-	-	97	(97)	-
Total revenue	5.520	2,720	934	(97)	9,077
Results					
Loss from operations	(3,494)	(1,878)	(6,975)	(42)	(12,389)
Finance cost	(227)	(5)	(1,411)	5	(1,638)
Other income	11,359	29	4,037	(11,482)	3,943
Loss before tax					(10,084)
Income tax					(892)
Net loss for the period					(10,976)

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

There were no material events subsequent to the end of the current quarter under and financial period to date that have not been reflected in the financial statement for the interim period.

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 2025

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-to-date	Preceding Year Corresponding Period
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
	RM'000	RM'000	RM'000	RM'000
Revenue	736	5,484	2,190	9,077
Operating loss	(33,427)	(3,527)	(41,096)	(12,389)
Loss before interest and tax	(12,045)	(3,053)	(17,525)	(8,446)
Loss before tax	(12,518)	(3,598)	(18,991)	(10,084)
Loss after tax	(11,006)	(3,895)	(19,437)	(10,976)
Loss attributable to ordinary equity holders of the parent	(11,065)	(3,906)	(19,753)	(11,115)

The Group recorded a revenue of RM0.74 million for the current quarter ended 31 December 2025. The Group's loss before tax ("LBT") and loss after tax ("LAT") for the current quarter were RM12.52 million and RM11 million for the period respectively.

The Group recorded a revenue of RM2.19 million for the cumulative quarter ended 31 December 2025. The Group recorded LBT and LAT of RM18.99 million and RM19.44 million respectively for the cumulative quarter ended 31 December 2025.

The decrease in revenue was mainly due to no contribution from property development division which resulted decrease in revenue as compared to cumulative quarter as at 31 December 2025. The increased in LBT was primarily due to the impairment loss on receivables.

B2. Variation of Results for the Current Quarter Ended 31 December 2025 against Immediate Preceding Quarter

	Current Quarter 31/12/2025 RM'000	Preceding Quarter 30/09/2025 RM'000	Variance RM'000
Revenue	736	792	(56)
Operating loss	(33,427)	(4,093)	(29,334)
Loss before Interest and tax	(12,045)	(3,296)	(8,749)
Loss before tax	(12,518)	(3,827)	(8,691)
Loss after tax	(11,006)	(5,648)	(5,358)
Loss attributable to ordinary equity holders of the parent holders of the parent	(11,065)	(5,844)	(5,221)

The Group recorded a decrease of 7.07% in its revenue to RM0.74 million for the quarter ended 31 December 2025 against RM0.79 million for the immediate preceding quarter ended 30 September 2025. The Group registered LBT and LAT of RM12.52 million and RM11.01 million respectively for the current quarter ended 31 December 2025, as compared to LBT and LAT of RM3.83 million and RM5.65 million respectively in the immediate preceding quarter ended 30 September 2025.

The reason for the Group's decrease in revenue for the current quarter was primarily due to contribution from the precision mould division and investment holding division. The loss before tax reported in the current quarter was RM12.52 million, increased by RM8.69 million as compared to the immediate preceding quarter. The increase in loss was mainly due to impairment loss on receivables incurred in current quarter.

B3. Group's Prospects for FYE 31 March 2026

The Board expects market conditions to remain challenging for this financial year ending 31 March 2026. The Group's tooling segment continues to face pressure from foreign exchange volatility, given its substantial exposure to overseas markets. In addition, the ongoing uncertainty in the precision moulding sector is expected to weigh on overall Group's performance.

The remaining unsold units from the Marina Point Melaka development are expected to be monetized progressively, which should provide additional cash flow and support the Group's near-term liquidity. The Group will continue to monitor market conditions carefully and adopt a prudent approach in evaluating business opportunities amid the prevailing uncertainties.

B4. Variance of Profit Forecast

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

B5. Tax Expenses

Taxation comprises the following:-

	Individual quarter ended		Cumulative quarter ended	
	31 December 2025 RM'000	31 December 2024 RM'000	31 December 2025 RM'000	31 December 2024 RM'000
In respect of the current year:-				
Current taxation	(1,512)	297	446	892

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.

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.) Status of utilization of proceeds raised from corporate proposals

<u>Rights Issue with Warrants</u>

The Company announced that the change balance variation has been approved on 28 November 2024 via EGM.

Balance variation of proceeds	Estimated / Revised timeframe for utilization	Balance of proceeds raised	Utilisation as at 20/02/2026	Balance of proceed Unutilised
		RM'000	RM'000	RM'000
(i) Repayment of bank borrowings	28 May 2026	29,038	6,611	22,427
(ii) Funding for the Marina Point Project	28 May 2026	29,000	26,714	2,286
(iii) Working capital for the Group's plastic moulding business	Within 24 months	17,697	7,136	10,561
Total		75,735	40,461	35,274

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:

	As at 31 Dec 2025 (Unaudited) RM'000	As at 31 Dec 2024 (Unaudited) RM'000
Short Term Borrowings		
Bank Overdraft	890	1,916
Finance Lease Payables	27	17
Lease Liabilities	17	67
Term Loans	2,655	2,314
	3,589	4,314
Long Term Borrowings		
Term Loans	23,453	26,412
Finance Lease Payables	23	40
Lease Liabilities	-	152
	23,476	26,604
Total	**27,065**	**30,198**

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 (2025 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 December 2025				
	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	27	12	41	14	94
Investment holding division	42	63	17	-	122
Total	69	75	58	14	216

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

	Individual quarter		Cumulative quarter	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Loss attributable to owners of the Company (RM'000)	11,065	3,906	19,753	10,115
Weighted average number of shares in issue ('000)	164,308	164,308	164,308	152,439
Basic (1)/ Diluted (2) LPS (sen)	6.73	2.38	12.02	7.29

Notes:

(1) Basic loss per share for the quarter and cumulative quarter is calculated based on the net loss attributable to owners of the Company divided by the weighted average number of ordinary shares for the quarter and cumulative quarter respectively.

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

B14. Financial Instruments

(a) Derivatives
There were no outstanding derivatives as at 31 December 2025.

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

B15. Comprehensive Expenses Disclosure

	Individual quarter		Cumulative quarter	
	31 Dec 2025 RM'000	**31 Dec 2024 RM'000**	**31 Dec 2025 RM'000**	**31 Dec 2024 RM'000**
Interest income	784	121	1,970	1,031
Other income (excluded interest income)	513	341	755	583
Interest expense	(473)	(545)	(1,466)	(1,638)
Depreciation and amortization	(845)	(691)	(2,684)	(2,280)
Provision for and write off of receivables	(29,192)	-	(29,192)	-
Provision for and write off of inventories	-	-	-	-
Provision for expected credit loss	(9)		(193)	-
Loss on disposal of quoted share	-	-	-	(3,315)
Loss on disposal of property, plant and equipment	(749)	-	(751)	-
Unrealised gain on investments	(747)	-	-	3,487
Foreign exchange (gain)/loss	21	67	24	37
Gain or loss on derivatives	7,772	-	7,772	-
Exceptional items	13,039	-	13,039	-

B16. Audit Report of Preceding Annual Financial Statements

The audited financial statements of the Company and its subsidiaries for the FYE 31 March 2025 were not subject to any qualification.