

**SALUTICA BERHAD**  
(Company No. 201201040303) (1024781-T)  
(Incorporated in Malaysia)

The Board of Directors of Salutica Berhad (“Salutica” or the “Company”) (“Board”) is pleased to announce the following unaudited consolidated results for the first quarter and financial period ended (“FPE”) 31 DECEMBER 2020.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND FPE 31 DECEMBER 2020**

	Note	Current quarter 3 months ended		Cumulative 6 months ended	
		31.12.2020 RM'000	31.12.2019 RM'000	31.12.2020 RM'000	31.12.2019 RM'000
<b>Revenue</b>	<b>A9</b>	<b>49,809</b>	<b>54,998</b>	<b>105,920</b>	<b>87,348</b>
(Loss) / Profit from operations		(5,012)	143	(9,865)	(3,035)
Finance costs		(31)	(6)	(66)	(21)
<b>(Loss) / Profit before taxation</b>		<b>(5,043)</b>	<b>137</b>	<b>(9,931)</b>	<b>(3,056)</b>
Income tax credit / (expenses)	B5	1,164	(82)	2,314	724
<b>(Loss) / Profit for the period</b>	<b>B1</b>	<b>(3,879)</b>	<b>55</b>	<b>(7,617)</b>	<b>(2,332)</b>
Other comprehensive income, net of taxation		-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>		<b>(3,879)</b>	<b>55</b>	<b>(7,617)</b>	<b>(2,332)</b>
(Loss) / Profit and total comprehensive income attributable to:					
Owners of the Company		(3,879)	55	(7,617)	(2,332)
Non-controlling interest		-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>		<b>(3,879)</b>	<b>55</b>	<b>(7,617)</b>	<b>(2,332)</b>
<b>(Loss) / Earnings per share</b>					
Basic (Sen)	<b>B14</b>	<b>(1.01)</b>	<b>0.01</b>	<b>(1.98)</b>	<b>(0.61)</b>

**Note:**

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is unaudited and should be read in conjunction with the audited financial statements of the Company for the financial year ended (“FYE”) 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

**SALUTICA BERHAD**  
(Company No. 201201040303) (1024781-T)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

	Note	As at 31.12.2020 RM'000 (Unaudited)	As at 30.6.2020 RM'000 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		47,761	45,832
Right-Of-Use Assets		5,320	5,368
Intangible assets		2,401	2,436
Deferred tax assets		4,750	2,436
		60,232	56,072
<b>Current assets</b>			
Inventories		57,954	57,888
Trade and other receivables		28,179	24,880
Derivative financial instruments		101	-
Current tax assets		2,702	2,568
Short term investment		35,268	46,250
Deposits, cash and bank balances		2,871	3,836
		127,075	135,422
<b>TOTAL ASSETS</b>		<b>187,307</b>	<b>191,494</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		91,802	91,802
Treasury shares		(991)	(991)
Reserves		42,812	50,429
Total equity attributable to owners of the Company		133,623	141,240
Non-controlling interests		-	-
<b>TOTAL EQUITY</b>		<b>133,623</b>	<b>141,240</b>
<b>Non-current liabilities</b>			
Borrowings	<b>B9</b>	1,153	1,564
		1,153	1,564
<b>Current liabilities</b>			
Payables and accruals		51,659	47,798
Provision for warranties		63	60
Borrowings	<b>B9</b>	809	832
		52,531	48,690
<b>TOTAL LIABILITIES</b>		<b>53,684</b>	<b>50,254</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>187,307</b>	<b>191,494</b>
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		34.71	36.69

**Note:**

The Condensed Consolidated Statement of Financial Position is unaudited and should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.



## SALUTICA BERHAD

(Company No. 201201040303) (1024781-T)  
(Incorporated in Malaysia under the Companies Act, 1965)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER AND FPE 31 DECEMBER 2020

<----- Attributable to owners of the Company ----->

<--- Non-distributable reserve --->

<- Distributable ->

	Share capital and premium(*) RM'000	Treasury Shares RM'000	Retained Profits RM'000	Total RM'000
<b>At 1 July 2020</b>	91,802	(991)	50,429	<b>141,240</b>
Total comprehensive loss for the year	-	-	(7,617)	<b>(7,617)</b>
<b>At 31 December 2020</b>	<b>91,802</b>	<b>(991)</b>	<b>42,812</b>	<b>133,623</b>
<b>At 1 July 2019</b>	91,802	(300)	65,419	<b>156,921</b>
Total comprehensive loss for the year	-	-	(2,332)	<b>(2,332)</b>
Buy-back of shares	-	(691)	-	<b>(691)</b>
Dividends	-	-	(4,620)	<b>(4,620)</b>
<b>At 31 December 2019</b>	<b>91,802</b>	<b>(991)</b>	<b>58,467</b>	<b>149,278</b>

**Note:**

The Condensed Consolidated Statement of Changes in Equity is unaudited and should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

\* As at 31 January 2019, the share premium account of RM53,002,368 has been transferred to share capital account.



## SALUTICA BERHAD

(Company No. 201201040303) (1024781-T)  
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### CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE SECOND QUARTER AND FPE 31 DECEMBER 2020

	Note	Current Quarter Ended 31.12.2020 RM'000	Preceding year corresponding quarter ended 31.12.2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss for the financial period		(7,617)	(2,332)
Adjustments for:			
Property, plant and equipment			
- depreciation		2,802	2,732
- gains on disposal		-	(42)
- write off		*	*
Right-of-use assets depreciation		47	28
(Reversal) / Loss allowance for impairment of trade receivables		(137)	102
Capitalisation of intangible assets		(232)	(62)
Amortisation of intangible assets		192	298
Written off of intangible assets		75	-
Short term investment			
- Gain on disposal		(24)	(64)
- Fair value gain		(369)	(671)
Finance costs		66	21
Interest income		(21)	(441)
Inventories – Reversal of slow moving		(8)	-
Provision		5	3
Unrealised loss on foreign exchange		91	67
Fair value gain on derivative financial instruments		(76)	(131)
Taxation income		(2,314)	(724)
Operating loss before changes in working capital		<b>(7,520)</b>	<b>(1,216)</b>
Changes in working capital:			
Inventories		(57)	(3,718)
Trade and other receivables		(3,757)	(17,536)
Trade and other payables		3,684	15,171
Cash generated from operations		(7,650)	(7,299)
Income tax paid		(134)	(628)
Income tax refund		-	849
Net cash generated from/(used in) operating activities		<b>(7,784)</b>	<b>(7,078)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	B6	(4,074)	(5,083)
Proceeds from disposal of plant and equipment		-	42
Interest income received		21	441
Purchase of short term investment		(11,300)	(22,200)
Proceeds from sale of short term investment		22,674	42,304
Net investing cash flow		<b>7,321</b>	<b>15,504</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments for shares bought back		-	(691)
Dividend paid		-	(4,620)
Repayment of hire-purchase creditor		(376)	-
Repayment of term loans		(47)	(131)
Repayment of lease liability		(10)	(22)
Interest paid		(66)	(21)
Net cash from/(used in) financing activities		<b>(499)</b>	<b>(5,485)</b>



## SALUTICA BERHAD

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### CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE SECOND QUARTER AND FPE 31 DECEMBER 2020

	Current Quarter Ended 31.12.2020 RM'000	Preceding year corresponding quarter ended 31.12.2019 RM'000
Note		
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(962)	2,941
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	3,836	2,878
<b>Effect of change in foreign currency exchange rates</b>	(3)	(68)
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>2,871</b>	<b>5,751</b>
<b>Cash and cash equivalents comprise:</b>		
Short-term deposits with licensed banks	-	-
Cash and bank balances	2,871	5,751
	<b>2,871</b>	<b>5,751</b>
Deposits with maturity more than 3 months	-	24,200
	<b>2,871</b>	<b>29,951</b>

\* Amount is less than RM100

**Note:**

The Condensed Consolidated Cash Flows Statement is unaudited and should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2020 and the accompanying explanatory notes attached to the interim financial statements.

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## SALUTICA BERHAD

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS SECOND QUARTER ENDED 31 DECEMBER 2020

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#### **A COMPLIANCE WITH MALAYSIA FINANCIAL REPORTING STANDARD (“MFRS”) 134: INTERIM FINANCIAL REPORTING AND THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“LISTING REQUIREMENTS”)**

##### **A1 Basis of preparation**

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Listing Requirements.

These condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Company for FYE 30 June 2020 and the accompanying explanatory notes therein. The explanatory notes attached to these condensed consolidated interim financial statements provide an explanation of events and transaction that are significant to an understanding of the changes in the financial position and performance of Salutica and its subsidiary (“Group”) since the FYE 30 June 2020.

##### **A2 Changes in accounting policies**

The significant accounting policies adopted in these quarterly financial statements are consistent with those adopted as disclosed in the audited financial statements of the Group for FYE 30 June 2020-.

##### ***New standards, amendments to published standards and Issue Committee (“IC”) interpretations to existing standards that are applicable to the group and are effective***

The new accounting standards, amendments and improvements to published standards and IC interpretations to existing standards that are effective for the Group’s and Company’s financial year beginning on 1 July 2020 are as follows:

- The Conceptual Framework for Financial Reporting (Revised 2018)
- Amendments to MFRS 3 ‘Definition of a Business’
- Amendments to MFRS 101 and MFRS 108 ‘Definition of Material’
- Amendments to MFRS 9, 139 and 7 ‘Interest Rate Benchmark Reform’
- Amendment to MFRS 16 ‘COVID-19-Related Rent Concessions’

The Group is currently assessing the financial impact that may arise from the adoption of these new standards, amendments and IC interpretations to existing standards on the financial statements of the Group in the financial years of initial application and none of these is expected to have a significant effect on the financial statements of the Group.

##### ***New standards early adopted by the Group***

There are no new standards, amendments to published standards and IC interpretations to existing standards early adopted by the Group.



## SALUTICA BERHAD

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS SECOND QUARTER ENDED 31 DECEMBER 2020

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#### A2 Changes in accounting policies (cont'd)

*New standards, amendments to published standards and IC interpretations to existing standards that are applicable to the Group but not yet effective and not early adopted*

##### Financial year beginning on 1 July 2021

- Interest rate benchmark Reform – Phase 2 (Amendments to MFRS 9, 139, 7, 4 and 16)

##### Financial year beginning on 1 July 2022

- Amendments to MFRS 116 Property, Plant and Equipment: 'Proceeds before Intended Use'
- Amendments to MFRS 137 'Onerous Contracts – Cost of Fulfilling a Contract'
- Amendments to MFRS 3 Business Combinations: 'Reference to the Conceptual Framework'
- Annual Improvements to MFRSs 2018 – 2020: Amendments to Illustrative Example 13 accompanying MFRS 16 Leases: 'Lease Incentives' and Amendment to MFRS 9: 'Fees in the '10 per cent' test for Derecognition of Financial Liabilities'

##### Financial year beginning on 1 July 2023

- Amendments to MFRS 101 'Classification of Liabilities as Current or Non-current' and deferment of effective date

#### A3 Auditors' report on preceding annual financial statements

The auditors' report on the preceding audited financial statements of the Group for the FYE 30 June 2020 was not subject to any qualification.

#### A4 Seasonal or cyclical factors

The operations of the Group are affected by seasonal factors. Generally the demand for consumer electronic goods will increase before the year-end holiday season in many countries globally.

#### A5 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter.

#### A6 Changes in estimates

There were no material changes in estimates of amounts reported in prior interim period or financial year that have a material effect in the current quarter.

#### A7 Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale or repayment of debt and securities in the current quarter under review. As at 31 December 2020, the number of treasury shares held were 3,010,000 ordinary shares.



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### NOTES TO THE INTERIM FINANCIAL STATEMENTS SECOND QUARTER ENDED 31 DECEMBER 2020

#### A8 Dividends paid

No dividend was paid for the current quarter.

#### A9 Operating segments

The Group operates in Malaysia under one operating segment – Consumer Electronics. Operating segment information has therefore not been prepared as the Group’s revenue and operating profit before taxation are mainly confined to this operating segment.

The principal activities of the Group comprises vertical integration processes covering product design and development, and manufacturing of mobile communication products, wireless electronics and lifestyle devices.

In presenting information on the operating segment, an analysis of the revenue by geographical region is shown below where revenue is based on geographical markets where the goods are delivered rather than the origin of the customers:

Regions	Current quarter				Cumulative quarter			
	3 months ended				6 months ended			
	31.12.2020		31.12.2019		31.12.2020		31.12.2019	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
America	41,298	82.9	38,341	69.7	88,598	83.6	59,257	67.8
Europe	4,958	10.0	9,068	16.5	9,544	9.0	12,331	14.1
Asia (excluding Malaysia)	1,751	3.5	5,827	10.6	3,082	2.9	13,317	15.3
Australia (including New Zealand and Oceania)	1,490	3.0	1,169	2.1	2,391	2.3	1,660	1.9
Malaysia	310	0.6	589	1.1	2,300	2.2	778	0.9
Africa (including Middle East)	2	^	4	^	5	^	5	^
<b>Total</b>	<b>49,809</b>	<b>100</b>	<b>54,998</b>	<b>100</b>	<b>105,920</b>	<b>100</b>	<b>87,348</b>	<b>100</b>

^ negligible

For FPE 31 December 2020 the Group revenue was mainly derived from America region, of which, approximately 99% of revenue was attributable to the United States of America. The second country was from Netherlands, contributing approximately 78% to the Europe region.

#### A10 Valuation of property, plant and equipment

There were no valuations of property, plant and equipment during the current quarter under review.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**SECOND QUARTER ENDED 31 DECEMBER 2020**

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**A11 Material events subsequent to the end of the current quarter**

On 19 January 2021, Malaysia Senior Defence Minister announced the imposition of MCO for whole of Malaysia except Sarawak starting 22 January 2021 to 4 February 2021 when the daily cases of Covid-19 infections continue to record 4-digit daily cases.

Nonetheless, the Group's operation is not affected by the MCO because we received approval from Ministry of International Trade and Industry ("MITI") to operate during the MCO period with adherence to Standard Operating Procedures ("SOP").

Save for the above, there were no material events subsequent to the end of the current quarter that have not been reflected in these interim financial statements.

**A12 Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter.

**A13 Contingent liabilities or contingent assets**

There were no contingent liabilities or contingent assets as at the date of this interim financial report.

**A14 Capital commitments**

Capital commitments in respect of property, plant and equipment not provided for in the financial statements are as follows:

	As at <b>31.12.2020</b> <b>RM'000</b>
Contracted	6541
Authorised but not contracted	10,127
	<u><b>16,668</b></u>

**A15 Significant related party transactions**

There was no consultancy fee paid or payable to a person connected with the directors of the Company for the current quarter.

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## **SALUTICA BERHAD**

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### **NOTES TO THE INTERIM FINANCIAL STATEMENTS SECOND QUARTER ENDED 31 DECEMBER 2020**

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#### **B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS**

##### **B1 Review of performance**

###### **(i) Revenue**

For the current quarter ended 31 December 2020, the Group recorded revenue of RM49.8 million, a decrease of 9.4% from RM55.0 in the corresponding quarter last year. The current quarter was affected by operational shutdown for approximately three weeks due to several of our production workers tested positive for Covid-19. Following the operational shutdown, the production has since resumed operation in stages in tandem with the return of the operators after the end of their respective individual quarantine period.

For the 6-month period ended 31 December 2020, the Group recorded higher revenue of RM105.9 million, an increase of 21.3% from RM87.3 million recorded in the corresponding period last year. This was mainly due to the higher sales from computer peripherals which saw an increase in orders due to many people are now working from home (“WFH”).

###### **(ii) Profit/(Loss) Before Taxation (“PBT”/ “(LBT)”)**

The Group recorded LBT of RM5.0 million in the current quarter, an increase loss of RM5.1 million from PBT of RM0.1 million in the corresponding quarter last year. This was mainly attributed by the higher revenue from lower margin products. Furthermore, the Group incurred RM0.5 million (YTD RM1.4 million) on development of several products which are slated to go into mass production in the next three to six months.

For the 6-month period ended 31 December 2020, the Group had incurred LBT of RM9.9 million, an increase loss of RM6.9 million from LBT RM3.0 million in the corresponding period last year. The current period LBT was also attributed to the higher revenue from lower margin products.

A significant portion of the loss arose out of the operational shutdown during the Covid-19 outbreak in the factory. Subsequent to the resumption of the operation, the Group then had to incur extra costs for overtime to fulfil severe customers’ backlog orders.

The Group also incurred additional costs of approximately RM0.3 million in the current quarter (YTD RM0.4 million), amongst others, on sanitisation of factory and hostels including providing lodging, food and transportation to those quarantine production workers tested positive for Covid-19 virus and their close contact colleagues. There was no similar cost incurred in the corresponding period last year.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS SECOND QUARTER ENDED 31 DECEMBER 2020

#### B2 Comment on material change in PBT / (LBT)

	<b>Current Quarter</b>	<b>Preceding Quarter</b>	<b>Variance</b>	
	<b>31.12.2020</b>	<b>30.09.2020</b>	<b>RM'000</b>	<b>%</b>
	<b>RM'000</b>	<b>RM'000</b>		
Revenue	49,809	56,111	(6,302)	-11.2%
LBT	(5,043)	(4,888)	(155)	3.2%

The Group's revenue for the current quarter ended 31 December 2020 has decreased to RM49.8 million compared to RM56.1 million for the preceding quarter ended 30 September 2020. LBT was RM5.0 million compared to LBT of RM4.9 million for the preceding quarter. This was mainly attributed by the lower margin products.

#### B3 Prospects

It has been a year since the first reported case of Covid-19 in Malaysia and it is still having major impact on a global scale to the way people live their lives and how we operate our businesses. It has affected demand cycles and disrupt economic activities globally. The roll-out of vaccines by major countries including Malaysia will take time and its efficacy will be monitored closely.

The Group will continue to focus on cost management and at the same time remain committed in its product development activities to meet customers' delivery timeline. At the same time, the Group will maintain its investment in strategic priorities to drive long term growth.

The Board expects that the overall prospect for the Group to be challenging arising from the Covid-19 pandemic affecting the global economy.

#### B4 Variance between actual profit and forecast profit

The Group has not provided any revenue or profit forecast in any public documents and announcements.

#### B5 Taxation

	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2020</b>	<b>31.12.2019</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income tax				
Current year	-	82	-	82
Prior year	-	-	-	-
	-	82	-	82
Deferred tax				
Current year	(1,164)	-	(2,314)	(806)
Prior year	-	-	-	-
	<b>(1,164)</b>	<b>82</b>	<b>(2,314)</b>	<b>(724)</b>

Income tax is calculated at the Malaysia statutory tax rate of 24% of the estimated assessable profit for the current quarter and current financial year.

The Group incurred loss which had resulted in a tax credit for the FPE 31 December 2020.



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**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**SECOND QUARTER ENDED 31 DECEMBER 2020**

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**B6 Unquoted investments and properties**

There were no purchases or sales of unquoted investment or properties for the current quarter.

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities for the current quarter.

**B8 Status of corporate proposals**

There is no corporate proposal announced but pending completion as at the date of this report.

**B9 Borrowings and debt securities**

The Group's borrowings as at **31 December 2020** are as follows:

	<b>Payable within 12 months RM'000</b>	<b>Payable after 12 months RM'000</b>	<b>Total RM'000</b>
<b><u>Secured</u></b>			
Hire Purchase	789	1,020	1,809
<b><u>Unsecured</u></b>			
Finance lease liability	20	133	153
	<b>809</b>	<b>1,153</b>	<b>1,962</b>

Hire purchase creditors and finance lease liability are denominated in Ringgit Malaysia.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS SECOND QUARTER ENDED 31 DECEMBER 2020

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#### B10 Derivative financial instruments

As at the date of the statement of financial position 31 December 2020, the Group has the following outstanding derivative financial instruments:

Derivatives	Contract or Notional Amount (RM'000)	Fair value Net gain / (loss) (RM'000)
Currency forward contracts: Less than 1 year	4,525	101

For the current quarter, there is no change to the Group's financial risk management policies and objectives in managing these derivative financial instruments and its related accounting policies. Foreign currency forward contracts are entered into by the Group in currencies other than its functional currency to manage exposure to the fluctuations in foreign currency exchange rates.

#### B11 Off balance sheet financial instruments

The Group does not have any financial instruments with off balance sheet risk as at the end of the current quarter to the date of the interim financial report.

#### B12 Material litigation

As at the date of this report, there is no litigation involving the Group which has a material effect on the financial position of the Group and the Board is not aware of any material litigation or any proceedings pending or threatened.

#### B13 Proposed dividend

The Directors do not recommend any payment of dividend in respect of the current quarter.

#### B14 Earnings per Share ("EPS")

BASIC EPS	3 months ended		6 months ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
(Loss) / Profit attributable to owners of the Company (RM'000)	(3,879)	55	(7,617)	(2,332)
Weighted average number of ordinary shares in issue ('000)	384,990	384,990	384,990	384,995
Basic EPS (sen)	(1.01)	0.01	(1.98)	(0.61)

There was no dilution in the EPS as there was no potential diluted ordinary share outstanding as at the end of the current period under review.

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## SALUTICA BERHAD

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS SECOND QUARTER ENDED 31 DECEMBER 2020

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#### B15 Notes to the Statement of Comprehensive Income

	3 months ended 31.12.2020 RM'000	6 months ended 31.12.2020 RM'000
Profit from operations for the period/year is arrived at after charging/(crediting):		
Reversal of Impairment of trade receivables	(7)	(137)
Reversal of slow moving inventories	(7)	(8)
Write-off inventories	37	113
Claim made for obsolete materials	(74)	(178)
Property, plant & equipment:		
- Depreciation	1,404	2,802
- gains on disposal	-	-
Right-of-use asset depreciation (Reversal) / Provision for warranty	23 (1)	47 5
Rental of hostels	55	105
Finance costs	31	66
Net foreign exchange (gains)/losses:		
- Realised	(261)	(365)
- Unrealised	106	91
Fair value gains on derivative financial instruments	(37)	(76)
Interest Income	(9)	(21)
Short term investments:		
- gains on disposal	(10)	(24)
- fair value gains	(162)	(369)

Other disclosure items pursuant to Appendix 9B Note 16 of the Listing Requirements are not applicable.

#### B16 Authorisation for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 23 February 2021.