



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 second quarter and financial period ended (“FPE”) 30 JUNE 2022.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FYE 30 JUNE 2022

	Note	Current quarter 3 months ended		Cumulative 12 months ended	
		30.06.2022 RM'000	30.06.2021 RM'000	30.06.2022 RM'000	30.06.2021 RM'000
Revenue	A9	49,788	73,428	143,836	222,996
Profit / (Loss) from operations		2,469	2,347	(7,800)	(12,400)
Finance costs		(123)	(106)	(547)	(207)
Profit / (Loss) before taxation		2,346	2,241	(8,347)	(12,607)
Income tax (expenses) / credit	B5	(291)	(551)	1,763	2,883
Profit / (Loss) for the period	B1	2,055	1,690	(6,584)	(9,724)
Other comprehensive income, net of taxation		-	-	-	-
Total comprehensive income / (loss) for the period		2,055	1,690	(6,584)	(9,724)
Profit / (Loss) and total comprehensive income attributable to:					
Owners of the Company		2,055	1,690	(6,584)	(9,724)
Non-controlling interest		-	-	-	-
Total comprehensive income / (loss) for the period		2,055	1,690	(6,584)	(9,724)
Earnings / (Loss) per share Basic (Sen)	B15	0.49	0.44	(1.57)	(2.53)

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 2021 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 30 JUNE 2022

	Note	As at 30.06.2022 RM'000 (Unaudited)	As at 30.6.2021 RM'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		51,914	52,339
Right-Of-Use Assets		5,178	5,273
Intangible assets		1,052	2,015
Deferred tax assets		7,096	5,319
		65,240	64,946
Current assets			
Inventories		54,584	66,493
Trade and other receivables		20,386	42,175
Current tax assets		2,736	2,702
Short term investment		45,105	15,232
Deposits, cash and bank balances		7,930	1,552
		130,741	128,154
Current liabilities			
Payables and accruals		40,146	50,640
Derivative financial instruments		377	18
Provision for warranties		120	70
Borrowings	B10	6,772	6,596
		47,415	57,324
NET CURRENT ASSETS		83,326	70,830
		148,566	135,776
EQUITY AND LIABILITIES			
Equity			
Share capital		113,362	91,802
Treasury shares		(984)	(991)
Reserves		34,121	40,705
Total equity attributable to owners of the Company		146,499	131,516
Non-controlling interests		-	-
TOTAL EQUITY		146,499	131,516
Non-current liabilities			
Borrowings	B10	2,067	4,260
		2,067	4,260
TOTAL EQUITY AND LIABILITIES		148,566	135,776
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		35.01	34.16

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 2021 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 FYE 30 JUNE 2022

<----- 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
At 1 July 2021	91,802 ^(*)	(991)	40,705	131,516
Total comprehensive loss for the year	-	-	(6,584)	(6,584)
Issue of new ordinary shares	21,560 ^(^)	-	-	21,560
Resale of treasury shares	-	7 ^(#)	-	7
At 30 June 2022	113,362	(984)	34,121	146,499
At 1 July 2020	91,802	(991)	50,429	141,240
Total comprehensive loss for the year	-	-	(9,724)	(9,724)
At 30 June 2021	91,802	(991)	40,705	131,516

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 2021 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.

^ On 18 August 2021, the Company announced issuance and listing of 38,500,000 new ordinary shares at an issue price of RM0.56 per ordinary share by way of a private placement pursuant to the general mandate obtained at the Eighth Annual General Meeting held on 23 November 2020.

The Company sold 10,000 treasury shares worth RM7,100.00 on 11 August 2021.



SALUTICA BERHAD

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CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FYE 30 JUNE 2022

	Note	12 months ended 30.06.2022 RM'000 (unaudited)	12 months ended 30.06.2021 RM'000 (audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the financial period		(6,584)	(9,724)
Adjustments for:			
Property, plant and equipment			
- depreciation		7,765	6,032
- gains on disposal		(236)	(97)
- write off		7	*
Right-of-use assets depreciation		95	95
Reversal of loss allowance for impairment of trade receivables		(49)	(96)
Bad debt recovery		(1)	-
Capitalisation of intangible assets		(36)	(311)
Amortisation of intangible assets		999	603
Written off of intangible assets		-	129
Short term investment			
- Gain on disposal		(40)	(51)
- Fair value gain		(530)	(572)
Finance costs		547	207
Interest income		(55)	(29)
Inventories – Allowance of slow moving		1,206	383
Provision		53	41
Unrealised gain on foreign exchange		(32)	(5)
Fair value loss on derivative financial instruments		360	42
Tax credit		(1,763)	(2,883)
Operating loss before changes in working capital		1,706	(6,236)
Changes in working capital:			
Inventories		10,703	(8,988)
Trade and other receivables		22,042	(17,094)
Trade and other payables		(9,923)	1,992
Cash generated from operations		24,528	(30,326)
Income tax paid		(48)	(134)
Income tax refund		-	-
Net cash generated from/(used in) operating activities		24,480	(30,460)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	B6	(7,248)	(6,311)
Proceeds from disposal of plant and equipment		237	97
Interest income received		55	29
Purchase of short term investment		(118,350)	(39,810)
Proceeds from sale of short term investment		89,047	71,451
Net investing cash flow		(36,259)	25,456
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares under private placement		21,560	-
Resale of treasury shares		7	-
Repayment of hire-purchase creditor		(2,859)	(1,006)
Repayment of term loans		-	(47)
Repayment of lease liability		(20)	(20)
Interest paid		(547)	(207)
Drawdown of short term loan		-	4,000
Net cash from/(used in) financing activities		18,141	2,720



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**CONDENSED CONSOLIDATED CASH FLOWS STATEMENT
FOR THE FYE 30 JUNE 2022**

	12 months ended 30.06.2022 RM'000	12 months ended 30.06.2021 RM'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	6,362	(2,284)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	1,552	3,836
Effect of change in foreign currency exchange rates	16	*
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	7,930	1,552
Cash and cash equivalents comprise:		
Short-term deposits with licensed banks	-	-
Cash and bank balances	7,930	1,552
	7,930	1,552
Deposits with maturity more than 3 months	-	-
	7,930	1,552

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

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 30 JUNE 2022

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 2021 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 2021.

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 2021-

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 2021 are as follows:

- Amendment to MFRS 16 ‘Covid-19-Related Rent Concessions beyond 30 Jun 2020’ (2021 Amendment)
- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 ‘ Interest Rate Benchmark (“IBOR”) Reform – Phase 2’

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.



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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 2022

- Amendments to MFRS 3 Business Combinations: 'Reference to the Conceptual Framework'
- Amendments to MFRS 116 Property, Plant and Equipment: 'Proceeds before Intended Use'
- Amendments to MFRS 137 'Onerous Contracts – Cost of Fulfilling a Contract'
- 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'
- Amendment to MFRS 16 Leases: Covid-19 Related Rent Concessions beyond 30 June 2021.

Financial year beginning on 1 July 2023

- Amendments to MFRS 101 'Classification of Liabilities as Current or Non-current' and deferral of effective date
- Amendments to MFRS 101 'Presentation of Financial Statements' and MFRS Practice Statement 2 on 'Disclosure of Accounting Policies'
- Amendments to MFRS 108 'Accounting Policies, Changes in Accounting Estimates and Errors' on 'Definition of Accounting Estimates'
- Amendments to MFRS 112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

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 2021 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.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2022

A7 Changes in debt and equity securities

There were no issuance, cancellation, repurchase, resale or repayments of debt and equity securities until the date of this report.

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				12 months ended			
	30.06.2022		30.06.2021		30.06.2022		30.06.2021	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
America	26,944	54.1	64,001	87.2	93,128	64.8	189,089	84.8
Europe	11,348	22.8	6,613	9.0	24,233	16.8	19,283	8.6
Asia (excluding Malaysia)	4,376	8.8	1,323	1.8	10,452	7.3	5,919	2.7
Australia (including New Zealand and Oceania)	254	0.5	705	0.9	4,229	2.9	4,980	2.2
Malaysia	6,863	13.8	785	1.1	11,782	8.2	3,718	1.7
Africa (including Middle East)	3	^	1	^	12	^	7	^
Total	49,788	100	73,428	100	143,836	100	222,996	100

^ negligible

For FYE 30 June 2022 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 83% to the Europe region.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 30 JUNE 2022

A10 Valuation of property, plant and equipment

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

A11 Material events subsequent to the end of the current quarter

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 30.06.2022 RM'000
Contracted	812
Authorised but not contracted	22,624
	<u>23,436</u>

A15 Significant related party transactions

	12 months ended 30.06.2022 RM'000
Consultancy fee paid/payable	
- to a person connected with directors of the Company	77

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2022

B COMPLIANCE WITH APPENDIX 9B OF THE LISTING REQUIREMENTS

B1 Review of performance

(i) Revenue

For the current quarter ended 30 June 2022, the Group recorded revenue of RM49.8 million, compared to RM73.4 million generated in the corresponding quarter last year, a decrease of approximately 32.2% or RM23.6 million of the current quarter. The decrease was mainly attributed by computer peripherals and Truly Wireless System (TWS) products. Meanwhile, the sales from the embedded computing devices contributed approximately 12% (Q421: NIL) to total revenue for the current quarter.

For the financial year ended 30 Jun 2022, total revenue was RM143.8 million compared to RM223.0 million in the preceding year, a decrease of 35.5% or RM79.2 million. The decline in revenue from the computer peripherals was approximately 64% due to the reason as mentioned above while TWS revenue decline was approximately 3% compared to the preceding year. A continuation of weaker consumer spending affects the demand for consumer lifestyle devices. Nonetheless, the increase in sales from the embedded computing devices and FOBO products had helped to support the revenue for the current financial year.

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

The Group posted a current quarter PBT of RM2.3 million, an increase PBT of RM0.1 million from PBT of RM2.2 million in the corresponding quarter last year. This was contributed by government grant of RM0.6 million. However, with the implementation of the latest minimum wage and also the current labour shortages caused the Group to carry additional costs challenges.

For the financial year ended 30 June 2022, the Group recorded a LBT of RM8.3 million compared to RM12.6 million loss in the preceding year, a decrease of RM4.3 million. The decrease in LBT was contributed by one-off income from Covid-19 insurance compensation of RM3.2 million and government grant of RM0.6 million.

B2 Comment on material change in PBT / (LBT)

	Current Quarter 30.06.2022 RM'000	Preceding Quarter 31.03.2022 RM'000	Variance RM'000	%
Revenue	49,788	21,548	28,240	131.1%
PBT / (LBT)	2,346	(4,666)	7,012	150.3%

The Group's revenue for the current quarter ended 30 June 2022 has increased to RM49.8 million compared to RM21.5 million for the preceding quarter ended 31 March 2022. In tandem with the higher sales, the group recorded a PBT of 2.3mil compared to LBT of RM4.7 million for the preceding quarter.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 30 JUNE 2022

B3 Prospects

The supply chain disruption created by the shutdown in certain countries due to Covid-19 outbreak have created challenges for many businesses globally including the Group. The Group will continue to evaluate the situation by working closely with our customers and suppliers to mitigate the impact and all its related risks.

The Group envisages that the TWS for hearing-assist and gaming coupled with the embedded computing devices will provide the growth catalyst for the Group to improve its operating income moving forward.

The Board will continue to take proactive steps to manage the Group's financial resilience. However, the Board expects that the overall prospect for the Group remain challenging arising from the global economic uncertainties.

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

	3 months ended		12 months ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	RM'000	RM'000	RM'000	RM'000
Income tax				
Current year	14	-	14	-
Prior year	-	(*)	-	(*)
	<hr/>	<hr/>	<hr/>	<hr/>
	14	(*)	14	(*)
Deferred tax				
Current year	391	551	(1,663)	(2,883)
Prior year	(114)	-	(114)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	291	551	(1,763)	(2,883)

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 deferred tax assets comprises mainly unutilised capital allowances and unused tax losses.

* amount is less than RM10

B6 Unquoted investments and properties

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

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 30 JUNE 2022

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 Utilisation of proceeds from private placement exercise

As at **30 June 2022**, the Company has yet to fully utilised the private placement proceeds which was completed on 18 August 2021, amounting to RM21.56 million. The Board has resolved to extend the timeframe for the utilisation of the proceeds for an additional 18 months up to 17 February 2024.

A summary of the status of the utilisation of proceeds from the private placement exercise is as follows:

Details of utilisation	Intended utilisation RM'000	Actual utilisation RM'000	Balance Unutilised RM'000	Intended timeframe for utilisation (from date of receipts of proceeds)	Extended timeframe for utilization (from date of receipts of proceeds)
Working Capital ⁽¹⁾	17,710	17,710	0	Within 6 months	
Other Expenditure ⁽²⁾	3,350	1,286	2,064	Within 12 months	Additional 18 months (i.e. 17 February 2024)
Estimated expenses in relation to the private placement	500	500	0	Upon completion of the private placement	
Total	21,560	19,496	2,064		

Note:

- (1) Purchase of component materials used in production of TWS and other electronic products.
- (2) Expenditure on R&D, production testers, medical certification and purchase of simulation software and equipment.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 30 JUNE 2022

B10 Borrowings and debt securities

The Group's borrowings as at **30 June 2022** are as follows:

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
<u>Secured</u>			
Hire Purchase	2,750	1,966	4,716
Short term loan	4,000	-	4,000
	<u>6,750</u>	<u>1,966</u>	<u>8,716</u>
<u>Unsecured</u>			
Finance lease liability	22	100	122
	<u>6,772</u>	<u>2,066</u>	<u>8,838</u>

Hire purchase creditors, short term loan and finance lease liability are denominated in Ringgit Malaysia.

B11 Derivative financial instruments

As at the date of the statement of financial position 30 June 2022, 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	11,524	(377)

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.

B12 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.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 30 JUNE 2022

B13 Material litigation

On 11 January 2022, Salutica Allied Solutions Sdn. Bhd. (“the Plaintiff”), a wholly-owned subsidiary of the Company had filed a Writ of Summons with the Statement of Claim dated 10 January 2022, at the High Court of Malaya in Kuala Lumpur against Apple Malaysia Sdn. Bhd. (“the Defendant”), (the “Suit”).

The Plaintiff is the owner of the Malaysian Patent No. MY-172803-A (hereinafter the “MY’803 Patent”). The Crosspair Technology is the invention claimed by the Plaintiff in the MY’803 Patent.

Solicitors for both the Plaintiff and the Defendant in the suit have attended case management on 20 April 2022, 26 April 2022, 17 May 2022, 24 May 2022 and 12 July 2022. The Bundle of Pleadings and the Plaintiff’s Case summary has been filed. The Court has directed the parties to file the Common Bundle of Documents, List of Witnesses, Defendant’s Case Summary, Agreed Facts and Issues to be Tried by 30 August 2022. The Court has fixed the next case management on 6 September 2022.

Save for the above, 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.

B14 Proposed dividend

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

B15 Earnings per Share (“EPS”)

BASIC EPS	3 months ended		12 months ended	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Profit / (Loss) attributable to owners of the Company (RM’000)	2,055	1,690	(6,584)	(9,724)
Weighted average number of ordinary shares in issue (’000)	423,500	384,990	418,436	384,990
Basic EPS (sen)	0.49	0.44	(1.57)	(2.53)

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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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2022

B16 Notes to the Statement of Comprehensive Income

	3 months ended 30.06.2022 RM'000	12 months ended 30.06.2022 RM'000
Profit from operations for the period/year is arrived at after charging/(crediting):		
Provision / (reversal) of loss allowance for impairment of trade receivables	15	(49)
Provision for slow moving inventories	649	1,206
Write-off inventories	2,567	3,372
Claim made for obsolete materials	(2,824)	(3,908)
Insurance compensation for Covid-19	-	(3,221)
Government grant income	(633)	(633)
Interest income	-	(55)
Property, plant & equipment:		
- Depreciation	2,064	7,765
- Gain on disposal	(113)	(236)
Right-of-use asset depreciation	24	95
Provision for warranty	13	53
Rental of hostels	59	233
Rental of machinery	3,089	4,462
Finance costs	123	547
Net foreign exchange (gains)/losses:		
- Realised	(466)	(794)
- Unrealised	(5)	(32)
Fair value losses on derivative financial instruments	413	360
Short term investments:		
- gains on disposal	-	(40)
- fair value gains	(196)	(530)

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

B17 Authorisation for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Board dated 22 August 2022.