



**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”) 30 SEPTEMBER 2024.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FPE 30 SEPTEMBER 2024**

	Note	Current quarter 3 months ended		Cumulative 3 months ended	
		30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
<b>Revenue</b>	<b>A9</b>	<b>3,645</b>	<b>7,268</b>	<b>3,645</b>	<b>7,268</b>
Loss from operations		(8,817)	(5,417)	(8,817)	(5,417)
Finance costs		(15)	(70)	(15)	(70)
<b>Loss before taxation</b>		<b>(8,832)</b>	<b>(5,487)</b>	<b>(8,832)</b>	<b>(5,487)</b>
Income tax expenses	B5	-	-	-	-
<b>Loss for the period</b>	<b>B1</b>	<b>(8,832)</b>	<b>(5,487)</b>	<b>(8,832)</b>	<b>(5,487)</b>
Other comprehensive income, net of taxation		-	-	-	-
<b>Total comprehensive loss for the period</b>		<b>(8,832)</b>	<b>(5,487)</b>	<b>(8,832)</b>	<b>(5,487)</b>
Loss and total comprehensive income attributable to:					
Owners of the Company		(8,832)	(5,487)	(8,832)	(5,487)
Non-controlling interest		-	-	-	-
<b>Total comprehensive loss for the period</b>		<b>(8,832)</b>	<b>(5,487)</b>	<b>(8,832)</b>	<b>(5,487)</b>
<b>Loss per share Basic (Sen)</b>	<b>B14</b>	<b>(2.09)</b>	<b>(1.30)</b>	<b>(2.09)</b>	<b>(1.30)</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 2024 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 SEPTEMBER 2024**

	Note	As at 30.09.2024 RM'000 (Unaudited)	As at 30.6.2024 RM'000 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		29,959	30,463
Right-Of-Use Assets		4,964	4,988
Intangible assets		845	863
Deferred tax assets		-	-
		35,768	36,314
<b>Current assets</b>			
Inventories		14,195	14,437
Trade and other receivables		1,592	3,042
Contract Assets		233	38
Current tax assets		2,779	2,779
Short term investment		22,053	30,427
Deposits, cash and bank balances		6,405	5,740
		47,257	56,463
<b>Current liabilities</b>			
Payables and accruals		7,881	8,632
Contract liabilities		8,003	7,103
Derivative financial instruments		-	-
Provision for warranties		53	101
Borrowings	<b>B10</b>	1,025	2,040
		16,962	17,876
<b>NET CURRENT ASSETS</b>		<b>30,295</b>	<b>38,587</b>
		<b>66,063</b>	<b>74,901</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		113,362	113,362
Treasury shares		(984)	(984)
Reserves		(46,361)	(37,529)
Total equity attributable to owners of the Company		66,017	74,849
Non-controlling interests		-	-
<b>TOTAL EQUITY</b>		<b>66,017</b>	<b>74,849</b>
<b>Non-current liabilities</b>			
Borrowings	<b>B10</b>	46	52
		46	52
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>66,063</b>	<b>74,901</b>
		<b>66,063</b>	<b>74,901</b>
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		15.59	17.67

**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 2024 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 FIRST QUARTER AND FPE 30 SEPTEMBER 2024

<----- 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 2024	113,362 <sup>(*)</sup>	(984)	(37,529)	74,849
Total comprehensive loss for the year At 30 September 2024	-	-	(8,832)	(8,832)
	<u>113,362</u>	<u>(984)</u>	<u>(46,361)</u>	<u>66,017</u>
At 1 July 2023	113,362 <sup>(*)</sup>	(984)	5,590	117,968
Total comprehensive loss for the year At 30 September 2023	-	-	(5,487)	(5,487)
	<u>113,362</u>	<u>(984)</u>	<u>103</u>	<u>112,481</u>

**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 2024 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)  
(Incorporated in Malaysia)

### CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FIRST QUARTER AND FPE 30 SEPTEMBER 2024

	Note	Current Quarter ended 30.09.2024 RM'000	Preceding year corresponding quarter ended 30.09.2023 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss before tax for the financial period		(8,832)	(5,487)
Adjustments for:			
Property, plant and equipment			
- depreciation		1,152	2,002
- write off		11	-
Right-of-use assets depreciation		24	24
Trade receivables			
Loss of allowance for impairment of trade receivables		*	31
Amortisation of intangible assets		18	18
Finance costs		15	70
Interest income		*	(9)
Inventories – (Reversal) / Allowance of slow moving		(322)	21
Provision for / (Reversal of) warranties		(46)	(4)
Unrealised loss on foreign exchange		1,068	129
Fair value gain on derivative financial instruments		-	-
Operating loss before changes in working capital		<b>(6,912)</b>	<b>(3,205)</b>
Changes in working capital:			
Inventories		564	6,716
Trade and other receivables		135	3,116
Trade and other payables		409	(2,629)
Cash generated from operations		(5,804)	3,998
Income tax paid		(3)	(6)
Income tax refund		3	-
Net cash generated from/(used in) operating activities		<b>(5,804)</b>	<b>3,992</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	B6	(627)	(181)
Capitalisation of intangible assets		-	(5)
Interest Income received		*	9
Net investing cash flow		<b>(627)</b>	<b>(177)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of hire-purchase creditor		(15)	(552)
Repayment of lease liability		(6)	(6)
Repayment of short term loan		(1,000)	-
Interest paid		(15)	(70)
Net cash from/(used in) financing activities		<b>(1,036)</b>	<b>(628)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(7,467)</b>	<b>3,187</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>		<b>36,167</b>	<b>52,359</b>
<b>Effect of change in foreign currency exchange rates</b>		<b>(242)</b>	<b>54</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		<b>28,458</b>	<b>55,600</b>



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### CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FIRST QUARTER AND FPE 30 SEPTEMBER 2024

	Note	Current Quarter ended 30.09.2024 RM'000	Preceding year corresponding quarter ended 30.09.2023 RM'000
<b>Cash and cash equivalents comprise:</b>			
Short-term investment in an Islamic money market fund		22,053	46,082
Cash and bank balances		6,405	9,518
		<b>28,458</b>	<b>55,600</b>
Deposits with maturity more than 3 months		-	-
		<b>28,458</b>	<b>55,600</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 2024 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 FIRST QUARTER ENDED 30 SEPTEMBER 2024

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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 2024 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 2024.

##### **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 2024.

##### ***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 2024 are as follows:

- Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
- Amendment to MFRS 101: Classification of Liabilities as Current or Non-current
- Amendments to MFRS 101: Non-current Liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7: Suppliers Finance Arrangements

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.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024

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

##### *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.

##### *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 2025

- Amendments to MFRS 121 The Effect of Changes in Foreign Exchange Rates – Lack of Exchangeability

##### Financial year beginning on 1 July 2026

- Annual improvements to MFRS Accounting Standards – Volume 11
- Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments

##### Financial year beginning on 1 July 2027

- MFRS 18 Presentation and Disclosure in Financial Statements. MFRS101 shall be withdrawn on the application of MFRS 18.
- MFRS 19 Subsidiaries without Public Accountability: Disclosures

#### **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 2024 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 FIRST QUARTER ENDED 30 SEPTEMBER 2024

#### A7 Changes in debt and equity securities

There was 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 comprise 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				3 months ended			
	30.09.2024		30.09.2023		30.09.2024		30.09.2023	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Americas	1,614	44.3	1,979	27.2	1,614	44.3	1,979	27.2
Europe	1,232	33.8	396	5.4	1,232	33.8	396	5.4
Asia (excluding Malaysia)	548	15.0	4,065	56.0	548	15.0	4,065	56.0
Australia (including New Zealand and Oceania)	169	4.6	26	0.4	169	4.6	26	0.4
Malaysia	82	2.3	800	11.0	82	2.3	800	11.0
Africa (including Middle East)	-	-	2	^	-	-	2	^
<b>Total</b>	<b>3,645</b>	<b>100</b>	<b>7,268</b>	<b>100</b>	<b>3,645</b>	<b>100</b>	<b>7,268</b>	<b>100</b>

A substantial part of the Group revenue was derived from the Americas region representing 44.3% of total revenue for the 3 months ended 30 September 2024, of which, approximately 95.5% of revenue was attributable to United States of America. The second highest was from the Europe region representing 33.8% of total revenue, with the Netherlands contributing approximately 70.0% to this region.

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024

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#### 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 are as follows:

	As at
	<b>30.09.2024</b>
	<b>RM'000</b>
Contracted but not provided for	35

#### A15 Significant related party transactions

	<b>3 months</b>
	<b>ended</b>
	<b>30.09.2024</b>
	<b>RM'000</b>
Consultancy fee paid/payable	
- to a person connected with directors of the Company	52

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024

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

##### B1 Review of performance

###### (i) Revenue

For the current quarter ended 30 September 2024, the Group recorded revenue of RM3.6 million representing a decrease of approximately 50.7% or RM3.7 million compared to RM7.3 million generated in the corresponding quarter last year.

The revenue was mainly contributed by phone mount for motorcycles (vibration dampener) at approximately 38% of total revenue, followed by our in-house brand FOBO contributed approximately 26% to total revenue while revenue derived from services rendered of product & development contributed to approximately 14%, which were made up of 3 new projects namely coffee machine, handheld video game console and automotive tool for diagnostic. The remaining revenue was contributed by sub-assembled printed circuit board assembly (“PCBA”) modules for automotive line fit and sub-assembly including injected plastic components for various customers.

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

In line with low revenue, the Group posted current quarter LBT of approximately RM8.8 million compared to RM5.5 million in the corresponding quarter last year, representing an increase in loss of approximately RM3.3 million.

This was due to higher cost incurred for holding excess resources pending the mass production approval for the new projects still under product development stage and low production volume of existing products.

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

	Current Quarter 30.09.2024 RM'000	Preceding Quarter 30.06.2024 RM'000	Variance RM'000	%
Revenue	3,645	3,862	-217	-5.6%
LBT	(8,832)	(21,742)	12,910	59.4%

The Group’s revenue for the current quarter ended 30 September 2024 has decreased slightly to RM3.6 million compared to RM3.9 million for the preceding quarter ended 30 June 2024 due to the lower sales volume from current running products.

The LBT for the current quarter has decreased to approximately RM8.8 million compared to LBT of RM21.7 million for the preceding quarter because there were no impairment of PPE or trade receivables as reported in the preceding quarter. Nonetheless, the LBT was still affected by the low volume of current running products.

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## **SALUTICA BERHAD**

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### **NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024**

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#### **B3 Prospects**

The Group will continue to pursue turnaround and put effort in developing new products and new processes through its research and development capabilities. The rising global costs, coupled with economic uncertainties, have necessitated efficiency improvements and cost-control measures.

Meanwhile, the Group is closely monitoring the time to mass production for the 3 new projects that should contribute to our revenue growth. These projects, which are currently at various stages of product development, are the handheld video game console, coffee machine and automotive tool for diagnostic.

As for the FOBO brand, the Group will continue to invest to further strengthen own home-grown brand offerings while expanding into new applications and markets.

Premise on the above, the Board is mindful of the challenges ahead and will continue to exercise caution and take proactive steps to manage the Group's financial resilience.

#### **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**

The Group recognises deferred tax assets on carried forward tax losses to the extent there are sufficient estimated future taxable profits and / or taxable temporary differences against which the tax losses can be utilised. The continued losses indicated the uncertainty for the Group to utilise the capital allowances and tax losses, hence, no deferred tax assets were recognised in the current quarter.

#### **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.



## SALUTICA BERHAD

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024

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#### B9 Borrowings and debt securities

The Group's borrowings as at 30 September 2024 are as follows:

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
<b><u>Secured</u></b>			
Short term loan	1,000	-	1,000
	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<b><u>Unsecured</u></b>			
Finance lease liability	25	46	71
	<u>1,025</u>	<u>46</u>	<u>1,071</u>

Short term loan and finance lease liability are denominated in Ringgit Malaysia.

#### B10 Derivative financial instruments

As at the date of the statement of financial position 30 September 2024, the Group do not have any outstanding derivative financial instruments.

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

(i) Legal suit against Apple Malaysia Sdn. Bhd.

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.



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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024

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#### B12 Material litigation (Cont'd)

(i) Legal suit against Apple Malaysia Sdn. Bhd. (cont'd)

On 5 February 2024, Solicitors for both the Plaintiff and the Defendant have attended the Court of Appeal (Appeal No. W-02(IM)(IPCv)-1416-09/2023) in relation to the Defendant's appeal against the dismissal of its application to disqualify the Plaintiff's solicitors heard together with the Plaintiff's appeal against the granting of the protective order (Appeal No: W-02(IM)(IPCv)-2057-12/23). Upon hearing both parties, the Court of Appeal has allowed the Defendant's appeal with cost and disallowed the Plaintiff's appeal with cost. The Plaintiff has then filed for a change of its solicitors and is now represented by Messrs LindaWang Su and Boo.

Solicitors for the parties have attended trial for the suit on 11 to 14 March 2024 and 18 to 22 March 2024. The trial continued on 1 April 2024 to 3 April 2024. The original date scheduled for parties to provide oral submissions on 23 August 2024 and the decision date on 2 October 2024 has been postponed as parties have been given an extended period to provide their written submissions in reply by 11 September 2024. The Court has on 23 August 2024 fixed 28 November 2024 for oral submissions and 17 January 2025 for its decision.

(ii) Legal suit against Paradigm Metal Industries Sdn. Bhd.

On 11 August 2023, 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 11 August 2023, at the High Court of Malaya in Penang against Paradigm Metal Industries Sdn. Bhd. ("PMI" or "Defendant").

Solicitors for both the Plaintiff and Defendant in the suit have on 19 October 2023 attended case management for the Defendant's application to stay proceedings and to refer the matter to arbitration under Section 10 of the Arbitration Act 2005. By consent of the parties, the Court has allowed the Defendant's application with no orders as to cost.

By a letter dated 8th November 2023, the Asian International Arbitration Centre in Kuala Lumpur ("AIAC") has registered the matter under the AIAC Arbitration Rules 2023 ("the Rules") between Salutica Allied Solutions Sdn. Bhd. as the Claimant and Paradigm Metal Industries Sdn. Bhd. as the Respondent.

The appointed panel arbitrators are as follows: -

- a) Datuk Vernon Ong Lam Kiat (as the Presiding Arbitrator)
- b) Loshini Ramarmuty
- c) Lim Hock Siang

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### NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024

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#### B12 Material litigation (cont'd)

(ii) Legal suit against Paradigm Metal Industries Sdn. Bhd. (cont'd)

Solicitors for the parties attended case management before the tribunal on 30 May 2024. The tribunal has given trial directions for the matter and has fixed the matter for hearing on 16 June 2025 to 20 June 2025.

(iii) Legal suit against Apple South Asia Pte. Ltd.

On 16 November 2023, Salutica Allied Solutions Sdn. Bhd. (“the Plaintiff”), a wholly-owned subsidiary of the Company had filed an Originating Claim together with the Statement of Claim (“SOC”) and Particulars of Infringement at the High Court of the Republic of Singapore against Apple South Asia Pte. Ltd. (“the Defendant”), (“the Suit”).

The Plaintiff is the owner of the Singapore Patent No. 11201504174W (hereinafter the “Singapore Patent”). The CrossPair Technology is the invention claimed by the Plaintiff in the Singapore Patent.

On 16 April 2024, the Court has set security for cost at SGD70,000.00 that the Plaintiff (being a foreign entity to the suit) is to provide via a solicitor’s undertaking. This is to be provided by the Plaintiff 14 days after the determination of the Defendant’s striking out application. Solicitors for the parties attended the hearing of the Defendant’s striking out application on 3 May 2024. After the said hearing, the Court has adjourned the matter to 7 June 2024.

Solicitors for the parties have attended the hearing of the Defendant's striking out application on 4 July 2024. The Assistant Registrar of the Court has allowed the Defendant's application to strike out the Plaintiff claim. Nevertheless, the striking out is without prejudice to recommencing the action.

The Plaintiff has then on 30 September 2024 re-filed its Statement of Claim with the Particulars of Infringement both dated 30 September 2024.

(iv) Legal suit against Nuheara Ltd.

On 24 June 2024, Salutica Allied Solutions Sdn. Bhd. (“the Plaintiff”), a wholly-owned subsidiary of the Company had filed a Writ together with the Statement of Claim (“SOC”), at the High Court of Malaya in Kuala Lumpur against Nuheara Ltd. (“the Defendant”), (“the Suit”).

Salutica and Nuheara had entered an agreement entitled “Master Design, Development and Manufacturing Agreement” on 12 June 2018 that has an effective date of 16 April 2018 (hereinafter referred to as the “said Agreement”) where the Defendant had in general appointed SAS to manufacture the Nuheara’s products.

As at 21 June 2024, and after taking into account credit notes and partial payments by the Defendant effectively amounting to USD41,844.51 before this, the sum that is still owing to the Plaintiff amounts to USD1,717,486.45.



## SALUTICA BERHAD

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

### NOTES TO THE INTERIM FINANCIAL STATEMENTS FIRST QUARTER ENDED 30 SEPTEMBER 2024

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#### B12 Material litigation (cont'd)

(iv) Legal suit against Nuheara Ltd. (cont'd)

Despite numerous demands from the Plaintiff, the Defendant has failed, neglected, and/or refused to pay its debt to the Plaintiff. As such, the Plaintiff has suffered losses amounting to USD1,717,486.45 or equivalent to RM8,088,502.44 (based on the exchange rate of 4.7095 by Bank Negara Malaysia on 21 June 2024).

The claim pursuant to the Writ and Statement of Claim is as follows:

- a) Damages in the sum of USD1,717,486.45 or RM8,088,502.44;
- b) Pre-judgment interest at 5% per annum on sum (a) above calculated from the date of filing this action till the date of judgment;
- c) Judgment interest at 5% per annum on sum (a) and (b) above calculated from the date of judgment to the date of full settlement;
- d) Costs for this action; and
- e) Any further and/or other relief as the Honourable Court deems fit.

The Plaintiff has on 20 August 2024 obtained a judgment in default of appearance against the Defendant.

Save for the above litigations, 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		3 months ended	
	30.09.2024	30.09.2023	30.09.2024	30.09.2023
Loss attributable to owners of the Company (RM'000)	(8,832)	(5,487)	(8,832)	(5,487)
Weighted average number of ordinary shares in issue ('000) <sup>(1)</sup>	423,500	423,500	423,500	423,500
Basic EPS (sen)	(2.09)	(1.30)	(2.09)	(1.30)

<sup>(1)</sup> net of Treasury Shares

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 FIRST QUARTER ENDED 30 SEPTEMBER 2024

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

	3 months ended 30.09.2024 RM'000	3 months ended 30.09.2024 RM'000
Profit from operations for the period/year is arrived at after charging/(crediting):		
Provision of loss allowance for impairment of trade receivables	*	*
Reversal for slow moving inventories	(322)	(322)
Write-off inventories	5	5
Claim made for obsolete materials	(6)	(6)
Property, plant & equipment:		
- Depreciation	1,152	1,152
- Loss on disposal	11	11
Right-of-use asset depreciation	24	24
Provision for / (Reversal of) warranties	(46)	(46)
Rental of hostels	26	26
Rental of equipment / machinery	3	3
Finance costs	15	15
Interest income	*	*
Net foreign exchange (gains)/losses:		
- Realised	376	376
- Unrealised	1,068	1,068
Government Grant	-	-
Fair value (gains) / losses on derivative financial instruments	-	-
Fair value gains on short term investments	(229)	(229)

\* amount less than RM100

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 22 November 2024.

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