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 fifth quarter and financial period ended ("**FPE**") 30 SEPTEMBER 2026.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FIFTH QUARTER AND FPE 30 SEPTEMBER 2026

	Note	Current quarter 3 months ended 30.09.2026 RM'000	30.09.2025 RM'000	Cumulative 15 months ended 30.09.2026 RM'000	30.09.2025 RM'000
Revenue	**A9**	**7,134**	**n/a**	**35,075**	**n/a**
Loss from operations		(3,588)	n/a	(27,452)	n/a
Finance costs		(1)	n/a	(3)	n/a
Loss before taxation		**(3,589)**	**n/a**	**(27,455)**	**n/a**
Income tax credit	**B5**	31	n/a	151	n/a
Loss for the period / year	**B1**	**(3,558)**	**n/a**	**(27,304)**	**n/a**
Other comprehensive income, net of taxation		-	n/a	-	n/a
Transfer from revaluation reserve		96	n/a	478	n/a
Total comprehensive loss for the period / year		**(3,462)**	**n/a**	**(26,826)**	**n/a**
Loss for the period / year attributable to:					
Owners of the Company		(3,558)	n/a	(27,304)	n/a
Total comprehensive loss for the period / year attributable to:					
Owners of the Company		(3,462)	n/a	(26,826)	n/a
Loss per share Basic (Sen)	**B15**	**(0.76)**	**n/a**	**(5.93)**	**n/a**

Notes:

As announced on 28 May 2026, the financial year end of the Group has been changed from 30 June 2026 to 31 December 2026, covering a period of eighteen (18) months. As such, there will be no comparative financial information available for the preceding year corresponding periods.

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 2025 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 2026

	Note	As at 30.09.2026 RM'000 (Unaudited)	As at 30.06.2025 RM'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	**A10**	34,462	40,698
Right-Of-Use Assets		8,753	8,947
Intangible assets		570	790
		43,785	50,435
Current assets			
Inventories		1,846	3,811
Trade and other receivables		5,430	3,326
Contract Assets		72	65
Current tax assets		-	761
Short term investment		3,595	11,445
Fixed deposit with licensed bank		20	20
Cash and bank balances		692	4,077
		11,655	23,505
Current liabilities			
Payables and accruals		10,177	9,866
Contract liabilities		1,987	2,160
Provision for warranties		38	56
Amount owing to third party		2,000	-
Borrowings	**B10**	19	26
		14,221	12,108
NET CURRENT ASSETS		**(2,566)**	**11,397**
		41,219	**61,832**
EQUITY AND LIABILITIES			
Equity			
Share capital		120,425	113,557
Treasury shares		(984)	(984)
Reserves		(82,036)	(54,732)
Total equity attributable to owners of the Company		37,405	57,841
Non-controlling interests		-	-
TOTAL EQUITY		**37,405**	**57,841**
Non-current liabilities			
Deferred Tax Liability	**B5**	3,814	3,965
Borrowings	**B10**	-	26
		3,814	3,991
TOTAL EQUITY AND LIABILITIES		**41,219**	**61,832**
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		8.12	13.66

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 2025 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 FIFTH QUARTER AND FPE 30 SEPTEMBER 2026

	<---------- Attributable to owners of the Company ---------->				
	<---------- Non-distributable reserve ---------->			<-- Distributable -->	
	Share capital and premium RM'000	**Treasury Shares RM'000**	**Revaluation Reserve RM'000**	**Retained Profit/(Loss) RM'000**	**RM'000**
At **1 July 2025**	113,557(*)	(984)	12,557(+)	(67,289)	**57,841**
Loss for the year	-	-	-	(27,304)	**(27,304)**
Transfer of reserve	-	-	(478)	478	**-**
Total comprehensive loss for the year			(478)	(26,826)	**(27,304)**
Issue of new ordinary shares	6,868(@)	-	-	-	**6,868**
At **30 September 2026**	120,425	(984)	12,079	(94,115)	**37,405**

Note:

As announced on 28 May 2026, the financial year end of the Group has been changed from 30 June 2026 to 31 December 2026, covering a period of eighteen (18) months. As such, there will be no comparative financial information available for the preceding year corresponding periods.

* As at 31January 2019, the share premium account of RM53,002,368 has been transferred to share capital account. During the financial fourth quarter of 2025, the Company had issued 1,000,000 new ordinary shares for a consideration of RM195,000 pursuant to the private placement.

+ Revaluation surplus, net of tax, amounting to RM12,557,090 arising from the valuation of the Group's properties at 3, Jalan Zarib 6, Kawasan Perindustrian Zarib, 31500 Lahat, Ipoh, Perak by an external property valuer on 16 December 2024.

@ During the FPE 30 September 2025, the Company had issued a further 41,350,000 new ordinary shares for a consideration of RM6,867,400. A cumulative total of 42,350,000 ordinary shares was placed out, with a total consideration of RM7,062,400, marking the completion of the private placement exercise on 11 September 2025. Further details are disclosed in Note B9 of this report.

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 2025 and the accompanying explanatory notes attached to the interim financial statements.

SALUTICA BERHAD

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

CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FIFTH QUARTER AND FPE 30 SEPTEMBER 2026

	Note	Current Quarter ended 30.09.2026 RM'000	Preceding year corresponding quarter ended 30.09.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss before tax for the financial period		(27,455)	n/a
Adjustments for:			
Property, plant and equipment			
- depreciation		5,308	n/a
- (gains) / loss on disposal		(578)	n/a
- write off		503	n/a
- impairment loss		830	n/a
Right-of-use assets depreciation		194	n/a
Trade receivables			
Reversal of allowance for impairment of trade receivables		(40)	n/a
Bad debt		-	n/a
Amortisation of intangible assets		89	n/a
Loss on disposal of intangible assets		8	n/a
Written off intangible assets		107	n/a
Finance costs		3	n/a
Interest income		(6)	n/a
Inventories – allowance / (reversal) of slow moving		592	n/a
Reversal of warranties		(10)	n/a
Unrealised gains on foreign exchange		(23)	n/a
Fair value gain on derivative financial instruments		-	n/a
Operating loss before changes in working capital		**(20,478)**	**n/a**
Changes in working capital:			
Inventories		1,374	n/a
Trade and other receivables		(2,212)	n/a
Trade and other payables		1,097	n/a
Cash generated from operations		(20,219)	n/a
Income tax paid		(11)	n/a
Income tax refund		772	n/a
Net cash generated from/(used in) operating activities		**(19,458)**	**n/a**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	B6	(1,248)	n/a
Capitalisation of intangible assets		-	n/a
Proceeds from disposal of property, plant and equipment		612	n/a
Proceeds from disposal of intangible assets		16	n/a
Interest Income received		6	n/a
Net investing cash flow		**(614)**	**n/a**
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares under private placement		6,867	n/a
Loan from director		2,000	n/a
Loan from third party		2,000	n/a
Repayment of hire-purchase creditor		-	n/a
Repayment of lease liability		(33)	n/a
Repayment of short term loan		-	n/a
Repayment of director loan		(2,000)	n/a
Interest paid		(3)	n/a
Net cash from/(used in) financing activities		**8,831**	**n/a**

SALUTICA BERHAD

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

CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FIFTH QUARTER AND FPE 30 SEPTEMBER 2026

	Note	Current Quarter ended 30.09.2026 RM'000	Preceding year corresponding quarter ended 30.09.2025 RM'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(11,241)	n/a
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		15,542	n/a
Effect of change in foreign currency exchange rates		6	n/a
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		**4,307**	**n/a**
Cash and cash equivalents comprise:			
Short-term investment in an Islamic money market fund		3,595	n/a
Fixed deposit with licensed banks		20	n/a
Cash and bank balances		692	n/a
		4,307	**n/a**
Deposits with maturity more than 3 months		-	n/a
		4,307	**n/a**

Note:

As announced on 28 May 2026, the financial year end of the Group has been changed from 30 June 2026 to 31 December 2026, covering a period of eighteen (18) months. As such, there will be no comparative financial information available for the preceding year corresponding periods.

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 2025 and the accompanying explanatory notes attached to the interim financial statements.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS
FIFTH QUARTER ENDED 30 SEPTEMBER 2026

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 2025 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 2025.

As announced on 28 May 2026, the financial year end of the Group has been changed from 30 June 2026 to 31 December 2026, covering a period of eighteen (18) months. As such, there will be no comparative financial information available for the preceding year corresponding periods.

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 2025.

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 2025 are as follows:

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

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.

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

Effective for financial periods beginning on or after 1 January 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

Effective for financial periods beginning on or after 1 January 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
- Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective for financial periods beginning on or after 1 January 2029:

- MFRS 20 Regulatory Assets and Regulatory Liabilities. MFRS 14 Regulatory Deferral Accounts shall be withdrawn on the application of MFRS 20.

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 2025 was not subject to any qualification.

A4 Seasonal or cyclical factors

The Group's operation is dependent on the seasonal and cyclical trend of the consumer electronics and servers industries.

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 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 is 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, server for data processing center 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 3 months ended		Cumulative quarter 15 months ended	
	30.09.2026		30.09.2026	
	RM'000	%	RM'000	%
Americas	5,555	77.9	22,779	64.9
Europe	1,035	14.5	5,567	15.9
Asia (excluding Malaysia)	222	3.1	4,508	12.9
Malaysia	210	2.9	1,489	4.2
Australia (including New Zealand and Oceania)	109	1.5	713	2.0
Africa (including Middle East)	3	0.1	19	0.1
Total	**7,134**	**100**	**35,075**	**100**

A substantial part of the Group revenue was derived from the Americas region representing 64.9% of total revenue for the 15 months ended 30 September 2026, of which, approximately 98.6% of revenue was attributable to United States of America. The second highest was from the Europe region representing 15.9% of total revenue, with the Netherlands contributing approximately 63.9% to this region.

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

SLTC Venture Sdn. Bhd. was incorporated on 16 October 2026. It is a wholly owned subsidiary of the Company.

Save for the above, 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

There were no capital commitments in respect of property, plant and equipment for the current quarter.

A15 Significant related party transactions

	15 months ended 30.09.2026 RM'000
Consultancy fee paid/payable	
- to a person connected with directors of the Company	236

The above consultancy fee was to a related party who has ceased to become a related party with effect from 3 September 2026.

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B1 Review of performance

As announced on 28 May 2026, the financial year end of the Group has been changed from 30 June 2026 to 31 December 2026, covering a period of eighteen (18) months. As such, there will be no comparative financial information available for the preceding year corresponding periods.

(i) Revenue

For the current quarter ended 30 September 2026, the Group recorded revenue of approximately RM7.1 million while the total revenue for the 15-month period ended 30 September 2026 was approximately RM35.1million. The 15-month cumulative revenue was mainly contributed by server for data processing center, vibration dampener for mobile phone mount, handheld gaming device, coffee machine and in-house brand FOBO.

(ii) Profit/(Loss) Before Taxation ("PBT"/ "(LBT)")

The Group posted LBT of approximately RM3.6 million for the current quarter under review, which was mainly attributed to the disposal and impairment of certain property, plant & equipment (PPE) amounting to RM1.0 million.

The LBT for the 15-month period ended 30 September 2026 was approximately RM27.5 million was mainly attributed by impairment of PPE as explained above, including the Mutual Separation Scheme (MSS) exercise embarked in October 2025 and May/June 2026 amounting to RM2.0 million.

The above PPE disposals and impairment, including the MSS exercise were carried out to streamline operations, merge functions, eliminate redundancies, enhance the Group's cost structure and overall financial performance, and to better align the Group's cost structure with current market demand.

B2 Comment on material change in PBT / (LBT)

	Current Quarter 30.09.2026 RM'000	Preceding Quarter 30.06.2026 RM'000	Variance RM'000	%
Revenue	7,134	6,672	462	6.9%
LBT	(3,589)	(4,593)	1,004	-21.9%

The Group's revenue for the current quarter ended 30 September 2026 had increased to RM7.1 million compared to RM6.7 million for the preceding quarter ended 30 June 2026. This was mainly contributed by increased sales volume from coffee machine and in-house brand FOBO.

In tandem with the higher revenue, the LBT for the current quarter had decrease to approximately RM3.6 million compared to LBT of approximately RM4.6mil in the preceding quarter.

B3 Prospects

Since 3 September 2026, the Group is under a new management team who has diverse experiences and business acumen which will provide the trajectory for the Group's next level of business growth.

Looking ahead to 2027, the Group will focus on diversifying into higher-growth and technology-driven sectors to strengthen its long-term resilience. Key initiatives include establishing partnerships within the advanced semiconductor packaging ecosystem, leveraging the Group's precision manufacturing and assembly capabilities to participate in emerging opportunities driven by artificial intelligence, high-performance computing, and next-generation semiconductor technologies.

The Group will also expand into the optical and photonics industry, capitalizing on growing demand from data centers, telecommunications, and AI infrastructure markets. In addition, the Group will selectively pursue automotive-related opportunities allowing the Group to enter the sector while managing investment and execution risks prudently.

On 28 May 2026, the Group had announced the change of the financial year end from 30 June to 31 December. The financial year will commence from 1 July 2025 to 31 December 2026, covering a period of eighteen (18) months. The rationale for the change is to enhance operational alignment by providing a more suitable reporting timeframe, thereby supporting better resource planning and aligned decision-making.

The Group is mindful of fluctuations in customers' orders volume amidst on-going project developments for new customers and new products. Nonetheless, the Group will continue its rigorous effort to secure more customers to improve its revenue while managing costs efficiently.

Premise on the above, the Board is mindful of the challenges to turnaround the Group in the short term. The Board will continue to 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.

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B5 Taxation

	3 months ended		15 months ended	
	30.09.2026 RM'000	30.09.2025 RM'000	30.09.2026 RM'000	30.09.2025 RM'000
Income tax				
Current year	-	n/a	-	n/a
Prior year	-	n/a	-	n/a
	-	n/a	-	n/a
Deferred tax liability				
Current year	31	n/a	151	n/a
Prior year	-	n/a	-	n/a
	31	**n/a**	**151**	**n/a**

The current quarter deferred tax liability was calculated at Malaysia statutory tax rate of 24% on the revaluation surplus and recognized in the income statement over the remaining useful life of the Group's revalued properties at 3, Jalan Zarib 6, Kawasan Perindustrian Zarib, 31500 Lahat, Ipoh, Perak.

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

On 21 May 2026, the Company announced the proposed share capital reduction of RM100.00 million pursuant to Section 116 of the Companies Act 2016 ("Act') ("Proposed Capital Reduction"). The Proposed Capital Reduction entails the reduction of the issued share capital of the Company pursuant to Section 116 of the Act via the cancellation of the Company's paid-up share capital, which is substantially lost and/or unrepresented by available assets of RM100.00 million. The corresponding credit of RM100.00 million arising from the Proposed Capital Reduction will be credited to a capital reserves account of the Company which will result in the elimination of the accumulated losses of the Group, while the balance credit, if any, may serve as additional credit buffer for the Company to set off future losses and/or utilised in such manner as the Board deems fit, as permitted by the relevant and applicable laws, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as well as the Company's Constitution.

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B8 Status of corporate proposals (cont'd)

During the Extraordinary General Meeting ("EGM") held on 13 July 2026, the shareholders of the Company have approved the Proposed Capital Reduction. Subsequently on 20 July 2026, the Company announced that the High Court of Malaya at Ipoh has fixed the hearing date of the petition in relation to the Proposed Capital Reduction pursuant to Section 116 of the Act for 2 September 2026.

The sealed court order of the High Court of Malaya confirming the Capital Reduction has been obtained and lodged with the Registrar of Companies on 2 October 2026. Subsequently, the lodgement of the court order has been approved on 12 October 2026. Pursuant thereto, the Capital Reduction shall therefore take effect and be deemed completed on 12 October 2026.

B9 Utilisation of proceeds from private placement exercise

As at 30 September 2026, the Company has yet to fully utilised the private placement proceeds which was completed on 11 September 2025, amounting to RM7.0624 million. The Board has resolved to extend the timeframe for the utilisation of the proceeds for an additional 12 months up to 10 September 2027.

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)
Capital Expenditure(1)	5,000.0	1,483.1	3,516.9	Within 12 months	Additional 12 months (i.e. 10 September 2027)
Working Capital Requirements(2)	1,862.4	1,862.4	-	Within 12 months	
Estimated expenses in relation to the private placement	200.0	200.0	-	Upon completion of the private placement	
Total	**7,062.4**	**3,545.5**	**3,516.9**		

Note:
(1) Capital expenditure to support new customers and new product range.
(2) Working capital requirements for purchase of raw materials, upkeep & maintenance including general overheads and administrative expenses.

B10 Borrowings and debt securities

The Group's borrowings as at **30 September 2026** are as follows:

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
Unsecured			
Finance lease liability	19	-	19

Finance lease liability is denominated in Ringgit Malaysia.

B11 Derivative financial instruments

As at the date of the statement of financial position 30 September 2026, the Group does 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. The Group attempts to limit the foreign currency exchange risk by having a natural hedge between its receivables and a portion of its payables and may also enter into foreign currency exchange contracts.

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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B13 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") for patent infringement.

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.

On 17 January 2025, the High Court in delivering its decision has dismissed the Plaintiff's claim and allowed the Defendant's counterclaim with cost of RM1.2 million to be paid by the Plaintiff ("High Court Judgment"). Solicitors for the Plaintiff on 27 January 2025 had filed a notice of appeal to the Court of Appeal against the High Court Judgment ("Appeal"). On 4 February 2025, solicitors for the Plaintiff further applied to stay the execution of the High Court Judgment ("Stay Application"). On 18 April 2025, the High Court partially allowed the Stay Application.

The hearing of the appeal against the High Court decision handed down on 17 January 2025 before the Court of Appeal proceeded on 23 June 2026 and the continued hearing of the appeal on 12 and 13 November 2026. The case management on 20 November 2026 is still ongoing and no continued hearing dates have been fixed at this juncture.

(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") for amounts outstanding following the provision of services by the Plaintiff to the 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.

B13 Material litigation

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

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. ("SAS") as the Claimant and Paradigm Metal Industries Sdn. Bhd. ("PMI") 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

On 24 September 2026, SAS has received the final award decision from the arbitration tribunal for a sum of RM1,955,285.76 payable by PMI. As at 15 October 2026, SAS has received full payment from PMI per the final award decision from the arbitration tribunal with breakdown as follows:
1. Principal sum of USD299,224.63;
2. Interest RM209,219.50; and
3. RM339,712.10 as costs.

(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") for patent infringement.

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 4 July 2024, the Assistant Registrar of the Court had struck out the Plaintiff's claim. Nevertheless, the striking out was without prejudice to recommencing the action.

The Plaintiff had then on 30 September 2024 re-filed its Originating Claim together with the Statement of Claim with the Particulars of Infringement.

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B13. Material litigation (cont'd)

(iv) Legal suit against Apple South Asia Pte. Ltd.(cont'd)

On 30 March 2026, the Assistant Registrar of the Court had granted certain protective orders excluding the Plaintiff (but not its solicitors and experts) from accessing certain categories of the Defendant's documents. The Plaintiff has filed an appeal against the Assistant Registrar's decision on 13 April 2026 which was heard on 27 July 2026 and was disallowed. The Court has now proceeded to determine the timelines for the production of documents and also the Notice of Experiments depending on the documents provided which will be fixed at the next case conference on 15 September 2026.

The Plaintiff is seeking an extension of time until 30 November 2026 in view of the change in ownership of Salutica and to provide a further update on the status of the parties' discussions, as well as for the case conference to be refixed for the week of 7 December 2026.

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.

B14 Proposed dividend

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

B15 Earnings per Share ("EPS")

	3 months ended		15 months ended	
BASIC EPS	**30.09.2026**	**30.09.2025**	**30.09.2026**	**30.09.2025**
Loss attributable to owners of the Company (RM'000)	(3,558)	n/a	(27,304)	n/a
Weighted average number of ordinary shares in issue ('000)([1])	465,850	n/a	460,461	n/a
Basic EPS (sen)	(0.76)	n/a	(5.93)	n/a

[1] 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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B16 Notes to the Statement of Comprehensive Income

	3 months ended 30.09.2026 RM'000	15 months ended 30.09.2026 RM'000
Profit from operations for the period/year is arrived at after charging/(crediting):		
(Reversal) / loss allowance for impairment of trade receivables	9	(40)
Bad debts written off	-	-
Allowance for slow moving inventories	131	592
Write-off inventories	8	78
Claim made for obsolete materials	(13)	(287)
Property, plant & equipment:		
- Depreciation	952	5,308
- (Gain) / loss on disposal	212	(75)
- Impairment	830	830
Right-of-use asset depreciation	39	194
(Reversal of) / provision for warranties	2	(10)
Rental of hostels	17	106
Rental of equipment / machinery	811	3,409
Finance costs	1	3
Interest income	(1)	(6)
Net foreign exchange (gains)/losses:		
- Realised	(39)	30
- Unrealised	10	(23)
Fair value (gains) / losses on derivative financial instruments	-	-
Fair value gains on short term investments	(33)	(281)

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 25 November 2026.