



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 fourth quarter and financial year ended (“FYE”) 30 JUNE 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FYE 30 JUNE 2025

		Current quarter 3 months ended		Cumulative 12 months ended	
	Note	30.06.2025 RM'000	30.06.2024 RM'000	30.06.2025 RM'000	30.06.2024 RM'000
Revenue	A9	9,310	3,862	20,250	21,328
Loss from operations		(7,056)	(21,711)	(29,742)	(42,916)
Finance costs		(1)	(31)	(18)	(203)
Loss before taxation		(7,057)	(21,742)	(29,760)	(43,119)
Income tax expenses	B5	-	-	-	-
Loss for the period / year	B1	(7,057)	(21,742)	(29,760)	(43,119)
Other comprehensive income, net of taxation		-	-	-	-
Total comprehensive loss for the period / year		(7,057)	(21,742)	(29,760)	(43,119)
Loss and total comprehensive income attributable to:					
Owners of the Company		(7,057)	(21,742)	(29,760)	(43,119)
Non-controlling interest		-	-	-	-
Total comprehensive loss for the period / year		(7,057)	(21,742)	(29,760)	(43,119)
Loss per share Basic (Sen)	B14	(1.67)	(5.13)	(7.03)	(10.18)

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 JUNE 2025

	Note	As at 30.06.2025 RM'000 (Unaudited)	As at 30.6.2024 RM'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	A10	40,698	30,463
Right-Of-Use Assets		8,947	4,988
Intangible assets		790	863
Deferred tax assets		-	-
		50,435	36,314
Current assets			
Inventories		3,811	14,437
Trade and other receivables		3,326	3,042
Contract Assets		65	38
Current tax assets		761	2,779
Short term investment		11,445	30,427
Deposits, cash and bank balances		4,097	5,740
		23,505	56,463
Current liabilities			
Payables and accruals		9,866	8,632
Contract liabilities		2,160	7,103
Derivative financial instruments		-	-
Provision for warranties		56	101
Borrowings	B9	26	2,040
		12,108	17,876
NET CURRENT ASSETS		11,397	38,587
		61,832	74,901
EQUITY AND LIABILITIES			
Equity			
Share capital		113,557	113,362
Treasury shares		(984)	(984)
Reserves		(54,732)	(37,529)
Total equity attributable to owners of the Company		57,841	74,849
Non-controlling interests		-	-
TOTAL EQUITY		57,841	74,849
Non-current liabilities			
Deferred Tax Liability	B5	3,965	-
Borrowings	B9	26	52
		3,991	52
TOTAL EQUITY AND LIABILITIES		61,832	74,901
Net assets per ordinary share attributable to ordinary equity holders of the Company (Sen)		13.66	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

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(Incorporated in Malaysia under the Companies Act, 1965)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FOURTH QUARTER AND FYE 30 JUNE 2025

<----- 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 Profits RM'000	Total RM'000
At 1 July 2024	113,362 ^(*)	(984)	-	(37,529)	74,849
Total comprehensive loss for the year	-	-	-	(29,760)	(29,760)
Issue of new ordinary shares	195 ^(@)	-	-	-	195
Revaluation Surplus (net of tax)	-	-	12,557 ⁽⁺⁾	-	12,557
At 30 June 2025	113,557	(984)	12,557	(67,289)	57,841
At 1 July 2023	113,362 ^(*)	(984)	-	5,590	117,968
Total comprehensive loss for the year	-	-	-	(43,119)	(43,119)
At 30 June 2024	113,362	(984)	-	(37,529)	74,849

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.

@ During the fourth quarter of 2025, the Company issued 1,000,000 new ordinary shares pursuant to the private placement. Further details are disclosed in Note B8 of this report.

+ Revaluation surplus, net of tax, arising from the valuation of the Group's properties. Further details are disclosed in Note A10 of this report.



SALUTICA BERHAD

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CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FOURTH QUARTER AND FYE 30 JUNE 2025

	Note	12 months ended 30.06.2025 RM'000 (unaudited)	12 months ended 30.06.2024 RM'000 (audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss before tax for the financial period		(29,760)	(43,119)
Adjustments for:			
Property, plant and equipment			
- depreciation		4,260	7,427
- loss / (gains) on disposal		57	(74)
- write off		11	*
- impairment loss		-	9,335
Right-of-use assets depreciation		95	95
Trade receivables			
(Reversal) / loss of allowance for impairment of trade receivables		(7,992)	7,884
Bad debt		5,517	8
Amortisation of intangible assets		73	71
Finance costs		18	203
Interest income		(3)	(3)
Inventories – Reversal of slow moving		(1,478)	(589)
Reversal of warranties		(41)	(9)
Unrealised gains on foreign exchange		(30)	(16)
Fair value gain on derivative financial instruments		-	-
Operating loss before changes in working capital		(29,273)	(18,787)
Changes in working capital:			
Inventories		12,104	15,412
Trade and other receivables		2,046	(3,272)
Trade and other payables		(3,801)	(4,478)
Cash generated from operations		(18,924)	(11,125)
Income tax paid		(10)	(15)
Income tax refund		2,028	-
Net cash generated from/(used in) operating activities		(16,906)	(11,140)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	B6	(1,866)	(1,463)
Capitalisation of intangible assets		-	(5)
Proceeds from disposal of property, plant and equipment		27	74
Interest Income received		3	3
Net investing cash flow		(1,836)	(1,391)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issue of shares under private placement		195	-
Repayment of hire-purchase creditor		(15)	(1,951)
Repayment of lease liability		(25)	(24)
Repayment of short term loan		(2,000)	(1,500)
Interest paid		(18)	(203)
Net cash from/(used in) financing activities		(1,863)	(3,678)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(20,605)	(16,209)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		36,167	52,359



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CONDENSED CONSOLIDATED CASH FLOWS STATEMENT FOR THE FOURTH QUARTER AND FYE 30 JUNE 2025

	Note	12 months ended 30.06.2025 RM'000	12 months ended 30.06.2024 RM'000
Effect of change in foreign currency exchange rates		(20)	17
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		15,542	36,167
Cash and cash equivalents comprise:			
Short-term investment in an Islamic money market fund		11,445	30,427
Cash and bank balances		4,097	5,740
		15,542	36,167
Deposits with maturity more than 3 months		-	-
		15,542	36,167

* Amount is less than RM200

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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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

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

Change in accounting policy – Property, plant and Equipment and Right-of-Use Assets

During the financial year, the Group changed its accounting policy for certain classes of property, plant and equipment (“PPE”) and right-of-use (“ROU”) assets from the cost model to the revaluation model in accordance with *MFRS 116 – Property, Plant and Equipment* and *MFRS 16 – Leases*.

Management is of the view that the revaluation model provides more relevant and reliable information on the Group’s financial position, as it reflects the current fair values of its land and buildings, including leased properties recognised as ROU assets.

The change in accounting policy has been applied prospectively in accordance with MFRS 116. Comparative figures have not been restated.

Save for the above, 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



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

A2 Changes in accounting policies (cont'd)

New standards, amendments to published standards and Issue Committee ("IC") interpretations to existing standards that are applicable to the group and are effective (cont'd)

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.

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 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.

**SALUTICA BERHAD**(Company No. 201201040303) (1024781-T)
(Incorporated in Malaysia)**NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOURTH QUARTER ENDED 30 JUNE 2025****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				Cumulative quarter			
	3 months ended				12 months ended			
	30.06.2025		30.06.2024		30.06.2025		30.06.2024	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Americas	3,096	33.3	1,453	37.6	9,964	49.2	7,933	37.2
Europe	5,742	61.7	942	24.4	7,834	38.7	2,834	13.3
Asia (excluding Malaysia)	295	3.2	299	7.8	1,741	8.6	7,014	32.9
Malaysia	135	1.4	384	9.9	469	2.3	2,325	10.9
Australia (including New Zealand and Oceania)	42	0.4	695	18.0	238	1.2	1,108	5.2
Africa (including Middle East)	*	^	88	2.3	4	^	114	0.5
Total	9,310	100	3,862	100	20,250	100	21,328	100

* Amount is less than RM400

A substantial part of the Group revenue was derived from the Americas region representing 49.2% of total revenue for the 12 months ended 30 June 2025, of which, approximately 98.0% of revenue was attributable to United States of America. The second highest was from the Europe region representing 38.7% of total revenue, with the Switzerland contributing approximately 66.4% to this region.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

A10 Valuation of property, plant and equipment

The Group had engaged an independent property valuer to conduct a valuation assessment on its properties at 3, Jalan Zarib 6, Kawasan Perindustrian Zarib, 31500 Lahat, Ipoh, Perak on 16 December 2024, the details of which is set out in the table below. The purpose of the revaluation exercise is to update the carrying value of the properties to reflect its current market value. The Board of Directors has on 25 August 2025 approved the incorporation of the revaluation surplus, net of deferred tax, into the unaudited consolidated financial statements of the Group for the financial year ended 30 June 2025.

Property details	Carrying Amount prior to revaluation (based on unaudited carrying amount as at 30 June 2025) RM'000	Carrying Amount after revaluation RM'000	Revaluation Surplus, net of tax RM'000
Lot 202124, PN94442, Mukim Hulu Kinta, Daerah Kinta Negeri Perak	553	1,470	697
Lot 202125, PN94443, Mukim Hulu Kinta, Daerah Kinta Negeri Perak	583	1,395	617
Lot 381631, PN314266, Mukim Hulu Kinta, Daerah Kinta Negeri Perak	16,622	31,415	11,243
TOTAL	17,758	34,280	12,557

An independent property valuer had confirmed the valuation remain unchanged as at 30 June 2025.

Save for the above, there was no other revaluation exercise conducted on other class of assets of the Group 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.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

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 follow:

	As at 30.06.2025 RM'000
Contracted but not provided for	327

A15 Significant related party transactions

	12 months ended 30.06.2025 RM'000
Consultancy fee paid/payable	
- to a person connected with directors of the Company	174

B1 Review of performance

(i) Revenue

In the current fourth quarter, the Group recorded revenue of approximately RM9.3 million against RM3.9 million generated in the corresponding quarter last year, an increase of approximately RM5.4 million. This was mainly contributed by wireless headsets product for last order fulfilment. During the current quarter, the Group had started shipment of server for data processing center, albeit at a low sale of approximately 2.3% over total revenue for the current quarter.

For the 12-month period ended 30 June 2025, the Group recorded a total revenue of RM20.3 million compared to RM21.3 million in the corresponding period last year, a decrease of approximately 4.7% or RM1.0 million. The decrease was mainly due to the low sales order volume of products under mass production and prolong development activities for coffee machine and automotive tool for diagnostics due to customers' changes in design requirements.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

B1 Review of performance (cont'd)

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

The Group posted current quarter LBT of approximately RM7.1 million, representing a decrease in loss of approximately RM14.6 million compared to corresponding quarter last year LBT of approximately RM21.7 million due to recognition of impairment loss on property, plant & equipment (“PPE”) and allowance for impairment loss on trade receivables amounting to RM9.3 million and RM7.9 million respectively in the corresponding quarter last year.

For the current period under review, the Group recorded a LBT of RM29.8 million compared to RM43.1 million loss in the corresponding period last year, representing a decrease in loss of approximately RM13.3 million for the reason as mentioned above.

Notwithstanding the above, the LBT for the 12-month ended 30 June 2025 was mainly attributed by the following:

- a) Low order volume from current running products;
- b) Holding excess resources pending mass production for new projects under development stage;
- c) Inefficient absorption of fixed overheads due to low revenue;
- d) Legal fees expenditure for the ongoing court cases amounting to RM3.5 million;
- e) Provision for the award costs by the Malaysian High Court on 17 January 2025 in the suit between Salutica Allied Solutions Sdn Bhd against Apple Malaysia Sdn Bhd amounting to RM1.2 million (which the Group had already filed an appeal). Further details on this suit are as set out below in item B12 (i);
- f) Spending on factory relay layout and new line setup for server for data processing center amounting to RM0.8 million (in addition to an investment in capital expenditure of RM1.2 million);
- g) Impact from minimum wage increase from RM1,500/month to RM1,700/month with effect from 1 February 2025 amounting to RM0.2 million; and
- h) Spending on product development of in-house brand FOBO amounting to RM0.2mil.

The Group continues its cost-control efforts to mitigate the losses.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

B2 Comment on material change in PBT / (LBT)

	Current Quarter 30.06.2025 RM'000	Preceding Quarter 31.03.2025 RM'000	Variance RM'000	%
Revenue	9,310	4,093	5,217	127.5%
LBT	(7,057)	(7,533)	476	-6.3%

The Group's revenue for the current quarter ended 30 June 2025 has increased to RM9.3 million compared to RM4.1 million for the preceding quarter ended 31 March 2025. This was mainly contributed by wireless headsets product for last sales order fulfilment.

The LBT for the current quarter was approximately RM7.1mil compared to LBT of RM7.5mil for the preceding quarter representing a slight decrease of approximately RM0.5 million.

B3 Prospects

The Board acknowledged the challenging financial condition the Group is experiencing in view of the fluctuations in customers' sales orders and at the same time pivoting towards securing more customers in the automotive and medical industries in leveraging on the International Automotive Task Force 16949 ("IATF 16949") certification, a global technical specification and quality management standard for the automotive industry as well as International Organization of Standardization (ISO) 13485 certification for medical devices. Improving revenue for the Group requires rigorous effort and the Group is focus to secure more customers to provide sizeable sales orders to optimize the absorption of factory overheads and efficient utilization of its manpower resources.

The Group had on 27 January 2025 announced a private placement of up to 42,650,000 new ordinary shares to improve its cash position for its capital expenditure to support new customers and new product range including working capital requirements. Further details on this private placement are disclosed in Note B8 of this report.

Premise on the above, the Board is mindful of the challenges to turnaround the Group in the short term. Continuous efforts are being intensified to streamline operations and urgency for its business development activities to secure more sales orders and customers/product range diversifications. The Board will continue to take proactive steps to manage the Group's financial resilience.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

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.

The deferred tax liability of RM3.9 million was derived from the revaluation of the Group's properties as disclosed under item A10 in this report.

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 27 January 2025, the Company announced a proposed private placement of up to 42,650,000 new ordinary shares in Salutica ("Salutica Share(s)" or "Share(s)"), representing up to approximately 10% of the total number of issued Salutica Shares, to independent third party investor(s) to be identified, at an issue price to be determined and announced at a later date in accordance with the general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 ("Private Placement").

Subsequently, on 7 February 2025, the Company announced that it had obtained the approval from Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 7 February 2025.

The Company had, on 11 July 2025, submitted an application to Bursa Securities for an extension of time until 6 February 2026 ("EOT") to implement and complete the remaining tranches of the Private Placement. Subsequently, the Company had, on 18 July 2025, obtained Bursa Securities' approval for the EOT.

As at the date of this report, a total of 11,500,000 Salutica Shares has been subscribed, representing approximately 2.63% of total issued Salutica Shares.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

B9 Borrowings and debt securities

The Group's borrowings as at **30 June 2025** are as follows:

	Payable within 12 months RM'000	Payable after 12 months RM'000	Total RM'000
<u>Unsecured</u>			
Finance lease liability	26	26	52

Finance lease liability is denominated in Ringgit Malaysia.

B10 Derivative financial instruments

As at the date of the statement of financial position 30 June 2025, 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. 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 forward currency exchange contracts.

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.

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.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

B12 Material litigation (cont'd)

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

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.

The 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. Solicitors for the Plaintiff on 27 January 2025 had filed a notice of appeal to the Court of Appeal and on 4 February 2025 a notice of application to stay the judgement against the decision of the High Court handed down on 17 January 2025.

The hearing of the appeal against the High Court decision handed down on 17 January 2025 has been fixed at the Court of Appeal on 26 June 2026. The parties are required to file their respective core bundles, written submissions and bundle of authorities on or before 8 June 2026.

(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

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. The original hearing date from 16 June 2025 to 20 June 2025 has been rescheduled to a new date which is from 23 September 2025 to 26 September 2025.



SALUTICA BERHAD

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

B12 Material litigation (cont'd)

(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.

On 4 February 2025, the High Court of Singapore has ordered both parties to exchange the list of documents for discovery by 18 March 2025 and to provide their respective list of witness by 1 April 2025.

The High Court of Singapore has fixed the next case conference date on 30 September 2025 pending the exchange of documents.

(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.



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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

B12 Material litigation (cont'd)

- (iv) Legal suit against Nuheara Ltd

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.

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.

The Group had assigned the judgment debt to an Australian company amounting to AUD300,000, which is equivalent to RM835,045. Nuheara had since entered into liquidation effective 19 June 2025.

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.



SALUTICA BERHAD

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NOTES TO THE INTERIM FINANCIAL STATEMENTS FOURTH QUARTER ENDED 30 JUNE 2025

B14 Earnings per Share (“EPS”)

	3 months ended		12 months ended	
BASIC EPS	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Loss attributable to owners of the Company (RM’000)	(7,057)	(21,742)	(29,760)	(43,119)
Weighted average number of ordinary shares in issue (’000) ⁽¹⁾	423,582	423,500	423,521	423,500
Basic EPS (sen)	(1.67)	(5.13)	(7.03)	(10.18)

⁽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.

B15 Notes to the Statement of Comprehensive Income

	3 months ended 30.06.2025 RM’000	12 months ended 30.06.2025 RM’000
Profit from operations for the period/year is arrived at after charging/(crediting):		
Reversal of loss allowance for impairment of trade receivables	(73)	(7,992)
Bad debts written off	-	5,517
Allowance / (reversal) for slow moving inventories	(969)	(1,478)
Write-off inventories	4,509	5,969
Claim made for obsolete materials	(3,738)	(4,985)
Property, plant & equipment:		
- Depreciation	1,031	4,260
- (Gain) / loss on disposal	(1)	68
Right-of-use asset depreciation	24	95
Provision for / (Reversal of) warranties	-	(41)
Rental of hostels	24	98
Rental of equipment / machinery	51	59
Finance costs	1	18
Interest income	(1)	(3)
Net foreign exchange (gains)/losses:		
- Realised	(614)	(246)
- Unrealised	10	(30)
Fair value (gains) / losses on derivative financial instruments	-	-
Fair value gains on short term investments	(118)	(650)

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 25 Aug 2025.