

SALUTICA BERHAD
(201201040303) (1024781-T)
(Incorporated in Malaysia)

MINUTES of the Eleventh Annual General Meeting (“11th AGM”) of the Company conducted entirely through live streaming via TIIH Online website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC:D1A282781) provided by Tricor Investor & Issuing House Services Sdn. Bhd. on Friday, 24 November 2023 at 10.30 a.m.

PRESENT : Mr. Chia Chee Hoong (Chairman)
Mr. Joshua Lim Phan Yih (Managing Director / Chief Executive Officer)
Mr. James Lim Chong Shyh (Senior Executive Director)
Mr. Low Teng Lum (Senior Independent Non-Executive Director)
Mr. Leow Chan Kiang (Independent Non-Executive Director)
Ms. Michelle Chan Shook Ling (Executive Director)

IN ATTENDANCE : Ms. Wong Yee Leng (Company Secretary)
(as per attendance list) Representative from Tricor Corporate Services Sdn. Bhd.
Representatives from Crowe Malaysia PLT

The attendance of members, corporate representatives and proxies is as per the Attendance List via Remote Participation and Voting.

CHAIRMAN

The Chairman welcomed all the members and attendees to the Company’s 11th AGM, which was being held remotely from the various locations through live streaming.

The notice convening the meeting, having been circulated earlier to all members of the Company and advertised in The New Straits Times Press was taken as read.

The Chairman then introduced the Board members, Company Secretary and Auditors to the shareholders.

For a fully virtual general meeting, the quorum shall be determined by the number of shareholders who logged-in at the start of the meeting. The Chairman informed that there was a quorum and he called the meeting to order at 10.30 a.m.

ANNOUNCEMENT ON ADMINISTRATIVE MATTERS

The Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the notice of a general meeting must be voted by poll. Pursuant to the Constitution of the Company, the Chairman declared that Resolutions 1 to 7 in the Notice of 11th AGM shall be voted by poll. The poll would be conducted after all items on the agenda have been dealt with.

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The poll administrator was Tricor Investor & Issuing House Services Sdn. Bhd. (“Poll Administrator”) and the independent scrutineer was Coopers Professional Scrutineers Sdn. Bhd. (“Scrutineer”).

The Chairman then briefed the shareholders on the flow of the meeting. Firstly, the Company would go through all the resolutions as set out in the Notice of the AGM before proceeding to the Question and Answer (“Q&A”) session. During the Q&A session, the Company would address the questions received from the Minority Shareholders Watch Group (“MSWG”) via its letter dated 2 November 2023 followed by the questions submitted by the shareholders prior to the AGM and also questions raised by shareholders via real-time submission.

He added that as the resolutions tabled at the AGM would be put to vote remotely via the remote participation and voting (“RPV”) facilities, the voting on the resolutions could be done at any time during the meeting or until such time to be announced later.

PRESENTATION BY MANAGEMENT

At the invitation of the Chairman, Mr. Joshua Lim Phan Yih, the Managing Director/Chief Executive Officer (“MD/CEO”) presented the financial performance and business operations of the Group for financial year ended 30 June 2023.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (“AFS 2023”) TOGETHER WITH THE DIRECTORS’ AND THE AUDITORS’ REPORTS THEREON

The Chairman informed that the AFS 2023 together with the Directors’ and Auditors’ Reports thereon was meant for discussion only as the Companies Act 2016 did not require a formal approval of the shareholders for the AFS 2023. Therefore, the item was not put forward for voting.

The Chairman declared that the AFS 2023 together with the Reports of the Directors’ and Auditors’ thereon be received.

**2. ORDINARY RESOLUTION 1
DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

The Chairman proceeded to Resolution 1 on the Directors’ fees of RM495,000.00 for the financial year ended 30 June 2023.

The Chairman put the following motion to the meeting for consideration and informed that the poll would be conducted later:

“THAT the payment of Directors’ fees of RM495,000.00 for the financial year ended 30 June 2023 be approved.”

3. ORDINARY RESOLUTION 2
RE-ELECTION OF MR. CHIA CHEE HOONG WHO RETIRES BY ROTATION PURSUANT TO CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY

As Resolution 2 was concerning the Chairman's retirement by rotation, the Chairman passed the Chair to Mr. Low Teng Lum, Senior Independent Non-Executive Director, to take the meeting through the resolution.

Mr. Low Teng Lum put the following motion to the meeting for consideration and informed that the poll would be conducted later:

"THAT Mr. Chia Chee Hoong retiring pursuant to Clause 76(3) of the Constitution of the Company and who being eligible, be hereby re-elected as Director of the Company."

Mr. Low Teng Lum passed back the chair to the Chairman.

4. ORDINARY RESOLUTION 3
RE-ELECTION OF MS. CHAN SHOOK LING WHO RETIRES BY ROTATION PURSUANT TO CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY

The Chairman proceeded to the next item on the agenda which was on the re-election of Ms. Chan Shook Ling.

The Chairman put the following motion to the meeting for consideration and informed that the poll would be conducted later:

"THAT Ms. Chan Shook Ling retiring pursuant to Clause 76(3) of the Constitution of the Company and who being eligible, be hereby re-elected as Director of the Company."

5. ORDINARY RESOLUTION 4
RE-APPOINTMENT OF MESSRS CROWE MALAYSIA PLT AS AUDITORS OF THE COMPANY

The Chairman moved on to Resolution 4, which was on the re-appointment of Auditors.

The Chairman put the following motion to the meeting for consideration and informed that the poll would be conducted later:

"THAT Messrs Crowe Malaysia PLT be hereby re-appointed as Auditors of the Company at a fee to be agreed upon with the Directors and to hold office until the conclusion of the next Annual General Meeting."

6. ORDINARY RESOLUTION 5
AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

The Chairman informed that Resolution 5 was on the authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.

Resolution 5, if passed, would authorise the Directors to allot and issue not more than 10% of the issued share capital of the Company, subject to the approvals of all the relevant

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governmental/regulatory bodies. This authority, unless revoked or varied at a general meeting, would expire at the conclusion of the next Annual General Meeting.

The Chairman put the following motion to the meeting for consideration and informed that the poll would be conducted later:

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (the “Act”), Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such New Shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed General Mandate”).

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;*
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or*
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,*

whichever is the earlier.

THAT all and any pre-emptive rights of the shareholders of the Company pursuant to Section 85 of the Act, Clause 12(3) of the Constitution of the Company and/or Paragraph 7.08 of the Main Market Listing Requirements of Bursa Securities, to be offered new shares ranking equally to the existing issued shares of the Company arising from the issuance of New Shares pursuant to the Proposed General Mandate, be and are hereby waived or deemed to have been waived, in full, by the shareholders of the Company.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

7. ORDINARY RESOLUTION 6
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The next item on the agenda was on the Proposed Renewal of Share Buy-Back Authority.

Resolution 6, if passed, would allow the Company to purchase its own shares through Bursa Malaysia Securities Berhad up to 10% of the total number of issued shares of the Company.

This authority would lapse at the conclusion of the next Annual General Meeting unless authority for renewal is obtained from the shareholders of the Company at a general meeting.

The Chairman put the following motion to the meeting for consideration and informed that the poll would be conducted later:

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

- i. the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and*
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,*

(“Proposed Share Buy-Back”).

AND THAT the authority to facilitate the Proposed Share Buy-Back Authority will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- a. the conclusion of the next Annual General Meeting (“AGM”) of the Company following this AGM at which this resolution was passed, at which time the said authority shall lapse unless by an ordinary resolution passed at the next AGM, the authority is renewed, either unconditionally or subject to conditions;*
- b. the expiration of the period within which the next AGM of the Company is required by law to be held; or*

- c. *revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,*

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;*
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;*
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;*
- iv. To resell all or part of the treasury shares;*
- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;*
- vi. To transfer all or part of the treasury shares as purchase consideration;*
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or*
- viii. To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.*

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

8. ORDINARY RESOLUTION 7
ISSUANCE AND ALLOTMENT OF NEW ORDINARY SHARES IN SALUTICA ("NEW SALUTICA SHARES") PURSUANT TO THE DIVIDEND REINVESTMENT PLAN ("DRP") THAT PROVIDES THE SHAREHOLDERS OF SALUTICA ("SHAREHOLDERS") WITH THE OPTION TO REINVEST THEIR DIVIDEND TO WHICH THE DRP APPLIES, IN NEW SALUTICA SHARES ("ISSUANCE OF NEW SALUTICA SHARES PURSUANT TO DRP")

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The Chairman moved on to Resolution 7 which was on the Issuance and Allotment of New Ordinary Shares in Salutica ("New Salutica Shares") pursuant to the Dividend Reinvestment Plan ("DRP") that provides the shareholders of Salutica ("Shareholders") with the option to Reinvest their Dividend to which the DRP applies, in New Salutica Shares ("Issuance of New Salutica Shares Pursuant to DRP").

Resolution 7, if passed, would give the Company the authority to the Board to issue and allot New Salutica Shares pursuant to the DRP in respect of Dividend declared and/or approved by the Company and subsequently, until the conclusion of the next Annual General Meeting.

The Chairman put the following motion to the meeting for consideration and informed that the poll would be conducted later:

"THAT pursuant to the DRP as approved by the Shareholders at the Eighth Annual General Meeting held on 23 November 2020, and subject to the approvals of relevant regulatory authorities, where required, and the provisions of the Companies Act 2016, approval be and is hereby given to the Company to issue and allot such number of new Salutica Shares from time to time as may be required to be issued and allotted pursuant to the DRP until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors, may in their absolute discretion, deem fit and in the best interest of the Company;

THAT the issue price of the said new Salutica Shares shall be fixed by the Directors at a discount of not more than ten per cent (10%) to the five (5)-day volume weighted average market price ("VWAMP") of Salutica Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the abovementioned discount in fixing the issue price;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and enter into all such arrangements and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments to the terms of the DRP as the Directors may deem fit, necessary and/or expedient in the best interest of the Company or as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments and to take all steps as they consider necessary in connection with the DRP."

ANY OTHER BUSINESS

The Chairman informed that no notice for other business pursuant to the Companies Act 2016 had been received.

Q&A SESSION

At the invitation of the Chairman, Mr. Joshua Lim Phan Yih, the MD/CEO of the Company addressed the questions submitted by MSWG pertaining to the Company's Operational, Financial and Corporate Governance matters and followed by the questions received from shareholders prior and during the 11th AGM.

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The Q&A session is attached hereto as "Appendix A", shall form part of these minutes.

CONDUCT OF POLL

Having dealt with all the items on the agenda, the Meeting then proceeded to vote on the Resolutions 1 to 7 by poll. The Chairman adjourned the meeting at 11.25 a.m. for the counting and verification of the votes.

Upon completion of the counting of votes by the Poll Administrator and verification of the results by the Scrutineer, the Chairman resumed the meeting at 11.50 a.m. for the declaration of the results of the poll.

Based on the poll results attached hereto as "Appendix B", the Chairman declared ALL resolutions carried.

CLOSURE

The Chairman closed the meeting at 11.52 a.m. and thanked those present for their attendance.

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**QUESTION AND ANSWER SESSION OF THE ELEVENTH ANNUAL GENERAL MEETING OF
THE COMPANY HELD ON 24 NOVEMBER 2023 AT 10.30 AM**

(I) QUESTIONS FROM MINORITY SHAREHOLDERS WATCH GROUP

(A) Operational & Financial Matters

1. Salutica is presently in the stages of acquiring the IATF 16949 certification, a pivotal achievement that will significantly facilitate their entry into the automotive industry in the coming times (page 16 of Annual Report (AR) 2023).
 - a) When is the Group expected to receive the certificate?
 - b) What specific opportunities in the automotive industry does the Group aim to capture through diversification?
 - c) What unique strengths or expertise does the Group possess that could be beneficial to its venturing into the automotive sector?
 - d) Who within the Group possesses the expertise or experience necessary to drive success in this new venture?

The Company's response:

- a) *The Group received the IATF 16949 Letter of Conformance on 23 October 2023.*
 - b) *The Group aims to capture opportunity in the automotive industry with regards to products that utilises the Group's capability in plastic injection moulding and electronics assembly.*
 - c) *The unique strength or expertise that the Group possess is its experience in providing a one-stop solution combining plastic injection moulding, printed circuit board and electronics assembly.*
 - d) *The Group depends on its entire team consisting of business development, engineers and R&D personnel to drive the success of this new venture.*
2. Coupled with Salutica's recent success in obtaining the ISO 13485 certification for medical devices, the Group aim to establish a strong footing to cater to both the medical and automotive sectors (page 16 of AR2023).
 - a) Please provide the revenue contribution attributed to the medical segment in comparison to the Group's overall revenue streams.
 - b) What is the range of medical services or devices offered within the medical segment?
 - c) What are the ongoing and future developments for this business segment?
 - d) What is the geographical reach or market penetration of the Group's medical segment?

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- e) What is the profile of the major customer within the medical segment?

The Company's response:

- a) *The Group does not provide revenue breakdown of its individual products due to confidentiality agreements with its customers.*
- b) *The Group currently provide electronics manufacturing for one of its customers to produce its product.*
- c) *The Group continues to seek more customers in this business segment.*
- d) *Currently the geographical reach of this segment is mainly in the US and Europe.*
- e) *The customer within this segment sells its product to provide hearing assistance to consumers.*

3. In the FYE2023, Salutica faced a substantial revenue decline of 55.6%, totalling RM80.0 million, primarily due to reduced demand for True Wireless Stereo (TWS) headsets and the halt in peripheral production. This, combined with economic uncertainties and higher interest rates, led to a loss before tax of RM21.4 million, marking an increased loss of RM13.1 million from the previous year (page 16 of AR2023).

- a) How much is the contribution of TWS headsets sales to the Group's revenue and how significant was the reduction of the volume order as compared to previous periods or expected levels?
- b) What led to the decision to discontinue the production of computer peripherals instead of pursuing innovation to address changing market demands? What was the financial impact of ceasing production of computer peripherals to the Group?
- c) Given the significant revenue decline in FYE2023, what strategies are in place to potentially recover or stabilize revenue in the upcoming fiscal periods? When is the Group anticipating a turnaround in its financial performance following the challenges encountered in FYE2023?

The Company's response:

- a) *TWS headset has always contributed to a major part of the Group's revenue and the Group saw a substantial reduction of volume order compared to previous periods.*
- b) *The discontinuation of the production of computer peripherals was a result in a substantial reduction of volume order as well as a high difficulty to localise supply chain which was not possible to be addressed with innovation. The financial impact of ceasing this production is material which the Group seeks to mitigate by venturing into new product segments.*
- c) *The strategies that the Group is already in the process of implementing is the diversification of its product range beyond TWS.*

Barring any unforeseen circumstances, the Group anticipates a turnaround in its financial performance by FYE2024.

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4. Mr. Joshua Lim Phan Yih, the Managing Director / Chief Executive Officer stated that the Group is considering opportunities to expand the FOBO brand into new sectors, in addition to the current automotive audience (page 17 of AR2023).
- a) Which specific new sector is the Group considering expanding the FOBO brand into, and what factors contribute to the choice of this sector? When is the expected expansion into the new sector?
- b) Currently, FOBO sales contributed approximately 6% of the total revenue (page 19 of AR2023). With the expansion program, what is the new target of FOBO sales to the total revenue of the Group?
- c) Which specific product in the FOBO portfolio has shown the highest sales volume in recent quarters or years? Are the best-selling products also the most profitable? Is there a particular product within the FOBO portfolio that consistently outperforms others in terms of units sold?

The Company's response:

- a) *Currently the Group is venturing into the agriculture industry with its FOBO brand as the choice of this industry has potential for modernization by using sensors which are connected through a network as well as the cloud. Based on the current progress, the expected expansion would be in mid-2024.*
- b) *The target for FOBO sales with the expansion program would be 10% of the Group's total revenue within the first 2 years of expansion.*
- c) *Currently, the highest sales volume for FOBO in recent years has been its TPMS sensors for motorcycles. Its profitability is similar with other FOBO products.*
5. The Group received a government grant totalling RM2.6 million in FYE2023 (page 16 of AR2023).

How has the RM2.6 million government grant been allocated or utilized within the Group? Is there a specified timeframe for its utilization or are there any conditions related to its duration?

The Company's response:

The RM2.6 million government grant is a matching grant (50:50) given to the Group for approved machinery and equipment upgrade and research & development activities, which has since been utilised for the claim.

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6. The carrying amount of the Group's investment in a subsidiary is RM90.0 million (page 87 of AR2023).

Are there any identified factors that might lead to impairment of investment in the subsidiary, and if so, how is the Group mitigating these risks?

The Company's response:

Our auditors, Crowe Malaysia PLT, have performed audit procedures on the Group's assumptions and methodologies used in performing impairment assessment. This includes testing the basis of cash flow forecast including evaluating the key assumptions, in particular, revenue growth projections and operating profit margins by comparing against internal information, and external economic and market data. The weighted-average cost of capital discount rate assigned was also assessed on its appropriateness.

Thereafter, they assessed the adjusted Net Asset Value and compared against the carrying amount of the investment in the subsidiary. Based on their assessment, there is no impairment loss to be recognised.

7. Other income rose substantially from RM8.6 million in FYE2022 to RM14.5 million in FYE2023 (page 85 of AR2023).

What primarily contributed to this sharp rise in other income? Please provide a breakdown of the components comprising this other income.

The Company's response:

FYE2023 Other income mainly contributed by the following:

- (i) End-of-Life claim for TWS headsets;*
- (ii) End-of-Life claim for computer peripherals; and*
- (iii) Government grant.*

8. The allowance for impairment loss on trade receivables increased substantially from NIL in FYE2022 to RM1.5 million in FYE2023 (page 147 of AR2023).

- a) What is the industry or general background of the customer who defaulted on the debt, leading to the additional impairment?
- b) What specific challenges led to the default on payments by this customer, causing the Group to increase the loss allowance?

The Company's response:

- a) *The loss allowance for impairment mainly attributed to one customer, Paradigm Metal Industries Sdn Bhd ("PMI") which we had filed a legal suit to recover the debt. We had made announcements on Bursa's website regarding the progress of the suit.*

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- b) *The group had sold goods to PMI and delivered the goods to them but despite repeated and numerous reminders sent to them, they have continued to refuse and neglect to pay the outstanding amount owing to us. We have no choice but to initiate a legal suit to recover our debt.*

(B) Corporate Governance Matters

1. Practice 1.4 of Malaysian Code of Corporate Governance (MCCG) stipulated that the Chairman of the board should not be a member of the Audit Committee (AC), Nomination Committee (NC) or Remuneration Committee (RC) (page 5 of Corporate Governance (CG) Report 2023).

Having the same person assume the positions of Chairman of the board, and Chairman of the AC, NC and RC gives rise to the risk of self-review and may impair the objectivity of the Chairman and the board when deliberating on the observations and recommendations put forth by the board committees. Thus, the Chairman of the Board should not be involved in these committees to ensure there is check and balance as well as objective review by the board.

The Group has departed from this practice as Mr. Chia Chee Hoong, Chairman of the Board is also a member of the AC, NC, and RC. Does the Group have any plans to address this situation, and if yes, by when?

The Company's response:

Our Nomination and Remuneration Committee will have a meeting to address this issue before the deadline on 1 April 2024.

2. Practice 5.9 of the MCCG stipulates that the board comprises at least 30% women directors due to numerous studies that have proven the business case for board diversity, especially the participation of women on boards.

Currently, the Board comprises six Directors, with only one female Director, accounting for 16.7% of the total. This figure falls below the recommended 30% threshold specified in Practice 5.9 of the MCCG (page 24 of CG Report 2023).

When does the Group plan to address the lack of diversity by appointing additional female directors to meet the shortfall?

The Company's response:

The recommended 30% threshold specified in Practice 5.9 of the MCCG is applicable for Large Companies with turnover RM2.0 billion and above. The Group is not a Large Company and suffice to have at least 1 female director. Nonetheless, the Board is mindful of the recommendation for Board diversity. The Board will endeavour to ensure that gender, ethnicity and age diversity will be taken into account in nomination and appointing any new director.

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(II) QUESTIONS FROM SHAREHOLDERS

1. Can Management explain more on the order progress of medical devices and prospect of automotive going forward? What revenue percentage can these segments contribute to the Company?

The Company's response:

Currently, the Company is producing a medical device for hearing assistance as well as an automotive sub-assembly part. Moving forward, the Company is making efforts to increase the orders for these types of products. The Company however does not provide a revenue percentage for these segments due to confidentiality agreements with its customers.

2. Are the automotive segment orders based on purchase orders or contract-based? Low volume high-mix type?

The Company's response:

The automotive segment orders are currently purchase orders based with relatively mid-volume and low-mix.

3. When will the Company turn profitable and start to pay dividends?

The Company's response:

The Group anticipates achieving profitable results in FYE 2024, barring unforeseen circumstances. With numerous initiatives underway, the Group is looking forward to onboarding new customers and expand into new product segments.

The Group does have a dividend policy in place, and any dividend payout will depend on the Group's financial performance and cash flow position.

4. May I know the current order visibility? And normally how many months of forecast order does the customer typically provide?

The Company's response:

Order visibility is a highly variable concept. The customer would provide the Company with a rolling forecast between 6-12 months. However, this forecast is updated weekly as the order visibility may vary significantly in a month.

We have carefully planned with our customers to maintain order visibility.

APPENDIX B

SALUTICA BERHAD

(201201040303)

Eleventh Annual General Meeting

TIIH Online website at <https://tiih.online> or <https://tiih.com.my>

(Domain registration number with MYNIC: D1A282781)

On 24-November-2023 at 10:30AM

Result On Voting By Poll

Resolution(s)	Vote For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Ordinary Resolution 1	7,006,228	99.4153	41,208	0.5847	7,047,436	100.0000
Ordinary Resolution 2	227,741,428	99.9974	6,008	0.0026	227,747,436	100.0000
Ordinary Resolution 3	227,741,428	99.9974	6,008	0.0026	227,747,436	100.0000
Ordinary Resolution 4	227,743,028	99.9981	4,408	0.0019	227,747,436	100.0000
Ordinary Resolution 5	227,739,027	99.9963	8,409	0.0037	227,747,436	100.0000
Ordinary Resolution 6	227,741,428	99.9974	6,008	0.0026	227,747,436	100.0000
Ordinary Resolution 7	227,589,127	99.9305	158,309	0.0695	227,747,436	100.0000

