

BETAMEK BERHAD

Registration No. 202101041577 (1441877-P)

ANNUAL REPORT 2025

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Corporate Information

BOARD OF DIRECTORS

AHMAD SUBRI BIN ABDULLAH

Independent Non-Executive
Chairman

MIRZAN BIN MAHATHIR

Managing Director

MUHAMMAD FAUZI BIN ABD GHANI

Executive Director

AZLINA BINTI ABDUL AZIZ

Independent Non-Executive
Director

YAP SUAN SEE

Independent Non-Executive
Director

MOHD SHAHRIMAN BIN MOHD SIDEK

Independent Non-Executive
Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairperson

Azlina Binti Abdul Aziz

Members

Yap Suan See

Mohd Shahrman Bin Mohd Sidek

NOMINATION AND REMUNERATION COMMITTEE

Chairperson

Yap Suan See

Members

Azlina Binti Abdul Aziz

Mohd Shahrman Bin Mohd Sidek

REGISTERED OFFICE

Level 15-2
Bangunan Faber Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

Tel: 03-2692 4271
Fax: 03-2732 5388

HEAD OFFICE

Lot 137, Lingkaran Taman Industri
Integrasi Rawang 2, Taman Industri
Integrasi Rawang, 48000 Rawang
Selangor

Tel: 03-6094 2999
Fax: 03-6094 2901

CORPORATE WEBSITE

www.betamek.com.my

COMPANY SECRETARIES

Lim Seck Wah

(SSM PC No. 202008000054)
(MAICSA 0799845)

Kong Mei Kee

(SSM PC No. 202008002882)
(MAICSA 7039391)

AUDITORS

Grant Thornton Malaysia PLT

LLP0022494-LCA & AF 0737
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

Tel: 03-2692 4022
Fax: 03-2732 5119

SPONSOR

M & A Securities Sdn Bhd

Registration No. 197301001503 (15017-H)
45-11, The Boulevard, Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur

Tel: 03-2284 2911
Fax: 03-2284 2718

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd

Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya, Selangor

Tel: 03-7890 4700
Fax: 03-7890 4670
Email:
bsr.helpdesk@boardroomlimited.com

PRINCIPAL BANKERS

Maybank Islamic Berhad

HSBC Amanah Malaysia Berhad

STOCK EXCHANGE LISTING

ACE Market, Bursa Malaysia Securities Berhad

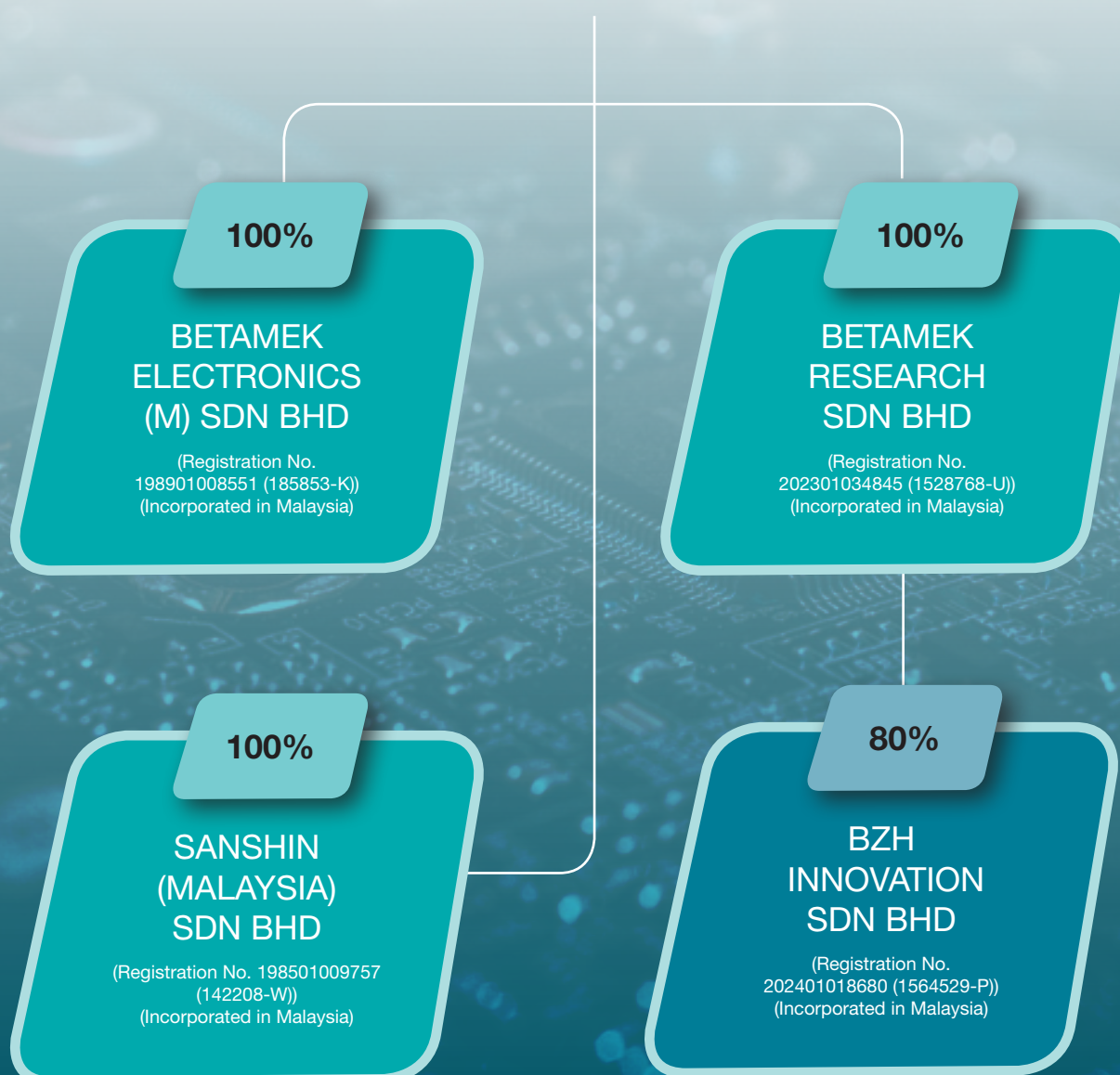
Stock Name : BETA
Stock Code : 0263
Sector: Industrial Products & Services
Listed on 26 October 2022

Corporate Structure



BETAMEK BETAMEK BERHAD

(Registration No. 202101041577 (1441877-P))
(Incorporated in Malaysia)



Company Profile



Betamek Berhad (“Betamek” or “Company”)

The Company was incorporated in Malaysia on 7 December 2021 under the Companies Act 2016 as a private limited company, originally known as Betamek Sdn Bhd. The Company transitioned to a public limited company on 18 March 2022, adopting its current name. On 26 October 2022, Betamek was officially listed on the ACE Market of Bursa Malaysia Securities Berhad.

Through our wholly-owned subsidiary, Betamek Electronics (M) Sdn Bhd (“BESB”), we deliver comprehensive electronics manufacturing services (“EMS”) for the automotive industry, with a strong focus on the Malaysian market. Our end-to-end capabilities include design and development (“D&D”), strategic procurement, advanced manufacturing and reliable after-sales support. We specialize in the assembly and production of fully-assembled automotive electronic products, catering to the evolving needs of major automotive brands.

In September 2023, Betamek Research Sdn Bhd (“BRSB”) was incorporated to be the research and development (“R&D”) arm for Betamek Group as the Group expanding its capabilities on R&D expertise. BRSB will take the initiatives to design and develop the product, enhance product quality and elevate the customer experience. These efforts will ensure superior service delivery and create opportunities to penetrate new markets by developing

innovative products tailored to diverse customer segments and industries.

Meanwhile, BZH Innovation Sdn Bhd (“BZH”) was incorporated in May 2024 following a joint venture and shareholders agreement signed with long-standing Chinese partner, Shenzhen Zhonghong Technology Co., Ltd (“SZH”) in which Betamek has been working together for the past 19 years. SZH brings extensive expertise in R&D and automotive technological innovation, making them a valuable partner in driving advancements in the products solutions. With this collaboration, BZH is aimed to explore market opportunities across the ASEAN region, driving business expansion and regional growth initiatives.

In June 2024, Betamek completed the acquisition of Sanshin Malaysia Sdn Bhd (“SMSB”) following the 100% takeover valued at RM13.4 million. SMSB has over 36 years of experience in contract electronics manufacturing services, producing diverse products for automotive, consumer and industrial. SMSB served diversified profile of customers mainly for export to major market in East Asia, Europe and America. The acquisition of SMSB has given an immediate access to the export market and thus diversifying the customer base for Betamek Group. It has also given the additional production capacity for the Group to expand its business for future growth.

Our Milestones

1989 - 1994

- Incorporation of BESB
- In 1990, commenced our manufacturing activities with the assembly of vehicle audio products
- In 1994, appointed by PERODUA to supply audio systems for PERODUA's Kancil models
- Entered into an agreement with Usahasama Proton-DRB Sdn Bhd to design, develop and manufacture vehicle radios with cassette players for Proton Satria models

1995

- Acquired land in Rawang and commenced building the Rawang factory

1996 - 1997

- In 1996, certified compliant to Quality Management System ISO 9002:1994 by SIRIM Berhad and MS ISO 9001:2000 by SIRIM QAS Sdn Bhd
- Commenced the D&D and manufacturing of vehicle radios for MBF Peugeot Sdn Bhd
- Commenced commercial operations in Rawang factory

2003 - 2018

- In 2003, commenced the D&D and manufacturing of vehicle radios for Naza Automotive Manufacturing Sdn Bhd
- Between the year of 2008 to 2018, BESB obtained ISO/TS 16949:2002 certification from SIRIM QAS International Sdn Bhd
- Granted pioneer status by MITI
- Certified compliant to ISO/TS 16949:2009 by SIRIM QAS International Sdn Bhd
- Certified compliant to IATF 16949:2016 by SIRIM QAS International Sdn Bhd

2019

- Expand manufacturing facility by upgrading the Rawang factory

2021 - 2022

- In 2021, BESB launched vehicle infotainment systems with our proprietary platform
- In 2022, Betamek listed on ACE Market, Bursa Malaysia Securities Berhad

2023

- Letter of appointment for supplying various electronics part for Perodua new car model on 14 February 2023
- Signed a solar power purchase agreement with Managepay Resources Sdn Bhd ("MRSB") and supply agreement renewable energy with Tenaga Nasional Berhad and MRSB on 6 April 2023
- BESB secured a contract of RM436.5 million with Perodua for the production of their latest car model on 24 July 2023
- Received a Silver Award for Malaysian Society for Occupational Safety and Health for Good Performance in 2022 on 16 November 2023

2024

- BRSB signed a joint venture and shareholders agreements with SZH to improve technology capabilities and keeping up with greater digitalization on 6 March 2024
- Betamek completed the acquisition of SMSB on 28 June 2024
- Received the prestigious award from PERODUA for the Best Overall Quality, Cost and Delivery for the second time
- Received a Platinum Award for Model Company of Shared Prosperity Organisation organized by Malaysia Productivity Corporation under the Sustainability Shared Prosperity Organisation Assessment ("SSPOA") recognition program
- Received a Gold Class Award for Malaysian Society for Occupational Safety and Health for Good Performance in 2024

2025

- Achieved Top Level 5 in a Supplier Competitiveness Assessment conducted by Malaysia Automotive Robotics and IoT Institute ("MARII")
- Launch new office building for R&D Centre

Media Highlights

Betamek completes RM13.4 million acquisition of Sanshin

The Sun - 1 July 2024

Betamek completes RM13.4 million acquisition of Sanshin

PETALING JAYA: Betamek Bhd, an original design manufacturer and a player in electronics manufacturing services for the automotive industry, has completed its acquisition of Sanshin (Malaysia) Sdn Bhd, an established player in the automotive electronics manufacturing sector.

As announced on April 1, Betamek is acquiring 100% equity interest in Sanshin for a cash consideration of RM13.4 million. The acquisition is valued at a price-to-earnings multiple of 10 times, based on the audited profit after tax of RM1.34 million for Sanshin, reflecting both the strategic value and the financial health of the acquired entity.

Sanshin is known for its expertise in manufacturing car audio and other electronics components, serving markets in Malaysia, Japan, Hong Kong and Thailand. The acquisition positions Sanshin as a wholly owned subsidiary of Betamek, significantly broadening Betamek's customer base and further cementing its market presence. The expanded clientele, coupled with a wider array of product offerings, reinforces Betamek's competitive edge and industry standing.



BETAMEK

Betamek executive director, Muhammad Fauzi Abd Ghani said that by integrating Sanshin's expertise and established market presence with its own, the group is poised to diversify its customer base and expand its product offerings. "This move aligns with our strategic vision to lead and innovate within the automotive electronics industry, driving forward the evolution of automotive electronics amidst a thriving market," he added.

The inclusion of Sanshin's established relationships with key automotive manufacturers in Japan, Hong Kong and Thailand will provide Betamek with immediate access to new markets and opportunities, facilitating smoother entry and fostering stronger, long-term partnerships. Additionally, Sanshin's expertise in car audio systems and electronic components complements Betamek's existing product lines, allowing for a more comprehensive and diversified portfolio to meet the evolving demands of global automotive manufacturers.

Betamek finalises acquisition of Sanshin

The Borneo Post Sarawak - 1 July 2024

Betamek finalises acquisition of Sanshin

KUALA LUMPUR: Betamek Berhad (Betamek), an original design manufacturer (ODM) and a leading player in electronics manufacturing services (EMS) for the automotive industry, is pleased to announce the completion of its acquisition of Sanshin (Malaysia) Sdn Bhd (Sanshin), an established player in the automotive electronics manufacturing sector.



Muhammad Fauzi Abd Ghani

As announced on 1 April 2024, the agreement secures a 100 per cent equity interest in Sanshin for Betamek, with a cash consideration set at RM13.4 million.

This acquisition is valued at a price-to-earnings multiple of 10 times, based on the audited profit after tax of RM1.34 million for Sanshin, reflecting both the strategic value and the financial health of the acquired entity.

Sanshin, established as TWD Sanshin (Malaysia) Sdn Bhd in 1985 and later renamed, is renowned for its expertise in manufacturing car audio and other electronics components, serving markets in Malaysia, Japan, Hong Kong, and Thailand.

This acquisition positions Sanshin as a wholly-owned subsidiary of Betamek, significantly broadening Betamek's customer base and further cementing its market presence. The expanded clientele, coupled with a wider array of product offerings, reinforces Betamek's competitive edge and industry standing.

Muhammad Fauzi Abd Ghani, executive director of Betamek commented, "The completion of this acquisition marks a pivotal moment for Betamek. By integrating Sanshin's expertise and established market presence with our own, we are poised to diversify our customer base and expand our product offerings. This move aligns with our strategic vision to lead and innovate within the automotive electronics industry, driving forward the evolution of automotive electronics amidst a thriving market."

The inclusion of Sanshin's established relationships with key automotive manufacturers in Japan, Hong Kong, and Thailand will provide Betamek with immediate access to new markets and opportunities, facilitating smoother entry and fostering stronger, long-term partnerships. Additionally, Sanshin's expertise in the car audio systems and electronics components complements Betamek's existing product lines, allowing for a more comprehensive and diversified portfolio to meet the evolving demands of global automotive manufacturers.

Betamek optimistic about prospects in FY24

The Sun - 26 July 2024

Betamek optimistic about prospects in FY24

KUALA LUMPUR: Betamek Bhd is optimistic about its prospects for its current financial year, which it said is supported by a robust domestic economy and sustained demand in the automotive market.

In a statement, the electronics manufacturing services provider said it is ready to support the increased demand for electronic components in electric vehicles as the market share in Malaysia continues to grow.

In the first financial quarter ended June 30, 2024, Betamek posted a net profit of RM4.88mil, as compared to a net profit of RM4.79mil, on revenue of RM49.97mil against RM43.45mil in the year-ago quarter.

Earnings per share rose to 1.08 sen from 1.06 sen in the comparative quarter.

The board of directors declared an interim dividend of one sen per share, payable on Aug 23, 2024.

MALAYSIA is taking significant steps

The Malaysian Reserve - 9 September 2024

MALAYSIA is taking significant steps to position itself as a leader in artificial intelligence (AI) in the region, with plans to establish a National AI Office by November. The announcement by **Digital Minister Gobind Singh Deo** on Sept 5 followed a Cabinet decision two weeks ago, where the proposal to set up the office was approved.

BANK Negara Malaysia maintained the **Overnight Policy Rate** at 3%, following its **Monetary Policy Committee** meeting. The decision reflects confidence in the country's steady economic performance and a positive outlook for growth and inflation.

THE recent **Cabinet** meeting gave approval for **Malaysia** to officially negotiate with the **European Union (EU)** to conclude a free trade agreement. **Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz** said. He added that the government will ensure the negotiations will provide a "win-win situation" for the EU and Malaysia.

MAGNI-TECH Industries Bhd reported a 36.4% increase in net profit to RM44.64 million for its first quarter ended July 31, 2024, from RM32.73 million a year earlier, on the back of a higher revenue across its business segments.

DATAPREP Holdings Bhd has signed a memorandum of collaboration with Indonesian firm **PT Dua Empat Tuluh**, focusing on the development of data centres, big data, artificial intelligence, Internet of Things and sensor technology. The partnership aims to advance ICT solutions across various sectors including security, disaster management and healthcare.

THE **International Islamic Liquidity Management Corp** has successfully reissued

a total of US\$990 million (RM4.29 billion) in short-term sukuk across three different tenors: One month, three months and six months. The issuance was priced competitively, with the one-month tenor sukuk valued at US\$330 million, offering a yield of 5.35%.

THE **Online Safety Bill**, which is expected to be tabled in the Dewan Rakyat in October, is comprehensive and takes into account cyber crimes that may occur in the future. **Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi** said the new act was enacted in the interests of all Malaysians, especially children who use the Internet as a medium of daily communication.

FERTILITY care specialist, **Alpha IVF Group Bhd**, is expanding its presence in South-East Asia by establishing a full-fledged in-vitro fertilisation centre in Manila, Philippines. This marks the group's second overseas venture, following the successful launch of a centre in Singapore in 2019. The new centre, set to open in early 2025, aims to serve the 115 million population in the Philippines.

BETAMEK Bhd has entered into a research collaboration with **Universiti Teknologi PETRONAS** to develop "SafeSync360", an advanced infotainment system with child safety features. The project aims to enhance automotive safety by integrating cutting-edge technology that prioritises the protection of children while providing engaging content.

99 SPEED Mart Retail Holdings Bhd reported a 66.3% increase in its second quarter net profit for financial year 2024. The net profit for the quarter ended June 30, 2024 (2Q24), surged to RM125.53 million, up from RM75.49 million in 2Q23, driven by higher sales from an expanding network of outlets and increased other operating income.

Media Highlights (Cont'd)

Perodua unveil advanced telematics system

The Sun, General - 23 October 2024

Betamek, Perodua unveil advanced telematics system

Features seamless OTA updates, allowing vehicles to receive enhancements without service centre visits

KUALA LUMPUR: Betamek Bhd, an original design manufacturer and a player in electronics manufacturing services (EMS) for the automotive industry, showcased its advanced telematics system co-developed with Perodua featuring seamless over-the-air (OTA) software updates - enabling vehicles to receive the latest enhancements without needing physical service centre visits - at the Daihatsu Motor Co Ltd exhibition Osaka, Japan yesterday.

The advanced telematics system ensures that the vehicle's systems remain optimised and up-to-date, improving both performance and user convenience.

Betamek executive director Muhammad Fauzi Abd Ghani said, "Our telematics solutions provide vehicle owners with unprecedented control and connectivity. From remote vehicle management to real-

time tracking, these innovations enhance safety, convenience, and performance. The ability to receive updates wirelessly through OTA technology ensures vehicles remain at the cutting edge without any hassle."

The telematics solution also offers remote vehicle control, allowing drivers to manage essential vehicle functions such as locking and unlocking doors, starting the engine, and adjusting air conditioning directly from their smartphone application. Real-time tracking and geofencing add security by enabling owners to monitor vehicle locations and set virtual boundaries with alerts if the vehicle moves outside the area.

In the event of a collision, accident alerts and the E-Call system automatically notifies emergency services and designated family members, ensuring timely assistance. Betamek's telematics system also supports

smart charging management for electric vehicles, allowing users to schedule charging, locate stations, and monitor charging status - addressing the growing needs of the evolving automotive market.

Muhammad Fauzi said, "Our participation in the DMC exhibition with Perodua highlights our unwavering commitment to advancing automotive technology. By developing and showcasing these cutting-edge telematics solutions, we are setting a new benchmark in vehicle intelligence and connectivity, offering drivers not only a more convenient experience but also essential safety features."

The collaboration between Betamek and Perodua continues to drive significant advancements in the automotive industry. The introduction of this telematics system marks another milestone in their shared journey toward creating smarter, more integrated automotive solutions. As the automotive industry moves towards smarter, more connected vehicles, Betamek and Perodua remain at the forefront of this transformation.

Telematics solutions

The Star - 26 October 2024

3. Telematics solutions

(From left) Betamek Bhd chief business officer Ahmad Rizan Ibrahim, chief technology officer Safuan Yusoff, Sanshin (M) Sdn Bhd managing director Murakami, Betamek research and development head Tan Meng Han and business development manager Shahriman Haniff showcasing telematics solutions at the Daihatsu Motor Co Ltd exhibition in Osaka, Japan.



Betamek bets on diversification for growth

The Edge, General - 2 December 2024

Betamek bets on diversification for growth

BY HAN FARHANA ZAHID

Electronics manufacturing services (EMS) firm Betamek Bhd (KLSE:BTAK), known for producing electronic parts for Persepolis Otomobil Kaisha Sdn Bhd (Perodua), has started its diversification journey to achieve sustainable margins with a recent acquisition.

In an interview with The Edge, Betamek group managing director Mirzan Mohd Zain says diversification has always been the company's goal since its initial public offering (IPO) to achieve stable margins. Its net profit margin for the financial year ended March 31, 2024 (FY2024) came in higher at 9%, compared with 10% in FY2023.

"Diversification is important, but we also need to make sure we have good and strong business case when bridging new clients," he says, adding that the company does not want to start a price war that could impact its margins.

In July, Betamek completed the acquisition of Sanshin (Malaysia) Sdn Bhd, which has a manufacturing plant in Sungai Petani, Kedah, for RM15.4 million. Previously owned by Tokyo-based Outsourcing Inc., Sanshin manufactures car stereo and other electronic components for its markets in Malaysia, Japan, Hong Kong and Thailand.

Mirzan expects Sanshin to contribute about 20% to 30% to the company's revenue in the next three years.

"We are currently putting in the system that we have developed at Betamek at the manufacturing plant in Sungai Petani. It's already a running plant and the company we acquired has clients in the consumer electronics segment," he says.

Founded more than 32 years ago, Betamek produced car audio systems for its export markets, mainly the US. Mirzan emerged as a major shareholder of the company in the early 1990s, around the time when Perodua started in 1993. He currently owns a 70.9% stake in Betamek via Iskandar Holdings Sdn Bhd.

"The first project we won from Perodua was for its first Karisma model at the time. Our business model was to bring new technology that was not in luxury brands at affordable rates, which was in line with Perodua's intention to differentiate itself by having an affordable car. So we introduced MP3 and Bluetooth functions and solar panel to reduce loan instalment to buyers," says Mirzan.

For the first half ended Sept 30, 2024 (H1FY2025), Betamek posted a 20% jump in net profit to RM13.36 million from RM10.46 million. In FY2024, its net earnings grew 2% to RM20.02 million from RM19.47 million as



Diversification is important, but we also need to make sure we have a good and strong business case when bridging new clients."

— Mirzan

year earlier. The expansion to its bottom line was attributed to the strong sales of Perodua cars over the past two years, as 80% of its business is from the national car maker.

In the first half of 2024, Perodua sold 169,469 vehicles, a 17.4% jump from 144,000 units in the previous corresponding period. Last year was another record year for the automotive company as it sold 130,520 units, up 17.1% from 111,459 in 2022. Some 190,291 units were sold in 2023.

Lacklustre share price performance

The concentration risk from having a single client could be a key factor in Betamek's poor share price performance since April last year, despite its growing earnings. It was listed on the ACE Market of Bursa Malaysia in October 2012. The stock had declined 12% from its IPO price of 50 sen to close last Thursday at 44 sen, giving the company a market capitalisation of RM199.45 million.

The shares were trading at a 10-month trailing price earnings ratio (PER) of 6.0 times, lower than that of its peer group of KLSE:POCA at 18.1 times, but higher than that of PMA Automotive Holdings (KLSE:APM) at 7.62 times.

Last year, Betamek explored diversifying into the healthcare and medical device sector. But Mirzan says it will take some time, perhaps three to five years, before the company goes into the sector.

"We were looking at niche [areas] where we can maintain our margins, [and] being

a general kind of EMS company will basically drive margins down. But before we venture into a new area, we have to learn about it. It's not like we can transfer all the skills that we have in one sector [to another]," he adds.

Betamek set up a research and development team last year to support its diversification efforts.

"To be able, we need to be able to develop new products that are competitive and we need to offer something different to the market. We always say we want to compete on value and I think that's a better proposition for us and the clients," he says.

Automotive remains its core segment

Betamek is still focusing on the automotive sector, especially with the increasing adoption of electric vehicles (EVs).

Naturally, Perodua is expected to launch its first EV model priced below RM100,000 before the end of next year. Mirzan adds that the company is working closely with the car maker on the model, but was right-lipped on the areas of cooperation.

He reckons that adoption of EVs is a boon for Betamek as they require more electronic components. Having said that, he points out that the internal combustion engine (ICE) cars are also seeing an increase in electronic components.

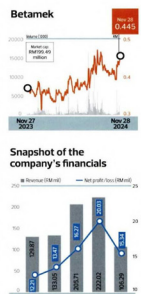
In October, the company announced that its telematics system, which it co-developed with Perodua, can be used for both ICE and EVs. The telematics system offers a wide range of smart features, including remote control via a smartphone application.

Mirzan says Betamek has been collaborating with Perodua as well as Japanese maker Daihatsu to develop new products for the national car maker.

In July last year, Betamek secured a RM40.1-million contract to supply various electronics parts for Perodua's new car model. The model has yet to be officially announced and the contract is expected to commence in Q4FY2025.

Mirzan points out that Betamek is in talks with other car makers to offer its services, especially newcomers to the Malaysian market, although nothing has been formed up yet.

"When new vendors come in, there will be new models. It really depends on when those models will be introduced, so it is a long process," he says.



Betamek has been collaborating with Perodua as well as Japanese maker Daihatsu to develop new products for the national car maker.

Betamek appoints Shahrel Mohd Zain as new COO

The Star - 10 December 2024

Betamek appoints Shahrel Mohd Zain as new COO

PETALING JAYA: Betamek Bhd has appointed Shahrel Mohd Zain as its new chief operating officer (COO), effective yesterday.

In a statement, Betamek said Shahrel will lead the company's operational strategies, focusing on advancing manufacturing efficiency, integrating technological innovations, and supporting its expansion in the rapidly evolving automotive-electronics sector.

The company said Shahrel, a graduate with a Bachelor of Science in Physics from Rutgers University in the United States, would leverage his strong academic foundation and practical experience to drive high-impact operational improvements.

"We are excited to welcome Shahrel to Betamek as our COO. His extensive background in engineering and operations,

gained from working with leading semiconductor companies, aligns perfectly with Betamek's vision to embrace innovation and drive operational excellence.

"Shahrel's expertise will be critical as we scale our manufacturing capabilities to meet the increasing demands of the automotive electronics market," Betamek executive director Muhammad Fauzi Abd Ghani said.

Media Highlights (Cont'd)

Betamek unit hits top level in Marii's SCL assessment

The Sun, General - 20 January 2025

Betamek unit hits top level in MARIi's SCL assessment

PETALING JAYA: Betamek Bhd, an original design manufacturer and a player in electronics manufacturing services for the automotive industry, announced that wholly owned subsidiary Betamek Electronics (M) Sdn Bhd has achieved Level 5, the highest rating in the Supplier Competitiveness Level (SCL) assessment conducted by the Malaysia Automotive Robotics and IoT Institute (MARIi).

The SCL assessment by MARIi is a comprehensive evaluation designed to measure a company's competitiveness in several critical areas, such as management, leadership, technology investment, safety, and quality. Achieving Level 5 is a testament to Betamek Electronics' capabilities and commitment to maintaining high standards in key areas essential for competitiveness in the global market. This rating places Betamek Electronics above the Malaysian average and aligns it with global best practices.

By achieving Level 5, Betamek Electronics has demonstrated strong performance across all evaluated areas, including management and leadership, design and product development, prototype testing, and manufacturing for both domestic and export markets. This accomplishment reflects the company's commitment to excellence and its strategic direction toward maintaining a competitive edge in the automotive electronics industry.

Betamek executive director Muhammad Fauzi Abd Ghani commented: "We are honoured to receive this recognition from MARIi. Achieving Level 5 in the SCL assessment reflects the hard work and dedication of our team. This accomplishment underlines our commitment to maintaining high standards in the automotive electronics industry."



MARIi CEO Azrul Raza Aziz (left) presenting the Level 5 SCL certificate to Muhammad Fauzi.

He added, "Our performance in the SCL assessment demonstrates our ability to meet both Malaysian and global standards. We will continue to focus on enhancing our operations and strategies to remain competitive in the global market."

MARIi operates under the Ministry of Investment, Trade and Industry, focusing on Malaysia's automotive industry. As the industry's focal point and coordination centre, MARIi plays a pivotal role in enhancing com-

petitiveness through strategic policy research and specialised technology programmes in advanced design, smart manufacturing, data sciences, intelligent transport systems, and mobility-as-a-service.

MARIi's initiatives aim to empower Malaysian businesses by accelerating technology adoption, igniting innovation and elevating the capabilities of all automotive stakeholders and ecosystems through technology, human capital, supply chain, market outreach and after-sales.

R&D teras pertumbuhan, bukan lagi sekadar pilihan

Berita Harian - 4 March 2025

R&D teras pertumbuhan, bukan lagi sekadar pilihan

Penyelidikan dan pembangunan (R&D) bukan lagi sekadar pilihan dalam perniagaan, sebaliknya menjadi keperluan strategik negara bagi menghadapi perubahan global yang pesat, kata Menteri Perdagangan, Perindustrian dan Industri, Tengku Datuk Seri Zafrul Tengku Abdul Aziz.

Beliau berkata, landscape industri kini mengalami transformasi drastik didorong gangguan teknologi, kemunculan model ekonomi baharu serta persaingan global yang semakin sengit. Justeru, R&D dan inovasi berkesan industri menjadi teras dasar pertumbuhan negara seperti Dasar Autonomi Nasional (NAP) 2020 dan Peta Jalan Perindustrian Baharu 2020 (NDMP 2020).

"Malaysia bertaraf untuk berkembang daripada sekadar pengeluar barang kepada pencipta nilai, pemegang harta intelek dan inovasi yang mampu bersaing di peringkat global," katanya.

Menurut Tengku Zafrul, NDMP 2020 meramalkan penubuhan industri secara menyeluruh, manakala NAP 2020 memberi tumpuan kepada autonomi perdagangan Malaysia sebagai hub eksport automotif antarabangsa.

Komentarnya juga menekankan pertumbuhan teknologi, inovasi dan pengetahuan inovatif dalam sektor automotif. Beliau berkata, perniagaan ini bukan sekadar pilihan, ia adalah keperluan untuk kekal relevan dalam pasaran global.



Tengku Zafrul menandatangani perjanjian R&D Center bersama Betamek.

"Selaras dengan misi plan perindustrian negara seperti inisiatif autonomi perdagangan, R&D dan inovasi berkesan industri menjadi teras dasar pertumbuhan negara seperti Dasar Autonomi Nasional (NAP) 2020 dan Peta Jalan Perindustrian Baharu 2020 (NDMP 2020)."

"Menerusi dasar negara, industri automotif Malaysia ialah bertekad untuk berbalik perniagaan global bagi penyelesaian e-mobiliti dan kini sedang melakukan transformasi bagi memperkukuh rantai bekalan serta proses pembuatan."

"Kita mahu syarikat teknologi bukan sahaja mengambil bahagian dalam rantaian global, tetapi turut meminati pasaran semesta dalam bidang seperti teknologi mobiliti pintar dan rekabentuk," katanya.

Ministry to continue industrial reform policies

New Straits Times - 4 March 2025

ENHANCING MALAYSIA'S APPEAL

Ministry to continue industrial reform policies

RAWANG: The Investment, Trade and Industry Ministry, through the Malaysian Investment Development Authority, will continue advancing industrial reform policies to enhance Malaysia's appeal as a prime investment destination.

Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz said Southeast Asia has attracted investments in various sectors, including automotive, electronics, mining and services.

In the third quarter of 2024, Malaysia, along with Indonesia, the Philippines, Thailand and Vietnam, experienced an increase in foreign direct investment inflows.

Tengku Zafrul noted the importance of patience in building a strong industrial base, saying that such a foundation cannot be established overnight.

"To that end, the New Industrial Master Plan is prioritising tech- and knowledge-driven growth by attracting the right investments, promoting more research and development (R&D) in Malaysia, and deepening our collaboration with global partners," he said at the opening of Betamek Bhd's R&D centre yesterday.

Tengku Zafrul said in line with Malaysia's industrial plan objectives, various initiatives have been



Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz (right) opening Betamek Bhd's research and development centre yesterday. BERNAMA PIC

implemented to position the country as a key player in the global supply chain for advanced industries.

"Our goal is clear, to develop a more vibrant, resilient and future-ready Malaysian economy by 2030," he added.

Betamek is an original design manufacturer and offers electronics manufacturing services to the automotive industry.

The R&D centre marks a significant milestone in the company's commitment to enhancing innova-

tion and advancing next-generation automotive technology."

Chairman Ahmad Subri Abdullah said the R&D centre will be instrumental in developing advanced driver assistance systems, vehicle connectivity solutions and smart cockpit technologies.

"The facility is expected to enhance Malaysia's ability to develop homegrown automotive innovations, ensuring domestic players remain competitive in a rapidly evolving global market."

Betamek intai Thailand, Vietnam bagi potensi kerjasama dalam sektor automotif

Utusan Malaysia - 10 March 2025

KUALA LUMPUR: Betamek Bhd, sebuah pengeluar elektronik automotif, mengesahkan bahawa ia sedang berunding dengan pihak berkuasa Thailand dan Vietnam untuk mewujudkan pusat penyelidikan dan pembangunan (R&D) bersama.

Pengarah Urusan, Menteri, Mahadir berkata, perniagaan ini merupakan langkah pertama dalam mewujudkan pusat penyelidikan dan pembangunan (R&D) bersama.

"Kita mahu melihat potensi untuk mewujudkan pusat penyelidikan dan pembangunan (R&D) bersama dengan Thailand dan Vietnam untuk meningkatkan daya saing industri automotif kita," katanya.

"Kami telah menandatangani perjanjian dengan pihak berkuasa Thailand dan Vietnam untuk mewujudkan pusat penyelidikan dan pembangunan (R&D) bersama."

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Tengku Zafrul Tengku Abdul Aziz (right) berucap pada majlis pembukaan R&D Center bersama Betamek. BERNAMA PIC

Tengku Zafrul berkata, R&D Center ini akan menjadi pusat penyelidikan dan pembangunan (R&D) bersama antara Betamek Bhd dan pihak berkuasa Thailand dan Vietnam. Beliau berkata, R&D Center ini akan menjadi pusat penyelidikan dan pembangunan (R&D) bersama antara Betamek Bhd dan pihak berkuasa Thailand dan Vietnam.

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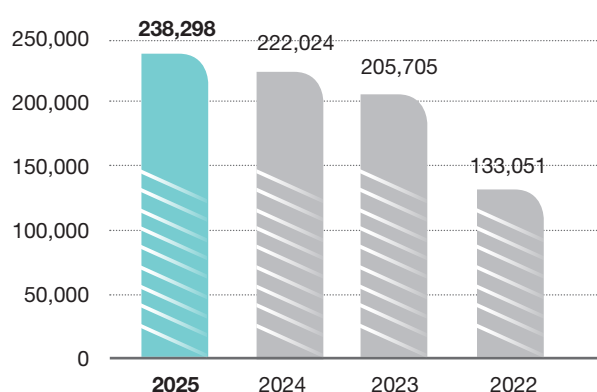
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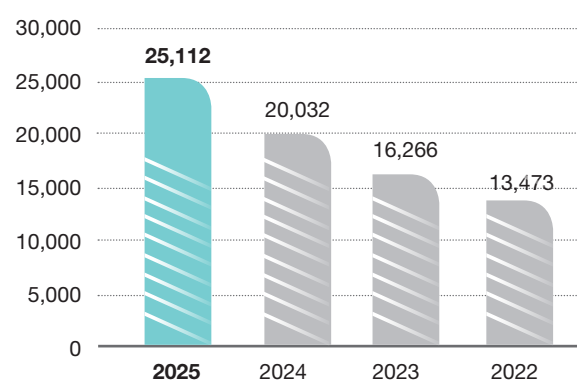
Financial Highlights

	FY2025 RM'000	FY2024 RM'000	FY2023 RM'000	FY2022 RM'000
Financial Result				
Revenue	238,298	222,024	205,705	133,051
Gross Profit	37,557	35,451	36,445	24,531
Profit Before Taxation	31,974	26,396	22,422	17,317
Profit After Taxation	25,112	20,032	16,266	13,473
Financial Position				
Shareholders' Funds	149,547	143,222	136,690	93,434
Total Assets	193,423	181,336	175,857	141,214
Net Current Assets	97,488	106,047	108,949	71,920
Total Borrowings	9,730	11,156	13,421	31,311
Cash and Cash Equivalents	59,380	50,765	54,967	15,881
Earnings per share (sen)	5.58	4.45	3.61	2.99

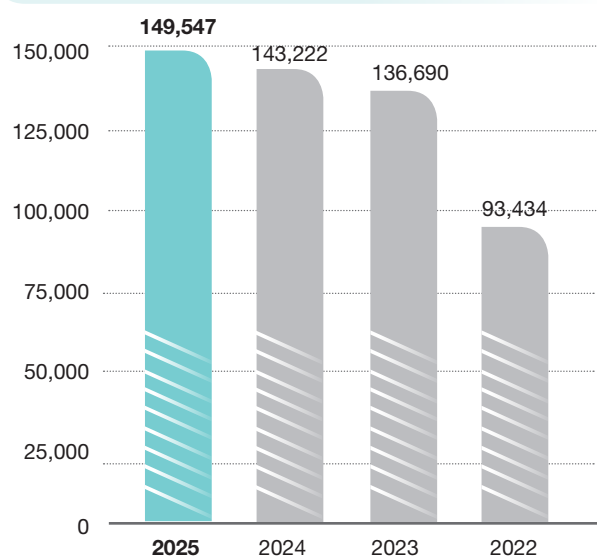
REVENUE (RM'000)



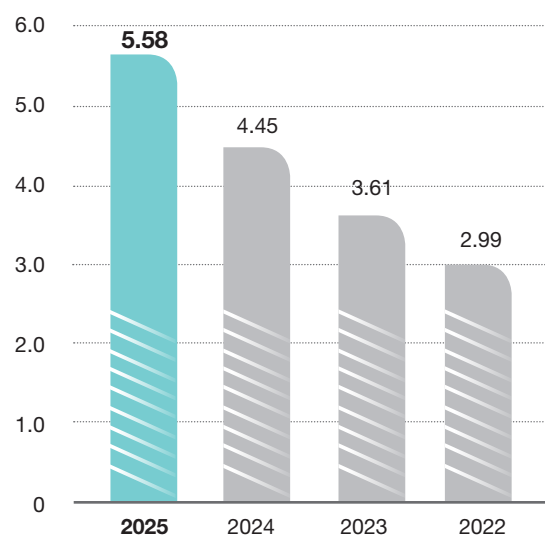
PROFIT AFTER TAXATION (RM'000)



SHAREHOLDERS' FUNDS (RM'000)



EARNINGS PER SHARE (sen)



Board of Directors



Standing from left to right:

Muhammad Fauzi Bin Abd Ghani
Yap Suan See
Mohd Shahrman Bin Mohd Sidek
Ahmad Subri Bin Abdullah (seated)
Mirzan Bin Mahathir
Azlina Binti Abdul Aziz

Board of Directors' Profile



AHMAD SUBRI BIN ABDULLAH
("AHMAD SUBRI")

Independent Non-Executive Chairman

Aged 75 / Male / Malaysian

Ahmad Subri was appointed as our Independent Non-Executive Chairman on 13 June 2022.

He is a Chartered Insurer, Fellow of the Chartered Insurance Institute, UK and Fellow of the Malaysian Insurance Institute. He brings with him over 40 years of experience in the insurance, reinsurance and financial services industry having served in various capacity in England, Singapore and Malaysia. He has served as CEO for over 20 years in a number of leading Malaysian Insurance Groups.

Currently, Ahmad Subri is the Director and Advisor to a number of public and private companies in Malaysia and Singapore including Berjaya Sompo Insurance Berhad and Malaysian Life Reinsurance Group Berhad.

He does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Group. He attended all of the four (4) Board meetings held during the financial year ended 31 March 2025 and has had no convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.



MIRZAN BIN MAHATHIR ("MIRZAN")

Managing Director

Aged 66 / Male / Malaysian

Mirzan was appointed to the Board on 7 December 2021 and subsequently appointed as the Managing Director of the Company on 2 January 2022. He is responsible for the overall strategy and business direction of our Group.

He graduated with a Bachelor of Science (Honours) degree in Computer Science from Brighton Polytechnic, UK in 1982 and obtained his Master's degree in Business Administration from The Wharton School of the University of Pennsylvania, USA in 1987.

He has vast experience of more than 30 years working with international firms and became entrepreneur for several private and public companies and sits on as Chairman and Directors of those companies.

He is currently a Non-Independent Non-Executive Chairman of Aurora Italia International Berhad, a company which is listed on the LEAP Market of Bursa Securities and a Non-Executive Director of Petron Corporation, a company listed on the Philippine Stock Exchange.

Mirzan is deemed to be a major shareholder of the Company through his direct interest shareholding in Iskandar Holdings Sdn. Bhd., a major shareholder which holds 70.64% equity in the Company. He does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Group. He attended all of the four (4) Board meetings held during the financial year ended 31 March 2025 and has had no convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Board of Directors' Profile (Cont'd)



MUHAMMAD FAUZI BIN ABD GHANI
("MUHAMMAD FAUZI")

Executive Director

Aged 63 / Male / Malaysian

Muhammad Fauzi was appointed to the Board on 7 December 2021 as Executive Director. Muhammad Fauzi graduated with a Bachelor of Commerce from the University of Western Australia, Australia in 1984. In 1989, he obtained his Diploma in System Analysis from the MARA Institute of Technology. In 1994, he obtained his Master of Business Administration from Ohio University, USA.

Muhammad Fauzi has been a member of the Malaysian Institute of Certified Public Accountants (MICPA) since 1990 and a member of the Malaysian Institute of Accountants (MIA) since 1987.

He has with him more than 30 years of in-depth knowledge and experience in finance, strategy, taxation and information technology in several listed company in Malaysia and overseas. He has also been involved with many corporate exercises and fund-raising activities for the companies he worked previously.

He does not hold any directorship in public companies and listed issuers, does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Group. He attended all of the four (4) Board meetings held during the financial year ended 31 March 2025 and has had no convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.



AZLINA BINTI ABDUL AZIZ
("AZLINA")

Independent Non-Executive Director

Aged 63 / Female / Malaysian

Azlina was appointed as the Independent Non-Executive Director of the Company on 13 June 2022. She also serves as the Chairperson of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

Azlina graduated with a Bachelor of Business (major in Accounting) from the Western Australian College of Advanced Education (presently known as Edith Cowan University), Australia in 1985. In 2002, she obtained her Master of Business Administration from Aston University, UK. She has been a Member of the Malaysian Institute of Accountants (MIA) and Fellow of Certified Practising Accountant (CPA) Australia and since 1994 and 2012, respectively.

Azlina has accumulated experience spanning across more than three decades in the field of finance and accounting. She commenced her career with KK Properties Sdn Bhd in 1985 as an Accountant. She subsequently gained further experience having worked at different companies across the telecommunications, highway concessionaires and information technology, serving in various roles within finance and accounting.

She does not hold any directorship in public companies and listed issuers, does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Group. She attended all of the four (4) Board meetings held during the financial year ended 31 March 2025 and has had no convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Board of Directors' Profile (Cont'd)

**YAP SUAN SEE**

Independent Non-Executive Director

Aged 58 / Female / Malaysian

Yap Suan See was appointed as the Independent Non-Executive Director of the Company on 15 March 2022. She also serves as the Chairperson of the Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee.

Yap Suan See graduated with her Bachelor of Science in Business Administration from Winona State University, Minnesota, USA in 1990. In 2004, she was certified in Production and Inventory Management (CPIM) by the American Production and Inventory Control Society (APICS) (currently known as the Association for Supply Chain Management (ASCM)). In 2008, she obtained her Master of Engineering, Manufacturing Management from the University of South Australia, Australia.

Yap Suan See has in-depth knowledge and experience in production and manufacturing activities, having dedicated more than 30 years of her professional life in the industry. She commenced her career with Applied Magnetics Sdn Bhd as a Quality Engineer. She went on to serve in several companies within the industry and rose to the rank of Managing Director of Finisar Malaysia Sdn Bhd (currently known as II-VI Malaysia Advanced Manufacturing Center Sdn Bhd). Her last role before she left in July 2022 was as a Consultant for the company. She is currently working with AT&S Austria Technologies & Systemtechnik (Malaysia) Sdn Bhd as a Senior Vice President since October 2024.

She does not hold any directorship in public companies and listed issuers, does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Group. She attended all of the four (4) Board meetings held during the financial year ended 31 March 2025 and has had no convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

**MOHD SHAHRIMAN BIN MOHD
SIDEK ("MOHD SHAHRIMAN")**

Independent Non-Executive Director

Aged 61 / Male / Malaysian

Mohd Shahrیمان was appointed as the Independent Non-Executive Director of the Company on 27 January 2022. He also serves as a member of the Audit and Risk Management Committee and Nomination and Remuneration Committee.

Mohd Shahrیمان obtained his Diploma in Architecture from the MARA Institute of Technology in 1987. In 1990, he graduated with a Bachelor of Arts (Honours) in Architectural Studies from Oxford Polytechnic, UK (presently known as Oxford Brookes University, UK). In 1992, he obtained his Post Graduate Diploma in Architecture and Urban Design from Oxford Polytechnic, UK.

He has over 30 years working experience at several corporations, holding various positions in various fields in Malaysia and overseas. He began his career with the Halcrow Group, UK and worked in UK, Asia and the Middle East in the architecture fields. He was subsequently focused on digital media and technology and set up several companies in this industry.

In recent years, he has served as the CEO of MSA Resources, a digital infrastructure group and HATI International, a healthcare technology group. He has also served as the VP of CREST (Collaborative Research in Engineering, Science & Technology). He is currently the Regional Director of International Data Center Authority, USA; a panel mentor to International Construction Industry Incubation Alliance of Shenyang Jianzhu University (China) and an advisor to several technology companies.

He does not have any family relationship with any director and/or major shareholder of the Company and has no conflict of interest with the Group. He attended all of the four (4) Board meetings held during the financial year ended 31 March 2025 and has had no convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Key Senior Management's Profile



NOR' AZRIN BIN NUSI
("NOR' AZRIN")

Chief Financial Officer

Aged 51 / Male / Malaysian

Nor' Azrin first joined BESB as the Chief Financial Officer on 16 August 2021, a position he holds till today. He is responsible for overseeing the Group's day-to-day financial matters, including financial reporting, treasury, taxation and budget planning, as well as human resource matters.

Nor' Azrin graduated with a Bachelor of Arts (Hons) in Accounting and Management Control from Sheffield Hallam University, UK in 1996. In 2012, he obtained a Master of Business Administration from the Universiti Kebangsaan Malaysia (UKM) Graduate School of Business.

Nor' Azrin has been a Member of the Malaysian Institute of Accountants (MIA) since 1999, and a Member and Fellow Member of the Association of Chartered Certified Accountants (ACCA) since 1999 and 2004, respectively.

He brings with him 29 years of working experience in finance and accounting. He has served in few public listed companies involved in property development, constructions, plantation and agricultural activities, serving various roles within finance and accounting.



SHAHREL BIN MOHD ZAIN
("SHAHREL")

Chief Operation Officer

Aged 56 / Male / Malaysian

Shahrel first joined BESB as the Chief Operating Officer on 9 December 2024, a position he holds till today. He is responsible to lead the Company's operational strategies, focusing on advancing manufacturing efficiency, integrating technological innovations and supporting Betamek's expansion in the rapidly evolving automotive electronics sector.

Shahrel graduated with a Bachelor of Science in Physics from Rutgers, The State University of New Jersey, United States of America. He combined his academic foundation with practical experience to deliver high impact operational improvements. His career was defined by a commitment to fostering technological advancements and achieving excellence in production.

He has more than 30 years of extensive experience especially in engineering, manufacturing, factory automation and operational leadership across prominent multinational corporations in the semiconductor and electronics industries.

Key Senior Management's Profile (Cont'd)



SAFUAN BIN YUSOF
("SAFUAN")

Chief Technology Officer

Aged 57 / Male / Malaysian

Safuan first joined BESB as the Chief Technology Officer on 16 March 2023, a position he holds till today. He is responsible for overseeing the research & development department, information technology infrastructure & deployment and digital transformation for the Group.

Safuan graduated in MPhil of Computer Speech and Language Processing from Cambridge University in 1993, and BEng (Hons) in Information System Engineering from Surrey University in 1991.

He has more than 30 years of experience in technology especially business process, data management and project management with oil & gas, petrochemical, manufacturing, logistics, government, consulting and automotive companies.



LEE CHONG YEE

Chief Corporate Development Officer

Aged 53 / Male / Malaysian

Lee Chong Yee joined BESB as the Chief Corporate Development Officer on 18 March 2025. He is responsible for identifying and evaluating corporate development and investment opportunities supporting the growth direction of the Company. He is focusing on identifying and evaluating potential opportunities on strategic partnerships, acquisitions and divestitures, as well as driving the execution of strategies and transactions.

He graduated with a Bachelor of Economics (Hons) in Analytical Economics from University of Malaya in 1996.

He has over 25 years of working experience especially in information technology services, plantation and petrochemical industry across the functions of information analysis, corporate planning, corporate finance, execution and transformation programme.

Key Senior Management's Profile (Cont'd)



TAY YOKE THENG

Senior General Manager and
Head of Procurement and
Administration

54 / Female / Malaysian

Tay Yoke Theng is the Senior General Manager and Head of Procurement and Administration. She is responsible for overseeing the Group's purchasing and administrative matters.

Tay Yoke Theng completed her Malaysian Higher School Certificate at Sekolah Menengah Kebangsaan Maxwell, Kuala Lumpur in 1988. In 1989, she obtained her London Chamber of Commerce and Industry (LCCI) qualification in bookkeeping and accounts.

Tay Yoke Theng joined BESB as a Purchasing Executive, a position she held until 2009. Over the years, she was promoted to the positions of Senior Manager (2009), Deputy General Manager (2013) and General Manager (2018) before assuming the role of Senior General Manager and Head of Procurement and Administration on 1 July 2023, a position that she holds until today.



TS. MUHAMMAD WAFIE BIN AB RAHAMAN ("MUHAMMAD WAFIE")

General Manager and Head of Business Development

Aged 32 / Male / Malaysian

Ts. Muhammad Wafie joined BESB as the General Manager and Head of Business Development on 16 May 2025. He is responsible for leading the Group's business development strategy, driving strategic partnerships, and strengthening corporate branding and market expansion initiatives.

He graduated with a Bachelor of Engineering Technology (Hons) in Data Communication from Universiti Kuala Lumpur – British Malaysian Institute in 2018 and a certified Professional Technologist (Ts.) in Information & Communication Technology (ICT), registered with the Malaysia Board of Technologists (MBOT) since 2021.

Muhammad Wafie brings over 7 years of professional experience in cross-technology consulting, enterprise telecommunications solutions, and regional business development. Prior to joining BESB, he held key roles with multinational technology firms, including Hewlett Packard Enterprise Corporation as an Enterprise Technology Consultant and Black Box Corporation as Regional Business Manager, where he played a pivotal role in driving solution sales and client engagement across Southeast Asia.

Other Information

(a) Family Relationship

None of the Key Senior Management has any family relationship with any director and/or major shareholder of the Company.

(b) Conflict of Interest

None of the Key Senior Management has any conflict of interests with the Group.

(c) Conviction of Offences

None of the Key Senior Management has convictions for any offences within the past five (5) years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

(d) Directorships

None of the Key Senior Management holds any directorship in public companies and listed issuers.

Chairman's Statement



Dear Esteemed Shareholders,

On behalf of the Board of Directors of Betamek Berhad, it is my pleasure to present the Annual Report and Audited Financial Statements for the financial year ended 31 March 2025 (“**FYE 2025**”).

Ahmad Subri Bin Abdullah (“Ahmad Subri”)
Independent Non-Executive Chairman

Chairman's Statement (Cont'd)

THE YEAR UNDER REVIEW

As we reflect on another transformative year, Betamek Berhad ("Betamek" or "Group") remains committed to driving innovation, expanding our market presence and strengthening our position as a leader in the automotive electronics industry. FYE 2025 was a period of significant progress, marked by strategic acquisitions, business diversification and enhanced manufacturing capabilities.

A major milestone was the completion of our new research and development ("R&D") centre, equipped with state-of-the-art facilities, which was successfully inaugurated on 3 March 2025. This development represents a significant leap forward in our mission to foster innovation, develop next-generation automotive solutions and cultivate young talent among engineering graduates. The grand opening was graced by YB Senator Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz, Minister of Investment, Trade and Industry ("MITI"), underscoring the importance of our contributions to industry advancement and national technological progress.

As we move forward into FYE 2026, Betamek remains steadfast in our commitment to creating value through innovation, strategic partnerships and operational excellence. While our core focus remains on the automotive sector, we are actively diversifying into adjacent industries, including medical technology, two-wheelers, agriculture, smart meters and other industrial applications. These sectors present exciting growth opportunities and we are committed to leveraging our expertise to develop value-driven solutions that meet evolving market needs.

REVIEW OF FINANCIAL PERFORMANCE

For FYE 2025, the Group achieved another record revenue of RM238.3 million, marking a 7.3% increase from RM222.0 million in the previous financial year. This resulted in a higher profit after tax of RM25.1 million, a commendable 25.3% increase from RM20.0 million in FYE 2024.

I extend my sincere appreciation to the Board of Directors and management team for their exemplary leadership in navigating challenges and driving financial performance.

PROSPECTS FOR FYE 2026

The World Bank has revised Malaysia's 2025 GDP growth forecast to 3.9%, citing weaker global demand and ongoing geopolitical uncertainties. In Q1 2025, GDP expanded by 4.4%, supported by firm domestic demand, a strong services sector and an improving labour market. However, full-year growth faces downside risks from Middle East tensions and slowing global trade.

The MYR has remained relatively stable, aided by narrowing interest rate differentials and improved investor sentiment. This, along with structural reforms and proactive investment efforts, has eased input cost pressures for Betamek especially for components sourced from China and the U.S.



Chairman's Statement (Cont'd)

Amid ongoing trade frictions, including the evolving U.S.–China tariff landscape, the Group continues to manage supply chain volatility through diversified sourcing and cost control. Malaysia's supportive investment climate remains key to sustaining resilience amid external challenges.

The automotive sector continued its upward trajectory, with the Malaysia Automotive Association reporting a record-breaking total industry volume ("TIV") of 816,747 units in 2024. While a slight moderation in TIV is forecasted for 2025, we anticipate another strong year, fuelled by higher salaries for civil servants and an increased minimum wage, effective February 2025. The affordable passenger vehicle segment, in which Betamek plays a significant role, is poised to benefit from these factors.

Additionally, the surge in electric vehicle ("EV") adoption remains a key growth driver. In 2024, 21,789 EV units were registered, reflecting a 63.8% increase from 2023, with market penetration rising to 2.5% (from 1.6% in 2023). This sector will continue its expansion, driven by Malaysia's first locally assembled EV under RM100,000, developed in collaboration with Perodua, to which Betamek contributes to the EV development.

The integration of Sanshin Malaysia Sdn Bhd is progressing steadily, requiring additional time to ensure a sustainable turnaround. Meanwhile, our joint venture with Shenzhen Zhonghong Technology Co., Ltd. positions us to expand our customer base, enhance product offerings and advance technologies such as advanced driver assistance systems and smart cockpit solutions, particularly within the ASEAN market.

Looking ahead to FYE 2026, the Group remains optimistic. With a resilient Malaysian economy and strong automotive demand, we are well-positioned to capitalise on our newly acquired subsidiary and strategic partnerships to drive growth and innovation in the automotive electronics sector. The Group remains committed to delivering enhanced value to customers and stakeholders in the coming quarters.

APPRECIATION

On behalf of the Board of Directors, I extend my deepest gratitude to our shareholders, customers, business partners, management team and dedicated employees for their unwavering support.

FYE 2025 has been a milestone year for the Group. The Board takes great pride in Betamek's achievements, including being honoured by the Malaysia Automotive, Robotics and IoT Institute with the prestigious Level 5 Supplier Competitiveness Level Award—the highest recognition in the industry. Additionally, we were conferred with the Gold Class Award for Good Performance in 2023 by the Malaysian Society for Occupational Safety and Health.

A special appreciation goes to our dedicated employees, whose passion, creativity and commitment to excellence remain the driving force behind our success. Whether on the production floor, in the boardroom, or out in the field, your dedication is truly commendable.

With a diverse and experienced team across both the Board and management levels, Betamek is not just prepared for the future—we are poised to break new ground, achieve greater milestones and redefine industry excellence.

We look forward to another year of progress, innovation and achievement.

Thank you for believing in Betamek.

Management Discussion & Analysis



Dear Valued Shareholders,

I am pleased to present the Management Discussion and Analysis (“**MD&A**”) of Betamek Berhad (“**Betamek**” or “**the Group**”) for the financial year ended 31 March 2025 (“**FYE 2025**”). This report outlines the Group’s operational performance, key strategic developments and growth initiatives undertaken during the year. FYE 2025 marked a pivotal year for Betamek, as we achieved meaningful progress in expanding our market reach, accelerating innovation and advancing our digital transformation agenda.

On behalf of the Board and management team, I would like to extend our heartfelt appreciation to all shareholders for your unwavering support and confidence in Betamek as we continue to build a future-ready, innovation-led organisation.

Mirzan Bin Mahathir (“Mirzan”)
Managing Director

Management Discussion & Analysis (Cont'd)

1.0 Overview of Betamek

In the FYE 2025, Betamek made significant strides in executing its strategic roadmap through capacity expansion, product innovation and market diversification. The Group has successfully utilised approximately 95.6% of its initial public offering (“IPO”) proceeds as of FYE 2025, in line with the utilisation plan detailed during its listing. These proceeds were channelled into initiatives aimed at bolstering research and development (“R&D”) capabilities, upgrading production infrastructure and enhancing operational efficiency.

A major corporate milestone during the year was the completion of the acquisition of Sanshin (Malaysia) Sdn. Bhd. (“SMSB”) on 28 June 2024. The RM13.4 million cash acquisition secures a 100% equity interest in SMSB, a reputable automotive electronics manufacturer with a strong presence in Malaysia, Japan, Hong Kong and Thailand. The acquisition, based on a 10.0 times price-to-earnings multiple of SMSB, strategically expands Betamek’s customer base, adds complementary product lines and enhances the Group’s regional reach. SMSB is now a wholly owned subsidiary of Betamek and is expected to play an increasingly vital role in contributing to the Group revenue base and profitability in future reporting periods.

In parallel with the acquisition, Betamek maintained its commitment to innovation through a research collaboration agreement with Institut Teknologi PETRONAS Sdn. Bhd. to co-develop “*SafeSync360: Next-Gen Infotainment with Child Guard Technology*”. This collaboration not only strengthens Betamek’s product innovation pipeline but also underscores its alignment with public-private initiatives and long-term environmental, social and governance (“ESG”) goals.

To further showcase its innovation credentials, Betamek, alongside its long-standing partner PERODUA, participated in the 2024 Daihatsu Motor Co., Ltd. exhibition in Osaka, Japan. Betamek presented its proprietary telematics solution, which features over-the-air updates, remote vehicle control, accident alert systems and EV smart charging. The system reflects Betamek’s efforts to integrate connectivity, safety and sustainability into modern vehicle electronics.

On the digital front, Betamek also secured a government grant of RM396,420 under the Internet of Things (“IoT”)-enabled digital transformation programme, administered by the Ministry of Entrepreneur and Cooperatives Development via Malaysian Industrial Development Finance Berhad. The grant will support automation and analytics improvements across its assembly lines, especially in surface mount technology operations, further cementing Betamek’s commitment to Industry 4.0 practices and production excellence.

Additionally, Betamek achieved Level 5 status in the Supplier Competitiveness Level assessment conducted by the Malaysia Automotive Robotics and IoT Institute. This top-tier ranking reflects Betamek’s strong operational capabilities, high production standards and adherence to global best practices, further validating its position as a leading player in Malaysia’s automotive electronics supply chain.

Collectively, these achievements in FYE 2025 not only demonstrate the Group’s operational resilience and forward momentum but also lay a strong foundation for Betamek’s next phase of growth; anchored by innovation, regional expansion and digital transformation.

Management Discussion & Analysis (Cont'd)

2.0 Business and Operational Overview

FYE 2025 was a year of strong execution for Betamek, marked by healthy production volumes, stable supply chain conditions and sustained customer demand in Malaysia's automotive sector. The Group's operations remained focused on delivering high-quality electronic manufacturing services ("EMS") for the automotive industry, leveraging its vertically integrated capabilities and proven track record of over three decades.

The Malaysian automotive sector recorded another year of growth, with total industry volume ("TIV") reaching 816,747 units, a 2.1% increase from 2023, as reported by the Malaysia Automotive Association while the TIV normalised to 373,636 for the first half of 2025. National brands were the key driver of this expansion, collectively growing their market share to 63.2%. PERODUA, Betamek's long-term anchor customer, delivered a record 358,102 units, representing an 8.4% year-on-year increase and commanding a dominant 44.6% share of TIV in 2024. The robust demand for affordable passenger vehicles, supported by sustained consumer confidence and favourable financing rates, provided a solid backdrop for Betamek's core operations.

During the year, the Group's production activities benefited from stable call volumes, driven by PERODUA's various high on-demand models and high run-rate models, contributing to strong factory utilisation rates. The Group maintained its on-time delivery and quality performance, meeting the rigorous standards required by PERODUA and continued its role in supporting high-complexity assembly work and infotainment systems for multiple vehicle platforms.

Beyond local demand, the Group also saw improving traction from exports and non-PERODUA segments through its diversification strategy via the acquisition of SMSB. This included servicing new customers and expanding volume contributions in key ASEAN markets, as facilitated by the Group's expanded production footprint and broader product offerings.

Operational reliability continued to be a core strength for Betamek. The Group upheld its stringent quality assurance processes, supported by lean and kaizen initiatives across its manufacturing lines. These efforts not only enhanced throughput efficiency but also reinforced Betamek's commitment to safety, environmental performance and resource optimisation.

Meanwhile, Malaysia's transition towards low-carbon mobility continues to accelerate. The country saw a 63.8% year-on-year increase in electric vehicles ("EV") registrations, reaching 21,789 units in 2024. EV penetration rose to 2.5% of TIV, underpinned by national policy support, including the introduction of Malaysia's first locally assembled EV priced under RM100,000 in collaboration with PERODUA, government-backed EV infrastructure expansion and the anticipated introduction of a carbon tax in 2026. These developments are aligned with Betamek's strategic direction, particularly its continued investment in EV-ready electronics and intelligent vehicle systems.

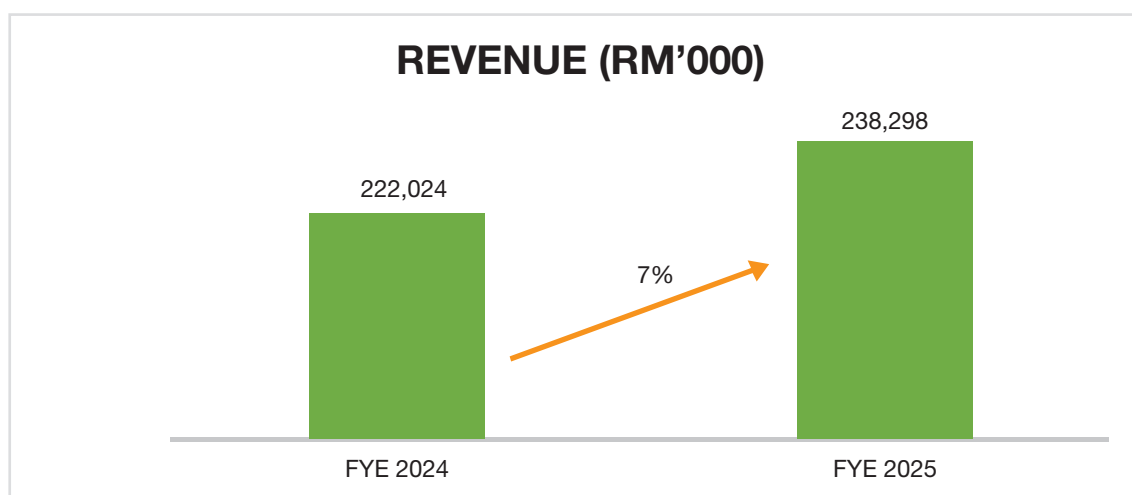
Overall, the Group remains committed to operational agility, strengthening supplier partnerships and deploying smart manufacturing practices to further enhance its production capabilities. With strong fundamentals, expanding market reach and alignment to automotive megatrends, Betamek is well-positioned to continue delivering sustainable value to its stakeholders.

Management Discussion & Analysis (Cont'd)

3.0 Review of Financial Performance

	FYE 2025 RM'000	FYE 2024 RM'000	Changes	
			RM'000	%
Revenue	238,298	222,024	16,274	7%
Gross Profit ("GP")	37,557	35,451	2,106	6%
Profit Before Tax ("PBT")	31,974	26,396	5,578	21%
Profit After Tax ("PAT")/ Net Profit	25,112	20,032	5,080	25%
GP margin (%)	15.8	16.0		
PBT margin (%)	13.4	11.9		
Net profit margin (%)	10.5	9.0		
Basic EPS (sen)	5.6	4.5		
Number of shares post Initial Public Offer ("IPO") ('000)	450,000	450,000		

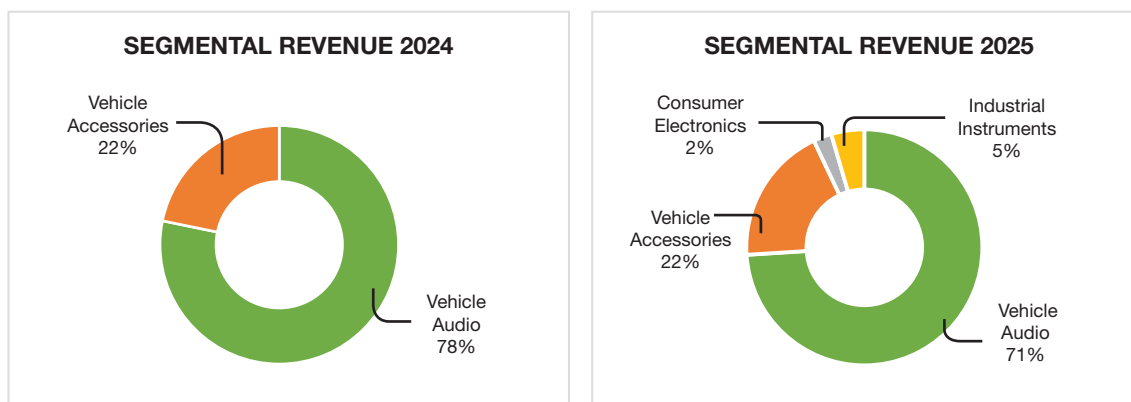
3.1 Revenue



Our revenue is derived from the sale of manufactured goods, which is recognised net of sales returns and discounts upon the transfer of control of goods to customers.

The Group recorded total revenue of **RM238.3 million** in FYE 2025, representing an increase of **RM16.3 million** or 7.3% from RM222.0 million in FYE 2024. The growth was attributable to higher sales across its core segments: vehicle audio and visual products, and vehicle accessories, as well as the new electronics manufacturing contribution from SMSB which includes industrial instruments and consumer electronics.

Management Discussion & Analysis (Cont'd)



	FYE 2025		FYE 2024	
	RM'000	%	RM'000	%
Vehicle audio and visual products	170,212	71	173,674	78
Vehicle accessories	51,323	22	48,350	22
Industrial Instruments	10,780	5	-	-
Consumer Electronics	5,983	2	-	-
	238,298	100.0	222,024	100.0

Vehicle Audio and Visual Products

Revenue from vehicle audio and visual products recorded a decrease of **RM3.5 million** in FYE 2025, declining from RM173.7 million in the previous year to **RM170.2 million**. The reduction was mainly driven by a notable decline in demand for the PERODUA Aruz model, which experienced softer sales during the financial year. Despite the overall decline, the Group continued to maintain a steady supply of infotainment systems and audio-visual components across the broader model range, in line with evolving consumer preferences for enhanced in-car technology.

Vehicle Accessories

Revenue from vehicle accessories increased by **RM3.0 million**, or 6% year-on-year, to **RM51.3 million** in FYE 2025. The increase was primarily driven by the additional volume for the parts supply for PERODUA models. This expansion in supply scope contributed positively to the overall performance of the vehicle accessories segment.

Moving forward, the Group expects to see sustained demand for these segments, supported by its continuous product innovation, model pipeline from key original equipment manufacturers ("OEM") and the broader industry shift towards connected and energy-efficient vehicles.

Industrial Instruments

Revenue from industrial instruments accounted for **RM10.8 million**, or **5%** of the total revenue in FYE 2025. The industrial instruments sector plays a crucial role in manufacturing and automation, with several products being produced for the export market mainly to Japan. In particular, revenue contribution from its cooler units for industrial is increasing, particularly in energy-efficient cooling solutions and stable growth is driven by manufacturing expansion and sustainability initiatives.

Management Discussion & Analysis (Cont'd)

Consumer Electronics

Revenue from consumer electronics accounted for **RM6.0 million**, or **2%** of the total revenue in FYE 2025. Key products in this segment include the frequency-agile UHF wireless system, manufactured for Japanese customers, primarily for export to the USA, Europe and various Asian countries. Additionally, printed circuit board assemblies ("PCBA") fall under the contract manufacturing business, with clients from Japan and China. However, the contract manufacturing segment is experiencing a downward trend due to evolving market dynamics and industry realignments.

Moving forward, the Group expects to see sustained demand for these segments, supported by its existing and potential customers, which are expected to close the deals in FYE 2026.

3.2 Financial Result & Analysis

	FYE 2025	FYE 2024	Changes	
	RM'000	RM'000	RM'000	%
GP	37,557	35,451	2,106	6
Other Income	8,388	1,936	6,452	333
Administrative expenses	(12,181)	(9,381)	(2,800)	(30)
Selling and distribution expenses	(164)	(192)	28	15
Finance costs	(29)	(51)	22	43
Other expenses	(1,597)	(1,367)	(230)	(17)
PBT	31,974	26,396	5,578	21
Taxation	(6,862)	(6,364)	(498)	(8)
PAT	25,112	20,032	5,080	25

Cost of Sales

Our cost of sales for FYE2025 amounted to **RM200.7 million**, representing an increase of **RM14.1 million** or **8%** from RM186.6 million recorded in FYE 2024. The increase was primarily driven by higher sales volumes during the financial year under review, in tandem with strong production activity in support of PERODUA's robust vehicle deliveries.

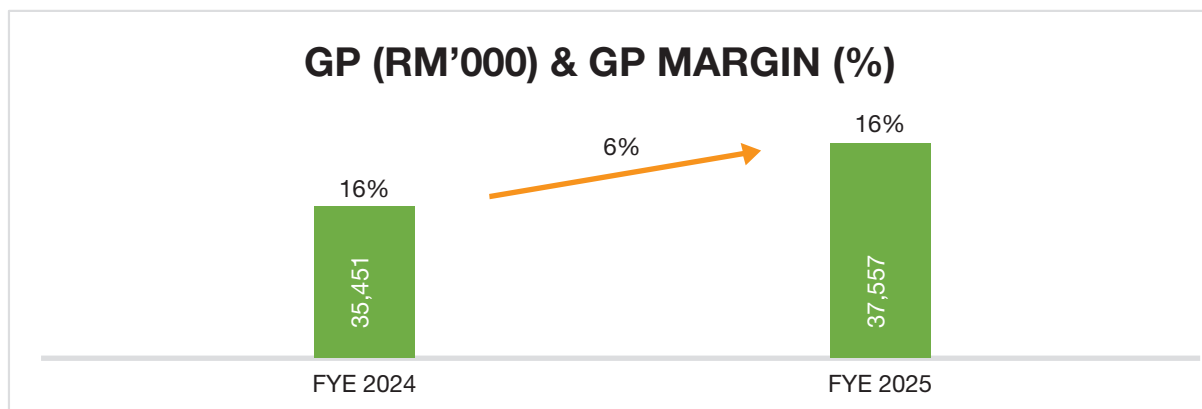
The appreciation of the Malaysian Ringgit ("MYR") against the United States Dollar ("USD") has lowered the pressure on raw material costs. The MYR averaged approximately **RM4.54/USD** during FYE 2025, compared to RM4.64 in the previous year, leading to slightly lower import costs of USD-denominated components and raw materials.

Production labour cost meanwhile increased by **44%**, rising from RM13.0 million to **RM18.9 million**. This increase was primarily driven by the acquisition of the new subsidiary, SMSB, which enabled Betamek to diversify its operations into new markets such as industrial instruments and consumer electronics. The inclusion of SMSB into Betamek Group has given the additional operational capacity for future growth.

Production overheads increased to **RM6.1 million**, up **RM1.9 million** or **45%** compared to RM4.2 million in FYE 2024. The increase was mainly attributable to higher depreciation charges from capital investments and elevated utility expenses, reflecting both the expansion of production capacity and increased utilisation rates.

Management Discussion & Analysis (Cont'd)

GP

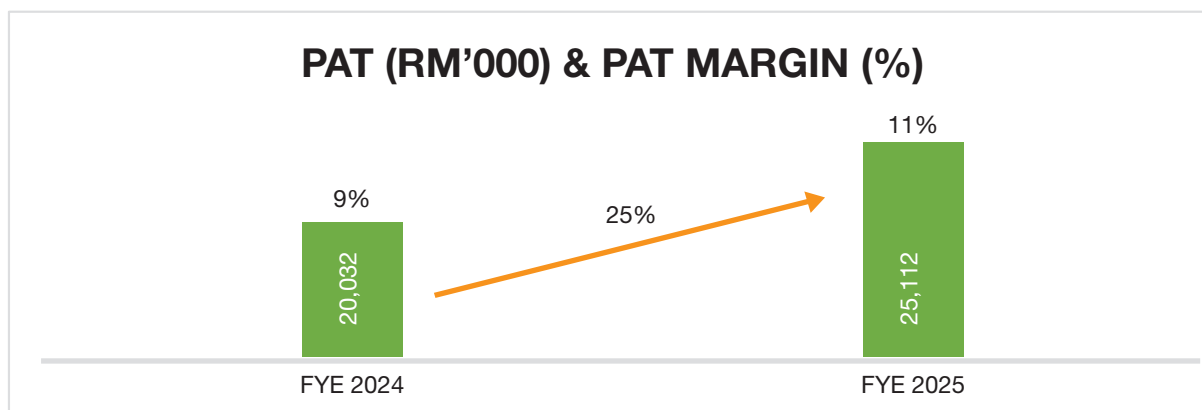


Our GP for FYE 2025 stood at **RM37.6 million**, reflecting an increase of **RM2.1 million** or **6%** compared to RM35.5 million in FYE 2024. The GP margin came in at **16%**, the same as in the preceding year. Despite an improvement in margin from Betamek Electronics (M) Sdn Bhd, the Group's margin was dragged down by the margin from SMSB, which is in a low single-digit margin.

Betamek has always actively engaged in pricing negotiations with its major customer to reflect rising input costs; however, pricing adjustments are subject to agreed lead times and require mutual consensus. Until such revisions are finalised, the Group remains exposed to near-term cost fluctuations, particularly for imported components.

To mitigate foreign exchange risks, the Group continued to utilise hedging instruments as part of its treasury management strategy. These measures are closely monitored to protect operating margins and minimise volatility in financial performance.

PAT



The Group recorded a PAT of **RM25.1 million** in FYE 2025, an increase of **RM5.1 million** or **25%** from **RM20.0 million** in FYE 2024. The growth in PAT was driven mainly by the gain from the bargain purchase of SMSB during the financial year.

Correspondingly, the PAT margin improved to **11%**, compared to 9% in the previous financial year. The improved profitability reflects the Group's ability to navigate inflationary cost pressures, optimise labour deployment and deploy capital investments effectively.

Looking forward, Betamek remains focused on cost discipline, foreign currency risk management and yield optimisation as part of its financial sustainability framework amid evolving market dynamics.

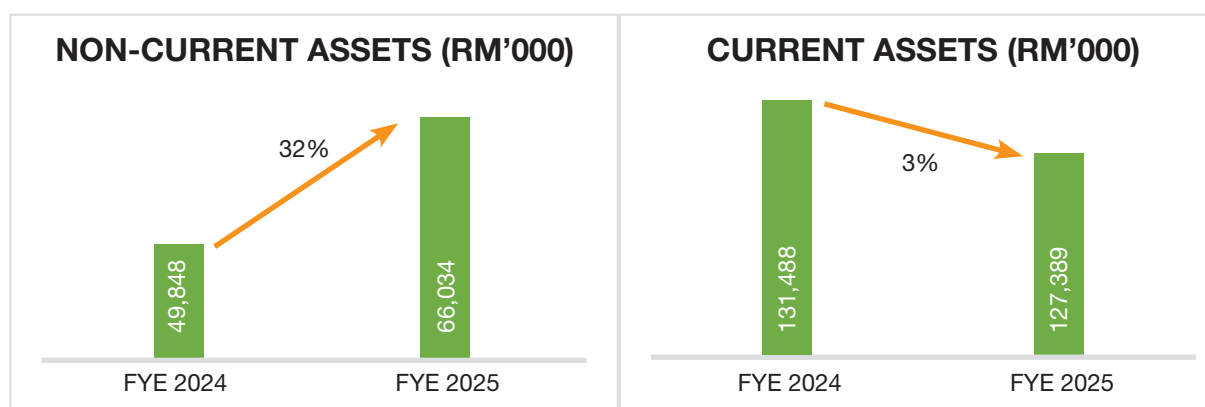
Management Discussion & Analysis (Cont'd)

4.0 Financial Position Review

4.1 Financial Position Analysis

	FYE 2025	FYE 2024	Changes	
	RM'000	RM'000	RM'000	%
Non-current assets	66,034	49,848	16,186	32
Current assets	127,389	131,488	(4,099)	(3)
Total assets	193,423	181,336	12,087	7
Non-current liabilities	13,974	12,673	(1,301)	(10)
Current liabilities	29,902	25,441	(4,461)	(18)
Total liabilities	43,876	38,114	(5,762)	(15)
Net assets	149,547	143,222	6,325	4
Current ratio (times)	4.3	5.2		

Assets



As at end of FYE 2025, the Group's non-current assets increased by **RM16.2 million**, reflecting strategic investments in capacity expansion and innovation. The increase was primarily attributable to a revaluation of property, plant and equipment arising from the acquisition of SMSB, totalling **RM14.1 million**. In addition, the Group invested **RM2.2 million** in the renovation of a new R&D building to support the expansion of its research and development facilities.

To further strengthen its innovation pipeline, the Group capitalised on **RM3.0 million** in R&D expenditure, alongside purchases of property, plant and equipment totalling **RM0.5 million**, comprising moulds and IT-related assets.

These increases were partially offset by depreciation charges of **RM1.0 million**, asset disposals of **RM1.3 million** and amortisation of R&D costs amounting to **RM1.3 million**.

On the other hand, current assets declined by **RM4.1 million** as at the end of FYE 2025, primarily driven by changes in key working capital components. The most significant movement was a reduction in inventories of **RM12.7 million**, attributed to improved market conditions and shorter lead times from suppliers, which enabled the Group to operate with leaner stock levels.

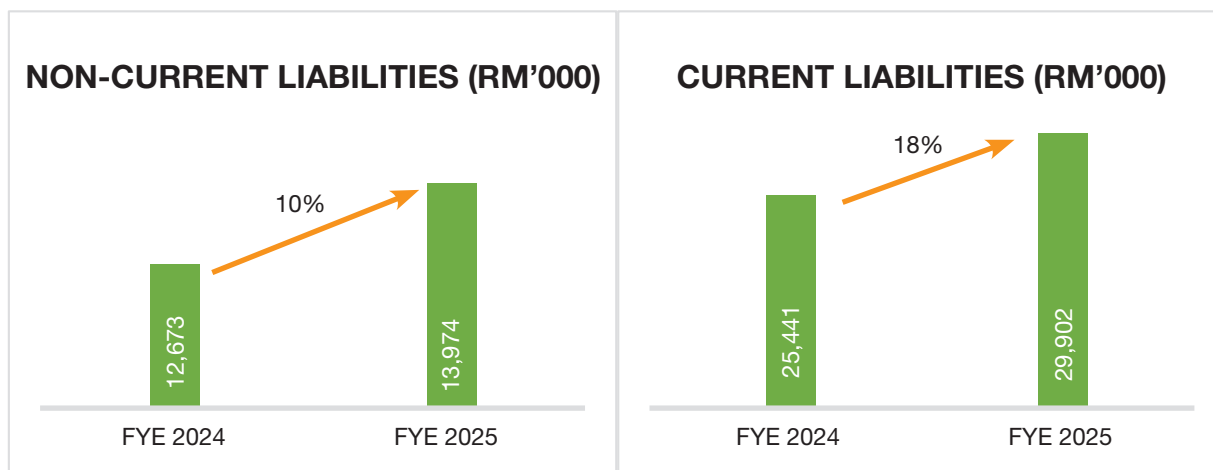
Meanwhile, trade receivables increased by **RM3.7 million**, mainly due to higher sales volume recorded towards the end of the financial year, resulting in a greater outstanding balance at year-end. Cash and bank balances also rose by **RM8.6 million**, reflecting stronger collections, prudent cash flow management and the timing difference between receipts and payments. The Group also recognises a tax asset of **RM0.2 million** following the acquisition of SMSB.

Management Discussion & Analysis (Cont'd)

In contrast, other receivables, deposits and prepayments decreased by **RM3.9 million**, primarily due to the settlement of earlier advances and the recognition of prepaid expenses over the financial year. Despite the overall decrease in current assets, the Group continues to maintain a healthy liquidity position and an efficient working capital cycle.

Collectively, the Group's asset position remains solid, underpinned by strategic capital investments that are aligned with operational scalability, R&D development and future market demands.

Liabilities



As at the end of FYE 2025, the Group's non-current liabilities recorded an increase of **RM1.3 million**, mainly arising from the acquisition of SMSB. The increase comprised SMSB's employee benefits of **RM0.8 million** and an increase in deferred tax liabilities of **RM2.0 million**. This was offset by repayment of long-term borrowings amounting to **RM1.4 million** and lease liabilities of **RM0.1 million**.

For current liabilities, trade payables increased by **RM0.1 million**, primarily due to higher purchases and timing differences in supplier payments near the financial year-end. Other payables increased by **RM1.3 million**, primarily due to higher accruals for operating expenses and deposits received from customers. Progress billing contract work-in-progress amounting to **RM1.5 million** represents the design and development works carried out by the Group for the ongoing project, which is in line with the Group's project billing cycles. Tax payable also rose by **RM1.3 million**, attributed to higher taxable profits generated during the financial year. In addition, short-term borrowings and SMSB's employee benefit increased marginally by **RM0.3 million**. Overall, this resulted in a total increase in current liabilities of **RM4.5 million**, primarily driven by the Group's expansion in operations and its ongoing project commitments.

The Group continues to maintain a healthy gearing profile and manages its liabilities with a view toward sustainability and financial discipline, ensuring adequate liquidity to support operational and capital requirements.

Management Discussion & Analysis (Cont'd)

4.2 Cash Flow Analysis

	FYE 2025 RM'000	FYE 2024 RM'000	Changes	
			RM'000	%
Net cash from operating activities	38,750	21,845	16,905	77
Net cash used in investing activities	(9,556)	(11,131)	1,575	14
Net cash used in financing activities	(20,579)	(14,916)	(5,663)	(38)
Net increase / (decrease) in cash and cash equivalents	8,615	(4,202)	12,817	(305)
Cash and cash equivalents at beginning of the financial year	50,765	54,967	(4,202)	(8)
Net increase in cash and cash equivalents at the end of the financial year	59,380	50,765	8,615	17

Net Cash from Operating Activities

For the FYE 2025, the Group recorded a net cash inflow from operating activities of **RM38.8 million**, primarily driven by stable operating profit and favourable working capital movements. Operating profit before changes in working capital amounted to **RM30.4 million**, underpinned by healthy revenue and disciplined cost control.

The net cash inflow was supported by the following working capital changes:

- A decrease in inventories of **RM14.8 million**, due to more efficient inventory management and a strategic reduction in stock levels;
- A decrease in trade and other receivables of **RM4.8 million**, mainly due to improved collection efforts and faster customer payments;
- An increase in the amount due to customers for contract work of **RM1.5 million** due to progress billings in excess of revenue recognised for ongoing projects; and
- Gain from foreign exchange of cash and bank balances of **RM0.2 million**.

Offsetting these inflows were:

- An increase in trade and other payables of **RM7.3 million**, mainly due to higher procurement activities and accrued expenses in the final quarter of the financial year;
- Income tax payments totalling **RM4.8 million**; and
- Settlements of retirement benefit of **RM0.8 million**.

Management Discussion & Analysis (Cont'd)

Net Cash Used in Investing Activities

The Group recorded a net cash outflow from investing activities of **RM9.6 million**, largely attributed to the following:

- i. Acquisition of SMSB with a net consideration of **RM4.2 million**;
- ii. R&D expenditure of **RM3.1 million** to support the ongoing research and innovation initiatives;
- iii. Renovation on new R&D Centre amounting to **RM1.0 million**;
- iv. A further **RM2.4 million** was invested in the purchase of property, plant, and equipment (PPE) to enhance production capabilities and operational efficiency; and
- v. The outflows were offset by interest received from fixed deposits of **RM1.1 million**.

These investments reflect the Group's commitment to strengthening its technological competencies and expanding its market presence.

Net Cash Used in Financing Activities

For FYE 2025, the Group recorded a net cash outflow from financing activities of **RM20.6 million**. The outflow was mainly due to:

- i. Dividend payments amounting to **RM19.1 million** were declared during the financial year; and
- ii. Net repayments of term loans and lease liabilities totalling **RM1.5 million**, in line with scheduled commitments and ongoing efforts to manage gearing prudently.

4.3 Liquidity & Capital Resources

The Group's operations have continued to be funded through internally generated funds, supplier credit terms and external financing facilities. These resources have supported the Group's expansion activities, working capital needs and ongoing capital investments.

As at 31 March 2025, the Board is confident in the adequacy of the Group's liquidity and capital position to meet all foreseeable operational and strategic requirements over the next 12 months. This view is supported by the following:

- i. Cash and bank balances of **RM59.4 million** as at the end of the financial year;
- ii. A healthy current ratio of **4.3 times**, indicating ample short-term liquidity;
- iii. Predictable cash flow visibility, supported by committed forecast orders from key customers such as PERODUA, which typically provide order forecasts up to six months in advance. These forecasts are historically reliable and are supported by ongoing outstanding sales orders;
- iv. Unutilised banking facilities amounting to **RM78.9 million**, out of a total approved credit line of **RM88.4 million** (excluding lease liabilities); and
- v. A strong net asset position of **RM149.5 million**, and a low gearing ratio of **0.07 times**, demonstrating prudent capital management and a resilient balance sheet.

The Group continues to actively monitor its liquidity profile and will adjust its financing strategies as necessary to maintain financial flexibility and ensure readiness for future growth opportunities.

Management Discussion & Analysis (Cont'd)

5.0 Operation Outlook

5.1 Business expansion

As the automotive industry continues to evolve in response to electrification and digitalisation trends, Betamek remains strategically positioned to scale its operations and broaden its market reach. While Malaysia's TIV is projected to normalise to 780,000 units in 2025, the Group views this as a healthy consolidation after several record-breaking years and anticipates a stable demand environment anchored by national marques.

In alignment with national automotive policies and the growing focus on EVs, Betamek is actively positioning itself to capitalise on emerging opportunities within the EV ecosystem. The Malaysian government's extension of tax exemptions, including import duty and excise duty waivers for completely built-up EVs until 2030 and exemptions for completely knocked down EVs until the end of 2027, reinforces the long-term viability of this segment. These incentives are part of the broader roadmap to achieve 15% EV penetration by 2030, presenting a strong tailwind for the Group's future product roadmap and potential customer base expansion.

To support its long-term growth strategy, Betamek is conducting comprehensive market research to identify promising regional markets that demonstrate strong EV uptake, favourable policy environments and a growing appetite for advanced automotive electronics. Beyond Malaysia, the Group intends to strengthen its regional footprint in ASEAN, leveraging its proven track record in infotainment and telematics technologies.

Internally, the Group continues to realign its workforce and operational structure to support this transformation. Organisational agility, improved employee experience and a commitment to innovation are central to ensure that Betamek remains responsive to market needs and scalable as opportunities arise.

With a clear focus on diversification, value creation and forward integration, Betamek's strategic expansion plan is geared toward building a future-ready organisation that can thrive amid the ongoing evolution of the automotive landscape, both locally and regionally.

6.0 Challenges and Risks

While Betamek continues to chart its growth path, the Group acknowledges several industry challenges and risk factors that may impact its operational and financial performance. These include:

- a) **Customer Concentration Risk:** The Group remains heavily reliant on PERODUA, and any adverse developments with its major customer may impact revenue stability.
- b) **Cost Inflation:** Rising manpower and raw material costs continue to exert pressure on manufacturing margins.
- c) **Workforce Turnover:** Increased attrition, especially among skilled workers could impact production continuity and quality control.
- d) **Industry Competition:** The EMS landscape remains highly competitive, with both multinational corporations and local players vying for market share.
- e) **Technological Disruption:** Rapid advancements in automotive technology may render existing product offerings less competitive if not continuously updated.
- f) **Global Supply Chain Volatility:** Persistent supply chain bottlenecks and parts shortages, particularly for semiconductors continue to pose operational challenges.
- g) **Geopolitical Uncertainty:** Heightened tensions in global trade, especially between the US and China, could affect component sourcing and cost structures.
- h) **Labour Shortage:** A persistent shortage of skilled labour in Malaysia and across the region remains a structural constraint for the manufacturing sector.
- i) **Foreign Exchange Risk:** As a portion of the Group's raw material costs are denominated in USD, fluctuations in the MYR/USD exchange rate have a direct impact on procurement costs. A weakening MYR can increase the Group's exposure to cost volatility, especially in the absence of immediate pass-through pricing. Although hedging instruments are used to mitigate this risk, timing differences and market conditions may still lead to margin compression.

Management Discussion & Analysis (Cont'd)

7.0 Business Mitigation

To address the risks outlined above and future-proof its operations, Betamek is implementing a series of proactive mitigation strategies:

- a) **Talent Management:** The Group is intensifying efforts to attract and retain talent through improved recruitment strategies, comprehensive training programmes and regular review of employees' compensation and benefits.
- b) **Product Differentiation:** Betamek continues to focus on high-quality, feature-rich automotive solutions that provide superior value at competitive pricing, helping to differentiate the Group in a crowded market.
- c) **Operational Efficiency:** Investments in automation, including the deployment of robotic arms on production lines, are ongoing to enhance productivity and reduce dependence on manual labour.
- d) **Digitalisation and Industry 4.0:** The Group is actively embracing smart manufacturing practices, incorporating artificial intelligence, IoT-enabled monitoring and data analytics to improve operational efficiency and responsiveness.
- e) **Strategic Collaborations:** Betamek is expanding its ecosystem by working closely with technology partners and research institutions to co-develop innovative automotive solutions.
- f) **Customer Engagement:** The Group maintains close collaboration with its customers to monitor market trends and align development investments with future demand patterns.
- g) **Foreign Exchange Risk Management:** The Group actively monitors currency movements and employs hedging instruments such as forward contracts to mitigate exposure to USD-denominated raw material purchases. In parallel, Betamek conducts regular pricing reviews with its key customers to align selling prices with material cost fluctuations, although such adjustments are subject to mutual agreement and time lag. This dual approach helps preserve gross margins and manage volatility in operating costs.

Through these measures, Betamek aims to strengthen its competitiveness, navigate an evolving automotive landscape and ensure long-term value creation for shareholders and stakeholders alike.

8.0 Future Plans and Strategies

As part of its commitment to long-term value creation, Betamek has identified several strategic priorities that will guide the Group's next phase of growth. These initiatives reflect the Group's proactive approach to innovation, market expansion, operational advancement and sustainability.

8.1 R&D for New Product Development

Betamek continues to strengthen its innovation capabilities through focused investment in R&D. As at the end of FYE 2025, approximately RM6.4 million, representing 91.6% of the RM7.0 million IPO proceeds allocated for R&D, has been utilised. The Group has fully utilised the remaining funds in the first quarter of FYE 2026. These investments are directed toward the development of advanced vehicle visual systems, sensor-based technologies, telematics and IoT-enabled connected mobility applications, in line with industry trends and customer demand.

8.2 Expansion of R&D Facilities

Betamek's R&D Centre was officially launched on 3rd March 2025 to support its growing R&D activities. These facilities will significantly enhanced Betamek's capacity to design, test and launch innovative automotive solutions. In addition, the new R&D Centre will serve as a strategic hub for collaboration with leading universities and research institutions, strengthening the Group's ability to attract, nurture and retain top talent to drive future innovation and long-term growth.

Management Discussion & Analysis (Cont'd)

8.3 Market Expansion into ASEAN

The Group is actively exploring opportunities to expand its customer base beyond Malaysia, particularly within the ASEAN region via SMSB. As part of its regional diversification strategy, Betamek aims to offer its electronic solutions not only to the automotive segment but also to the growing two-wheeler market. This expansion is expected to reduce market concentration risk and unlock new revenue streams in high-potential markets.

8.4 Employee Development Initiatives

Recognising that human capital is a key enabler of sustainable growth, Betamek has invested in both internal and external facilitated training programmes to upskill its workforce. These initiatives are designed to improve employee engagement, productivity and satisfaction while building a more agile and capable organisation that can adapt to future challenges.

8.5 Automation and IR 4.0 Investments

As part of its journey towards Industry 4.0, Betamek is upgrading its manufacturing facilities through investments in automation technologies, including artificial intelligence ("AI"), IoT and real-time data systems. The Group is also developing and implementing custom software and systems to support its automation goals, which will significantly improve factory efficiency, traceability and output consistency.

8.6 Advanced Technology Adoption

In parallel, Betamek is placing greater emphasis on the adoption of cutting-edge technologies, such as AI, machine learning, robotics and smart sensors. These technologies will play a vital role in elevating product quality, accelerating production cycles and driving innovation across the Group's operations.

8.7 Sustainability Initiatives

Environmental responsibility remains a core focus area for the Group. Betamek is actively pursuing sustainability initiatives aimed at reducing its carbon footprint, minimising electronic waste and incorporating eco-friendly materials and processes across its value chain. These efforts are aligned with growing stakeholder expectations and Malaysia's broader green transition goals.

8.8 Diversification into New Sectors

Leveraging its core expertise in electronics and embedded systems, Betamek is exploring diversification opportunities in adjacent sectors, most notably the healthcare and biomedical industries. With rising demand for smart medical devices, diagnostic instruments and wearable health technologies, the Group sees potential to apply its design and engineering capabilities to produce next-generation medical electronics.

Management Discussion & Analysis (Cont'd)

9.0 Dividends

The declaration and payment of interim and final dividends are subject to the discretion of the Board of Directors and are contingent upon various factors, including the Group's financial performance, operational requirements, capital expenditure plans and overall cash flow position. Any proposed final dividend remains subject to approval by shareholders at the Annual General Meeting.

For the FYE 2025, the Board of Directors had declared and distributed an interim single-tier dividend of **4.25 sen** per ordinary share, amounting to **RM19.1 million**. These dividends were fully funded through internally generated cash flows and did not impact the Group's operational plans or strategic investments.

In recognition of the Group's strong financial performance and commitment to shareholder returns, the Board is pleased to propose a final single-tier dividend of **1.0 sen** per ordinary share, subject to shareholders' approval. Upon approval, this will bring the total dividend payout for FYE 2025 to **5.25 sen** per ordinary share, representing a total distribution of **RM23.6 million**, which is equivalent to 94% of the Group's PAT.

This payout reflects Betamek's confidence in its future prospects, balanced by prudent capital management to ensure long-term sustainability while rewarding shareholders for their continued support.

10.0 Material Litigation

The Group is not involved in any significant litigation, claim or arbitration, either as the plaintiff or defendant, that could have a material and negative impact on our financial or business position. On top of that, there are no ongoing or possible legal processes that could potentially have a major negative impact on our financial status. There are no contingent commitments that we have accumulated that, if enforced, would have a major impact on either our financial status or the financial situation of our subsidiary.



Sustainability Statement

1. Sustainability Statement Overview

This marks our third Sustainability Statement, with financial year ended 31 March 2025 (“FYE 2025”) being the first year with complete sustainability data across all our pillars, progressing from establishing a sustainability framework and identifying significant sustainability issues to the development of Environmental, Social and Governance (“ESG”) committees, sustainability key performance indicators (“KPI”) and full data collection. Our Sustainability Statement outlines the ESG impacts of our operations and the steps taken to address them. At Betamek Berhad (“Betamek” or “Group”), we are committed to embedding sustainability into our business strategy to enhance value and support our transformation. Over the past year, we have refined our goals and monitoring to align with industry trends and stakeholder priorities, focusing on high product quality, timely delivery and impactful ESG initiatives.



Scope & Boundary

This report covers our entire operations, including subsidiaries that we directly control which includes:

Operating subsidiaries	Location of operations	Referred to in this statement
Betamek Electronics (M) Sdn Bhd	Rawang, Selangor	BESB
Sanshin Malaysia Sdn Bhd	Sungai Petani, Kedah	SMSB



Reporting Period

This report comprises of our ESG effort spanning from 1 April 2024 until 31 March 2025.



Reporting Guideline

- Bursa Malaysia Sustainability Reporting Guide and Toolkits (3rd Edition).
- The United Nations Sustainable Development Goals (“UNSDG”).



Statement of Assurance

We remain committed to improving our data collection processes across all subsidiaries of Betamek to ensure accurate and reliable sustainability data. For this reporting period, our sustainability data has been internally audited. This statement has been compiled and prepared by the sustainability team, supported by the ESG Committee, and reviewed, revised and approved by top management and the Board of Directors (“BOD”).

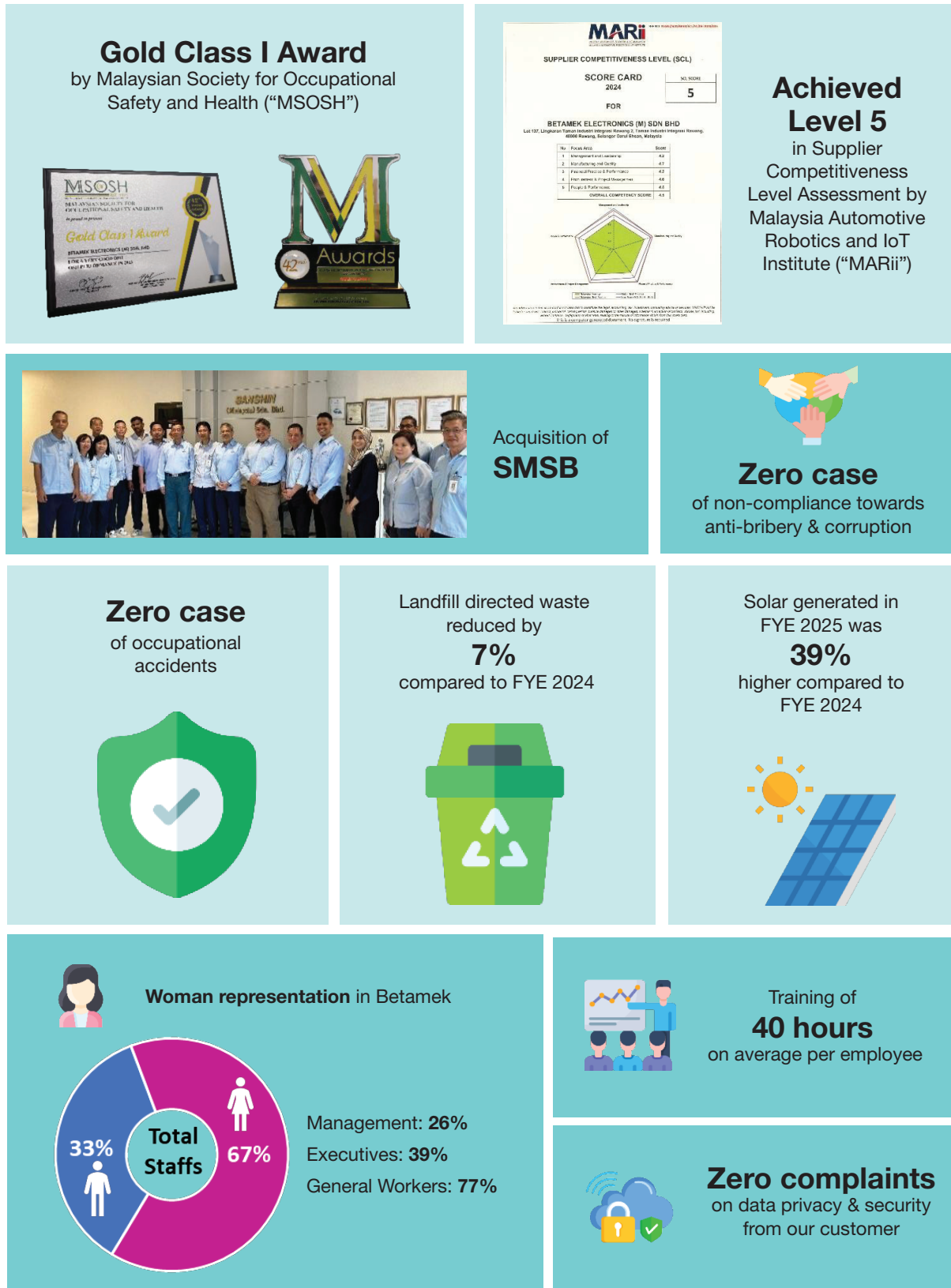


Feedback

Should there be any comments, submit your feedback and enquiries to: enquiry@betamek.com.my

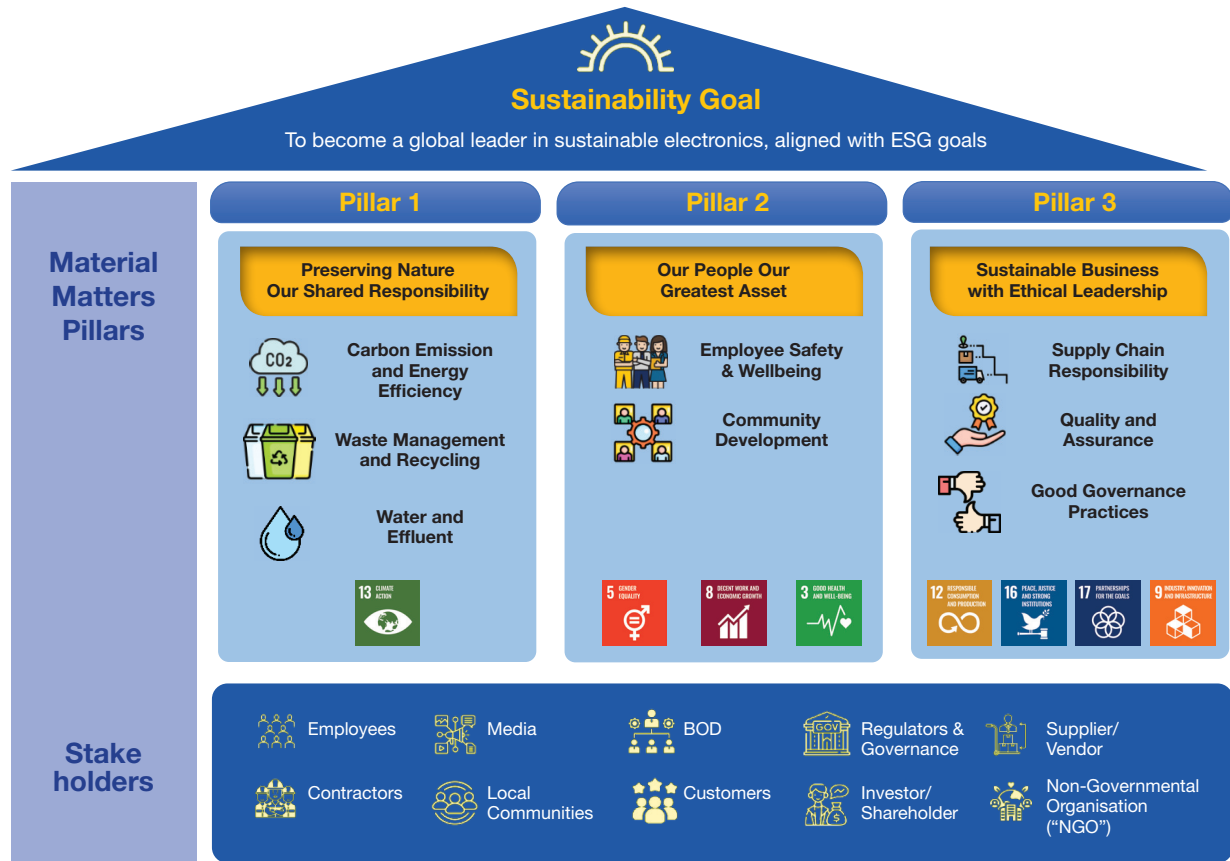
Sustainability Statement (Cont'd)

1. Key Sustainability Highlights for FYE 2025



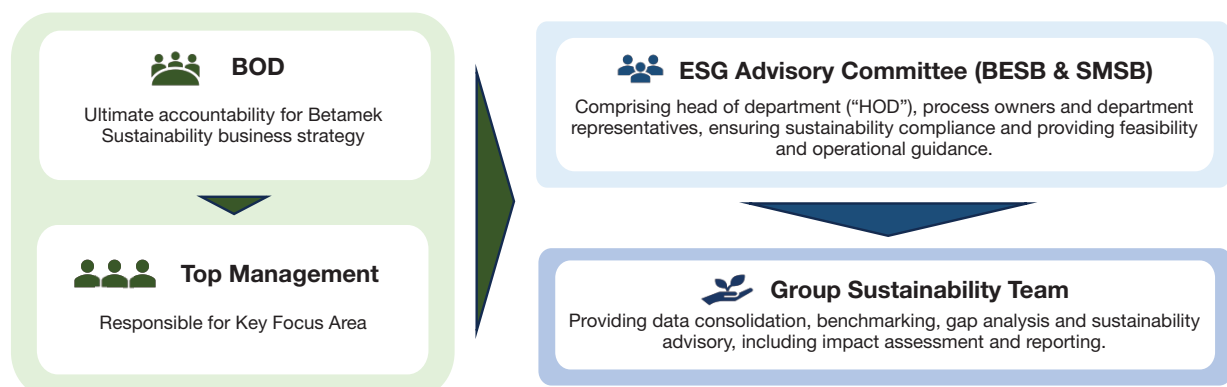
Sustainability Statement (Cont'd)

2. Sustainability Framework



3. Corporate Governance Structure

Our sustainability governance and leadership reflect unwavering commitment to implementing sustainability initiatives in line with relevant policies and guidelines. This governance structure enables us to identify, evaluate and manage significant risks and opportunities across economic, environmental and social domains. It incorporates clearly defined roles and responsibilities, regular reporting and review mechanisms, and active engagement with stakeholders. This structure also fosters a culture of sustainability throughout the organization, ensuring that it is integrated into decision-making processes and daily operations. The following diagram illustrates the governance structure, which ensures effective oversight and alignment with our sustainability commitments.





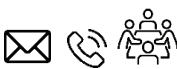
Sustainability Statement (Cont'd)

Betamek's corporate governance structure for sustainability consists of multiple levels of accountability and oversight. The BOD holds ultimate responsibility for the Group's sustainability business strategy, ensuring long-term alignment with corporate goals. Top management focuses on key strategic areas to drive sustainability initiatives forward. The ESG Advisory Committee, comprising HODs, process owners and department representatives, ensures compliance with sustainability policies while providing feasibility and operational guidance. Lastly, the Group Sustainability Team supports these efforts by consolidating data, conducting benchmarking and gap analysis and offering sustainability advisory, including impact assessments and reporting.







4. Stakeholder Engagement

For FYE 2025, Betamek has expanded its reporting boundary with the addition of a newly acquired wholly-owned subsidiary, SMSB. To ensure that stakeholders from both subsidiaries are adequately represented, we have conducted a fresh round of stakeholder engagement for SMSB. This engagement aims to identify key issues, understand stakeholder expectations and effectively manage concerns of the new subsidiary.


From both stakeholder engagements conducted at BESB and SMSB, we have identified our top stakeholders are employees, customers, suppliers / vendors and regulators & governance. The table below outlines our key stakeholder groups, the issues they have raised and the steps we are taking to address these concerns.




Stakeholder	Focus Area	Platform	Engagement channel
Employee	<ul style="list-style-type: none"> Performance management Career development Human rights Health and safety 	<ul style="list-style-type: none"> Market segmentation and profit maximization strategies Production "Morning briefing" Multimedia development for enhanced vehicle features Employee performance and training Medical and finance document 	<ul style="list-style-type: none"> Daily Weekly Monthly 
Customers	<ul style="list-style-type: none"> Corporate growth & business strategy Monitor project advancement Knowledge sharing 	<ul style="list-style-type: none"> Monthly survey engagements and submissions Implementing effective solutions for future automotive infotainment systems Monitor project advancement Business strategy review and optimisation Quality and service of product business 	<ul style="list-style-type: none"> Weekly Monthly 
Suppliers/ Vendor	<ul style="list-style-type: none"> Quality requirements Strategic expansion Supplier relations Innovation & product development 	<ul style="list-style-type: none"> Strategic expansion and supplier relations Knowledge transfer, quality assurance and continuous improvement Logistics optimisation, payment efficiency and enterprise resource planning ("ERP") integration Hardware, Personal Protective Equipment ("PPE") 	<ul style="list-style-type: none"> Daily Weekly Monthly Yearly 

Sustainability Statement (Cont'd)

Stakeholder	Focus Area	Platform	Engagement channel
Regulators & Governance	<ul style="list-style-type: none"> Regulatory compliance Labor rights Financial management Knowledge sharing Corporate growth & business strategy 	<ul style="list-style-type: none"> Exploring opportunities for government support in facilitating cross-border business expansion Regulatory compliance and governance oversight Financial management and transactional optimisation Advancing smart microcontroller technology 	<ul style="list-style-type: none"> Yearly 
BOD	<ul style="list-style-type: none"> Corporate growth & business strategy Financial management 	<ul style="list-style-type: none"> Identifying and cultivating future business prospects for sustainable growth Implementing effective compensation management strategies to ensure fair remuneration and employee retention Director resolutions 	<ul style="list-style-type: none"> Weekly Monthly As required 
Local Community	<ul style="list-style-type: none"> Community engagement 	<ul style="list-style-type: none"> Community engagement session and social responsibility 	<ul style="list-style-type: none"> As required 
Media	<ul style="list-style-type: none"> Corporate growth & business strategy 	<ul style="list-style-type: none"> Job boards Job advertisement 	<ul style="list-style-type: none"> As required 
Investor/ Shareholder	<ul style="list-style-type: none"> Corporate growth & business strategy Financial performance 	<ul style="list-style-type: none"> Exploring business expansion and networking opportunities at industry exhibitions International Automotive Task Force ("IATF") Certification Annual General Meeting ("AGM") 	<ul style="list-style-type: none"> As required Annually 
NGO	<ul style="list-style-type: none"> Knowledge sharing 	<ul style="list-style-type: none"> Community engagement sessions 	<ul style="list-style-type: none"> As required 

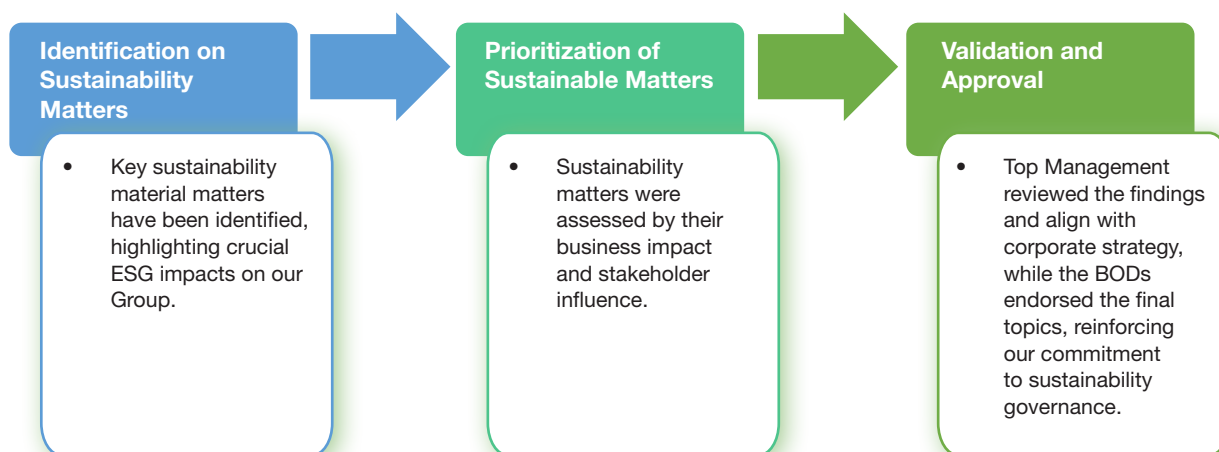
Sustainability Statement (Cont'd)

Stakeholder	Focus Area	Platform	Engagement channel
Industry Association	<ul style="list-style-type: none"> Corporate growth & business strategy Corporate social responsibility ("CSR") initiatives Regulatory & compliance 	<ul style="list-style-type: none"> Exploring business expansion and networking at exhibitions Implementing internship programs for undergraduate development Cultivating donations to support community engagement Trainings and issues related to government department 	<ul style="list-style-type: none"> As required 
Contractor	<ul style="list-style-type: none"> Regulatory compliance Product and quality assurance management Financial management 	<ul style="list-style-type: none"> Logistics and facility maintenance Financial transactions and customer complaints Production optimization and equipment maintenance Employee attendance General waste collection Repair and maintenance 	<ul style="list-style-type: none"> Daily Weekly Monthly   

 Phone calls
  Meeting
  Email/Website

5. Materiality Matrix

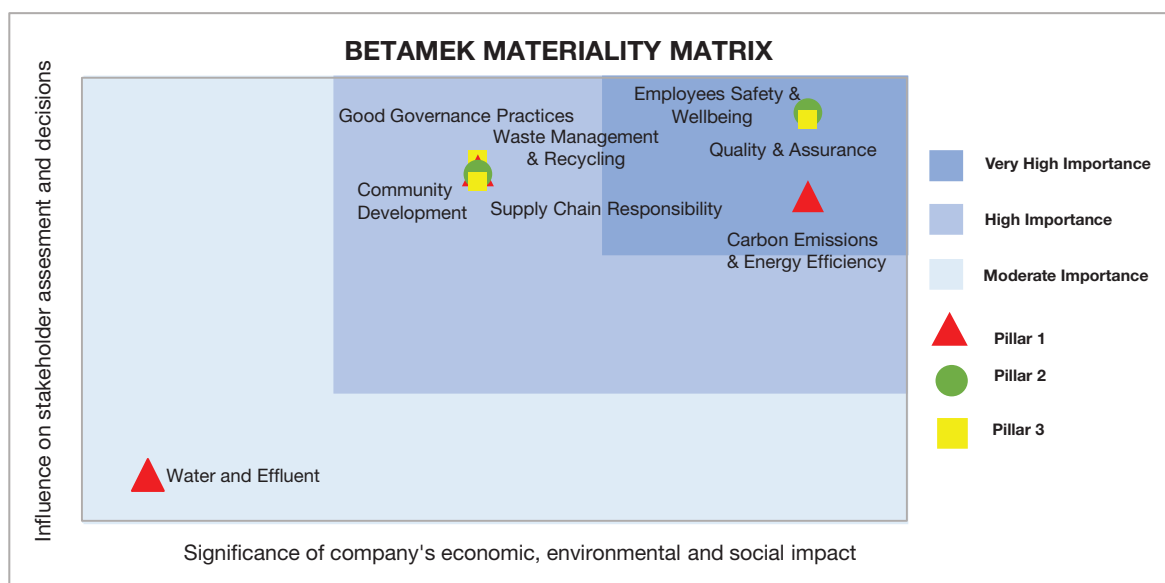
Following our stakeholder engagements, we have sent out a sustainability survey to our prioritized stakeholders in order to identify key issues from our sustainability matters. The process of identification of materiality matters are as follows:



We engaged with a total of 673 stakeholders of Betamek through our sustainability survey to identify the most relevant material issues for both our stakeholders and business operations. The results are mapped in the materiality matrix, which categorizes these matters into three segments: very high importance, high importance and moderate importance. In the very high importance quadrant, three key sustainability matters have been identified which are:

- 1) Employee Safety & Wellbeing;
- 2) Quality & Assurance; and
- 3) Carbon Emissions & Energy Efficiency.

Sustainability Statement (Cont'd)



Based on our top materiality matters, current approach and initiatives are as follows:

Employee Safety & Wellbeing	
Our Approach & Initiatives	Performance & Progress
<ul style="list-style-type: none"> Launched health and wellness programs for employees Provided safety training and trial emergency preparedness drills Ongoing workplace monitoring and improvement known as KAIZEN 	<ul style="list-style-type: none"> Ensuring safety & health compliance Participation of employees in health and wellness program Zero workplace incidents Employee feedback forms
Quality & Assurance	
Our Approach & Initiatives	Performance & Progress
<ul style="list-style-type: none"> Continuous training for all staffs to ensure they are updated with all requirements of current and upcoming products Quality check by each section in our production line Implementation of automated testing jigs 	<ul style="list-style-type: none"> TESIAR¹ measurement is conducted every 130 days to ensure compliance and performance tracking Incentives are given to employees if zero TESIAR incidents are recorded over a 130-day period
Carbon Emission & Energy Efficiency	
Our Approach & Initiatives	Performance & Progress
<ul style="list-style-type: none"> Installed solar panel on the factory roof top Implemented a solar energy monitoring system Retrofit of lighting systems with light-emitting diode ("LED"s) Energy saving work culture through turn off switches when not in used 	<ul style="list-style-type: none"> Measurement of energy generated and emissions avoided through usage of solar energy Measurement of monthly energy consumption vs production

¹ Incidents of customer reject

Sustainability Statement (Cont'd)

6. Pillar 1: Preserving Nature, Our Shared Responsibility

Betamek is committed to preserving and protecting the environment, recognizing that proactive measures are essential to reducing our impact. In line with our dedication to sustainability, Betamek remains certified under ISO 14001, a management system that helps identify ecological footprints, implement control measures and integrate them into our operations to minimize environmental impact. From reducing waste sent to landfills and managing energy consumption to adopting renewable energy solutions and digitalizing our human resource, procurement and production systems, every initiative is guided by our commitment to minimizing environmental impact. Through continuous improvement, we strive to mitigate climate change, conserve natural resources and contribute to a healthier, more sustainable world for all. Some of key highlights on our environmental initiatives for FYE 2025 are as follows:



ISO14001 Certification from both our subsidiaries to represent one of our commitments in preserving the nature



Renewable Energy Generated
Increased by **39%**



Landfill Waste Generated
Reduced by **7%**



BESB has achieved its target of keeping landfill waste below **55%**



Digitalization of systems to reduce paper usage:

- Human Resources System
- Procurement System
- Production System

Estimated **8 kg** of paper reduced since September 2024

Sustainability Statement (Cont'd)

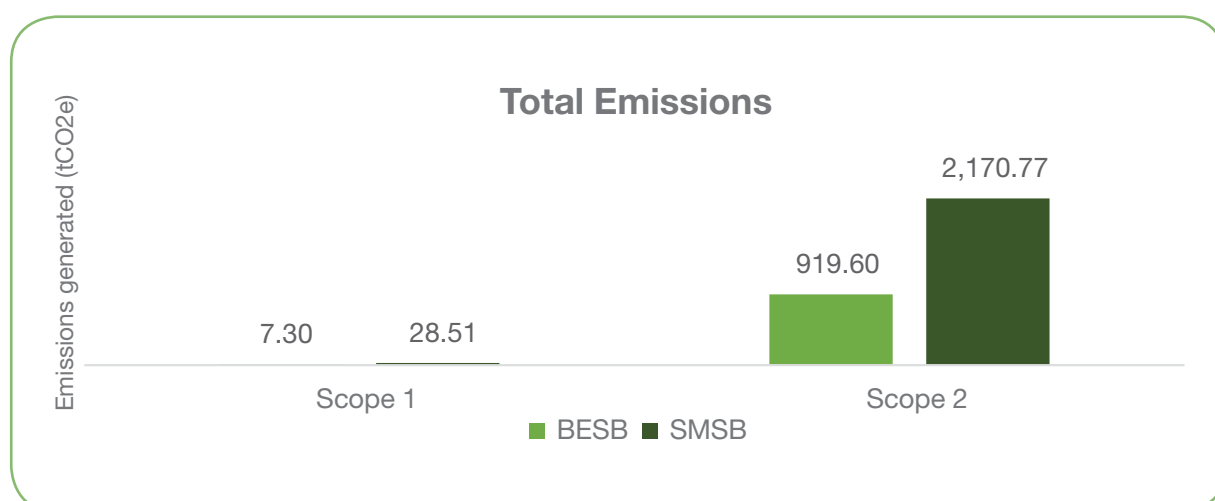
a. Carbon Emission and Energy Efficiency

Our Progress & Current initiatives

Betamek's emissions boundary encompasses its two subsidiaries, BESB and SMSB. As SMSB acquisition was completed in June 2024, its emissions data is included only from that point onward. Our carbon footprint assessment includes Scope 1 and Scope 2 emissions, ensuring a comprehensive evaluation of our direct and indirect emissions-related impacts. The following data provides insights into our emissions profile.

Betamek began collecting emissions data in FYE 2024, including some past data. However, historical data is only available for Scope 2 emissions from our TNB bill, while Scope 1 emissions from mobile and stationary combustion were not previously recorded. As a result, this reporting cycle provides the first complete dataset for Scope 1 emissions.

The graph below presents Betamek's emissions for both subsidiaries, BESB and SMSB. In both cases, Scope 2 emissions from purchased energy are the primary contributors, accounting for 99% of total emissions.



The graph shows the emissions generated in each of Betamek's subsidiary

For BESB, purchased energy emissions are significantly lower due to several factors as follows:-

- 1) It operates on a much smaller scale compared to SMSB, resulting in lower overall energy consumption;
- 2) Its adoption of a lean manufacturing system enhances operational efficiency, directly reducing energy usage; and
- 3) Lastly, the installation and use of solar energy contribute to an average of 27% of BESB's total energy consumption monthly, further lowering its reliance on purchased energy.

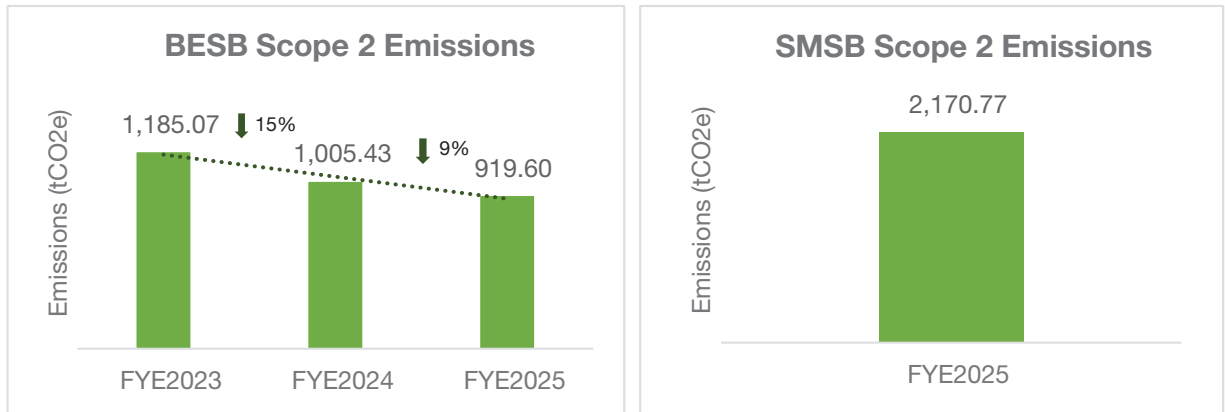
For SMSB, we are currently in the process to better understand its energy consumption patterns. Based on our findings, we aim to explore and implement strategies to reduce energy usage and improve overall efficiency.

Sustainability Statement (Cont'd)



Solar panels installed at BESB as part of our renewable energy initiative

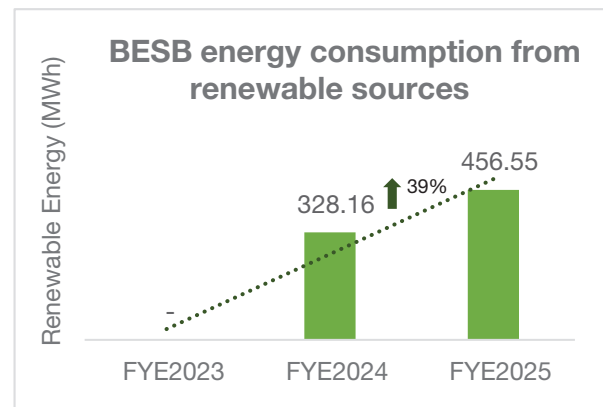
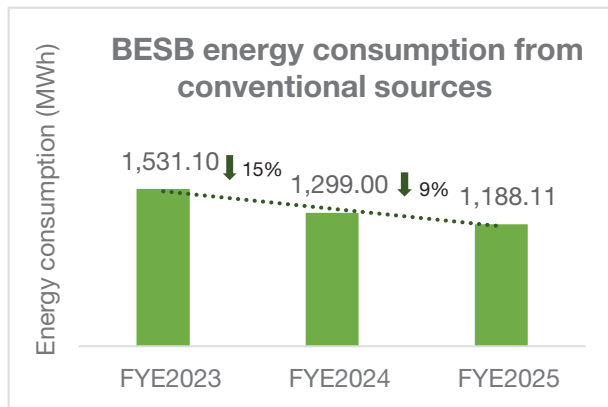
For Scope 2 emissions, Betamek has achieved annual reductions by adopting solar energy starting in FYE 2024 and continuing into FYE 2025. Additional energy-saving measures include transitioning to fully LED lighting, installing motion sensors in restrooms, and implementing training programs and regular bulletins to reinforce sustainable practices. SMSB was recently acquired into the Group and its energy consumption intensity remains relatively high. We are currently identifying gaps and exploring strategies to enhance energy efficiency within SMSB.



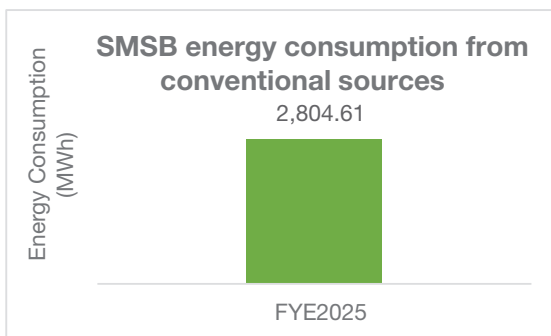
The left graph shows BESB's Scope 2 emissions, with a 15% drop followed by a 9% drop from FYE 2023 to 2025, respectively.
The right graph shows SMSB's Scope 2 emissions

As Scope 2 emissions are directly linked to energy, we closely monitor our electricity consumption in MWh to better understand usage patterns and improve energy efficiency. To support this, we have implemented a Building Management System ("BMS") that optimizes energy use across the production area. Additionally, our solar application provides real-time insights into solar energy generation and electricity drawn from conventional energy.

Sustainability Statement (Cont'd)

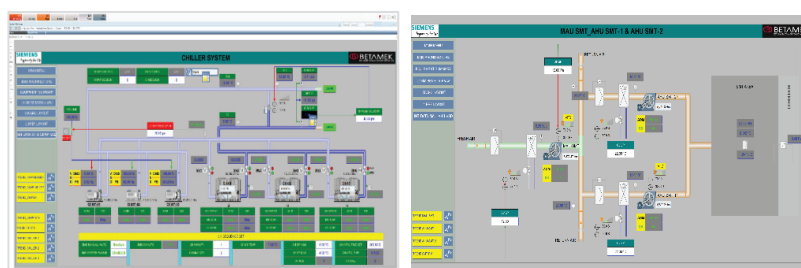


The left graph shows BESB's electricity use from conventional sources and the right graph shows use from renewable sources

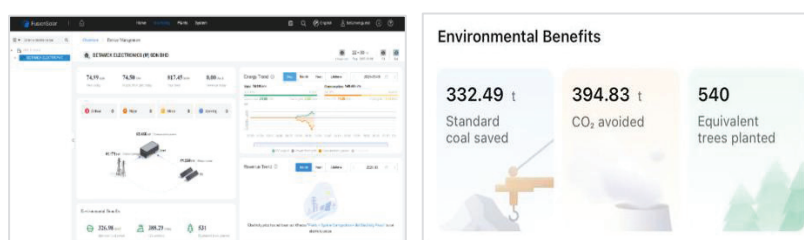


The graph shows SMSB's electricity consumption from conventional sources. Currently, the consumption trend is being analysed to identify key areas for future improvement.

BUILDING MANAGEMENT SYSTEM



BESB's BMS for manufacturing line to provide real time data and control temperature, relative humidity from overall process



The Fusion Solar app tracks real-time data from conventional and renewable sources while showcasing environmental benefits like carbon reduction

Sustainability Statement (Cont'd)

Our Next Action

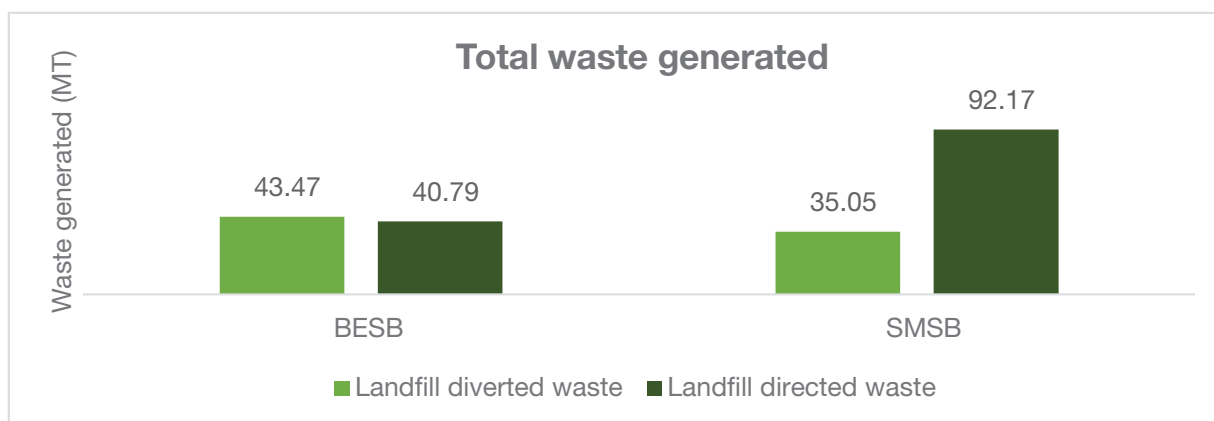
In our efforts to transition to a low-carbon economy, we have established our Scope 1 and Scope 2 emissions. However, to create a more comprehensive baseline for this transition, we plan to include two categories from our Scope 3 emissions: Category 6 (Business Travel) and Category 7 (Employee Commuting). By incorporating Scope 3 emissions into our baseline, we can gain deeper insights into our overall carbon footprint, identify key areas for reduction and develop more effective strategies to minimize our environmental impact. Thus, starting next year, we will begin collecting data on our Scope 3 emissions to establish a baseline and set targeted reduction goals as part of our transition toward a low-carbon economy.

b. Waste Management and Recycling

Our Progress & Current initiatives

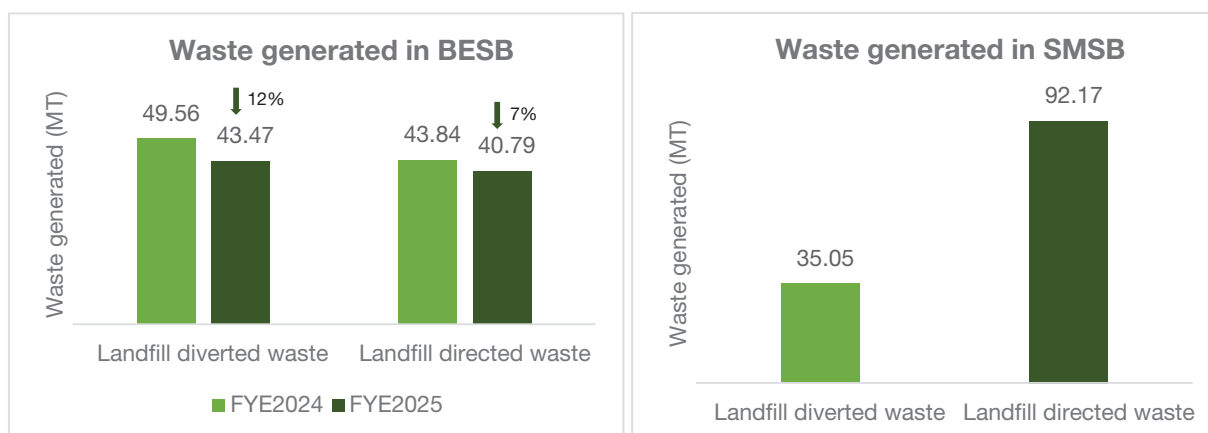
Strategic waste management is a key pillar in reducing environmental impact by minimizing landfill waste. Throughout FYE 2025, Betamek remains committed to responsible waste management, focusing on landfill diverted waste, including scheduled waste and recyclable materials. Scheduled waste, including SW 109, SW 110, SW 322, SW 409 and SW 410, are carefully managed to ensure proper disposal in compliance with regulations. To encourage staff participation in waste segregation, proceeds from selling scheduled waste are shared with employees in the form of AEON vouchers. Below is the category of wastes generated in Betamek:

Category	Type of waste	Details
Landfill directed waste	Municipal solid waste	Refers to solid waste generated from Betamek's offices, canteens and landscaping activities. Examples include food waste, food packaging, paper and landscape debris.
Landfill diverted waste	Recyclable waste	Refers to recyclable waste generated from Betamek's operations, including plastics, cardboard and iron/metals. Plastics are processed by vendors into plastic pallets, while cardboard is repurposed into paper products.
	Scheduled waste	Refers to scheduled waste generated from Betamek's operations, including SW109, SW110, SW322, SW409 and SW410. These wastes undergo recovery processes by selected vendors to minimize environmental impact.



The graph shown the waste generated in Betamek's subsidiaries

Sustainability Statement (Cont'd)



The left graph shows waste generated in BESB, showing a 12% reduction in landfill-diverted waste and a 7% decrease in landfill-directed waste from FYE 2024 to FYE 2025. The right graph shows SMSB's waste generated by category

As shown in the graph above, BESB has successfully reduced the total amount of waste generated annually. Specifically, landfill-directed waste decreased by 7%, while diverted waste was reduced by 12%. This progress was achieved through multiple initiatives that help employees identify different types of waste, segregate them correctly, reuse materials whenever possible and prioritize recycling as a final option. For SMSB, we plan to address landfill-directed waste as a priority, as it constitutes the largest portion of its total waste. Moving forward, we will explore and implement strategies to reduce waste generation and improve waste diversion efforts.

A key part of our waste management effort is raising awareness among staff through structured training programs on proper waste handling and disposal. Some of these initiatives are outlined below. By integrating these practices, Betamek remains committed to reduce its environmental impact while fostering a culture of sustainability among employees.

Training programs to improve waste management in FYE 2025:

Type of training	Targeted Audience
Chemical Handling & Chemical Spillage	Staffs which handle chemicals
Scheduled Waste Training	Staffs which handle scheduled wastes
Sustainability Training (ESG & Recycling Awareness)	All employees
Safety Induction to new employees (Include waste handling)	All new employees
Sustainability Induction Training (Awareness)	All new employees

Sustainability Statement (Cont'd)

TRAINING PROGRAMS TO IMPROVE WASTE MANAGEMENT



Scheduled waste training by our internal certified trainer and Environmental Officer



Chemical handling and chemical spillage training by internal Safety & Health Officer



Sustainability training on recycling awareness conducted by internal sustainability team

WASTE MANAGEMENT INITIATIVES

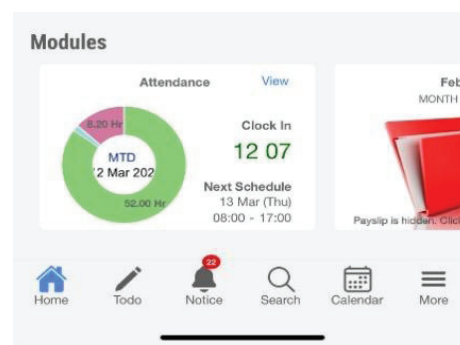
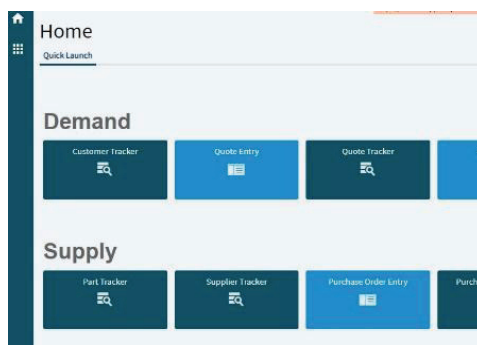


Waste segregation efforts (Scheduled waste and recyclable waste)

Sustainability Statement (Cont'd)



Internal recycling drive where our employees were encouraged to bring recyclables from home



Digitalization of Procurement, Human Resources and Production system

Our Next Action

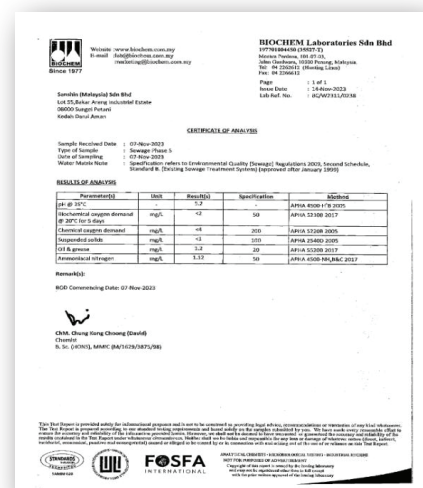
This year, we are focusing on further reducing the amount of waste sent to landfills by improving municipal and scheduled waste management through more efficient segregation and disposal practices. For SMSB, landfill-directed waste remains a priority as it constitutes the largest portion of total waste. To address this, we are exploring and implementing strategies to reduce waste generation and enhance diversion efforts. Across the Group, targeted initiatives such as enhanced waste sorting systems, employee awareness programs and potential recycling and repurposing opportunities are being introduced. These steps will strengthen overall waste management and minimize our environmental impact.

c. Water and Effluent

Our Progress & Current initiatives

Water and effluent management became a key materiality matter for Betamek following our acquisition of SMSB, as its operations generate effluents that must comply with Department of Environment standards. Additionally, since water and effluent are recognized as key sustainability indicators by Bursa Malaysia, we have taken steps to measure both our water consumption and discharge quality to ensure proper management and regulatory compliance.

For effluent discharge, SMSB is required to comply with Standard B regulations. Regular maintenance and evaluations are conducted to ensure continuous adherence to the prescribed standards.

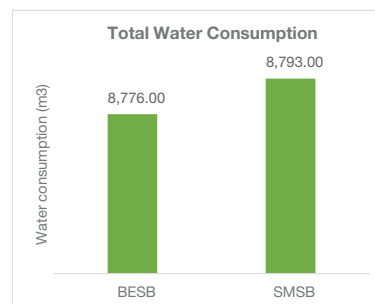


Sustainability Statement (Cont'd)

To track and manage water consumption, data is collected to analyse usage trends across both subsidiaries. Additionally, simple yet effective measures such as installing signage and water-efficient pipes in renovated areas of the factory have been implemented to promote conservation and sustainability.

Our Next Action

Betamek will continue exploring opportunities to improve water management across its operations, focusing on identifying practical solutions that align with our sustainability goal.



The graph shown water consumption usage in Betamek for FYE 2025

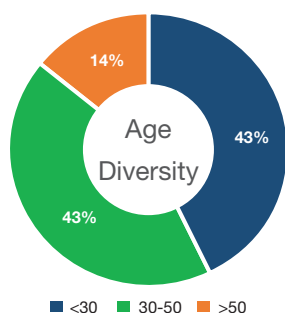
7. Pillar 2: Our People, Our Greatest Asset

Greatest Asset

Betamek recognizes employees as one of the Group's key stakeholders, understanding that their welfare directly impacts productivity and product quality. Therefore, we remain committed to prioritizing employee safety, well-being and development. As part of our inclusive workplace culture, we provide opportunities for individuals, ensuring equal access to employment and growth. Beyond our workforce, Betamek is also dedicated to giving back to the community, supporting those in need and sharing our prosperity to create a positive social impact. Highlights of our social pillar are as follows:



Betamek achieved MSOSH Gold Class 1 Award



Opportunities for handicap

Committed to an inclusive workplace, providing equal opportunities and accessibility for individuals of all abilities, including persons with disabilities.



ZERO

accidents reported in
FYE 2025



Total training hours

13,037 hours
completed.

For Total average hours is

40 hours
completed.

Sustainability Statement (Cont'd)

a. Employee Safety & Wellbeing

Our Progress & Current initiatives

One of our ongoing commitments to employee safety and well-being is the implementation of ISO 45001, through which we systematically identify risks and hazards and apply specific control measures to mitigate them. A testament to this commitment is Betamek's achievement for the Gold Class 1 Award by MSOSH, recognizing our dedication to workplace safety and health.

Beyond safety, we also prioritize employee welfare and work-life balance. To ensure our employees remain happy and healthy, we have introduced various initiatives, including weekly sports programs, annual trips, annual dinners, health screening programs, blood donation drives and many more.



ISO 45001 certification from both of our subsidiaries represent our commitments in health and safety

SAFETY TRAINING



Betamek fire drill session to enhance employee safety awareness in December 2024



Training for forklift handlers in April 2024

Betamek takes several measures to ensure employee safety, one of which is offering safety training. Examples include our annual fire drill, forklift handling training, chemical handling training and induction safety training for new staff.

Sustainability Statement (Cont'd)

HEALTH AND SAFETY INSPECTIONS



Dengue inspection by Kementerian Kesihatan Malaysia ("KKM")



Bomba inspection

In addition to safety training, Betamek ensures a safe and secure workplace through several external inspections, including dengue prevention inspections by KKM and building inspections by Bomba. As part of our safety measures, we have also equipped our workplace with an automated external defibrillator ("AED"), a first aid room and first aid kit toolboxes for emergency preparedness. Additionally, we conduct maintenance work, such as tree trimming and road maintenance, to ensure a safe, clean and well-maintained environment. These efforts help prevent hazards and improve accessibility for our employees.

BETAMEK SAFETY MEASURES



AED, first aid room and first aid kit tool box



Road patching to prevent any road accidents

To promote a healthy and active lifestyle among our employees, Betamek organizes regular sports activities, including zumba, futsal and badminton. These activities provide a fun and energetic way for staff to stay fit, relieve stress and strengthen teamwork.

Sustainability Statement (Cont'd)

BETAMEK SPORTS ACTIVITY



Zumba activity was conducted for our female staffs after working hours during the Active@Work Program



Badminton activity was conducted weekly every Thursday



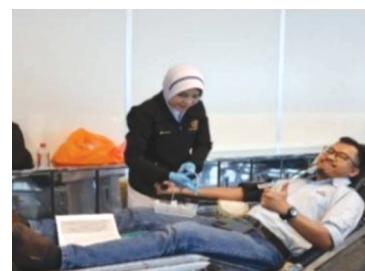
Futsal friendly match was conducted annually

Sustainability Statement (Cont'd)

HEALTH PROGRAMS



Health screening by Pertubuhan Keselamatan Sosial ("PERKESO")



Blood donation drive was conducted

This year, Betamek launched multiple health initiatives, including a blood donation drive, PERKESO health screenings for employees age over 40s and the Active@Work program encourage healthier lifestyle among our employees. Additionally, to appreciate and reward our employees, Betamek organized an annual trip to Hat Yai, Thailand, for relaxation and team bonding. Our annual dinner also celebrated employee contributions with awards such as Best KAIZEN, Best 5S and Best Employee. Other than that, Betamek invited food trucks to the factory to give free food and beverages for all staff.

Sustainability Statement (Cont'd)

EMPLOYEE APPRECIATION INITIATIVES



Company trip to Hat Yai, Thailand



Celebrated annual dinner and lucky draw, best employee awards, best KAIZEN awards and best 5S award



Organized food truck to all the Betamek employees

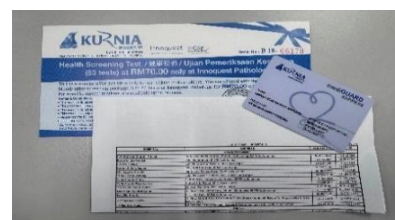
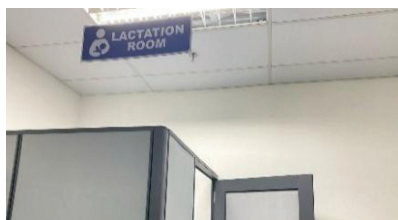


Festive celebrations with Betamek employees

Betamek values employee well-being and demonstrates appreciation through meaningful compensation and benefits. We offer free breakfast and lunch, AEON vouchers, festive angpows, medical insurance and performance-based bonuses as a recognition of our employees' dedication. These benefits are designed to ease financial burdens, support work-life balance and create a positive and rewarding workplace for all. We also distributed a box of dates for all Betamek employees in the fasting month of Ramadhan. This gesture reflects our appreciation for the team and our commitment to creating a workplace that respects and embraces diverse traditions. Moreover, we provide a dedicated lactation room for new mothers, offering a comfortable and private space for them. This initiative reflects our commitment to supporting working mothers by ensuring a safe, hygienic and convenient environment, fostering a more inclusive and family-friendly workplace.

Sustainability Statement (Cont'd)

EMPLOYEE COMPENSATION AND BENEFITS



Lactation room for new mothers, free breakfast & lunch, medical insurance for all our employees



Annual AEON vouchers distribution, festivals angpow and annual 'kurma' distribution during Ramadhan

Our Next Action

Moving forward, Betamek will strengthen its commitment to employee well-being through enhanced sports activities, health and safety programs, and meaningful benefits, fostering a positive workplace culture.

b. Community Development

Our Progress & Current initiatives

Our organization is committed to supporting both the community and our employees through comprehensive training and development programs. These include culture and mindset training, technical skills enhancement and leadership development for all employees. Internal training is led by our dedicated Dojo² team, ensuring a structured learning approach. At Betamek, all new hires, including interns regardless of industry background, undergo an induction training week to familiarize themselves with our work culture and environment. We believe this is essential for aligning employees with our shared mindset and goals. To support continuous growth, all employees are required to complete at least 16 hours of internal and external training, fostering both professional development and core values.

² Betamek training facility for continuous employee learning

Sustainability Statement (Cont'd)

BETAMEK TRAINING SYSTEM



Dojo induction training (Mindset and Culture & Soft skills)



Betamek training facility for continuous employee learning ESG fundamentals and identification of sustainability matters training for management of SMSB



External training (Microsoft Excel, Power BI, Leadership skills and more)



Daily Morning Briefing



We continue to offer a wide range of training to our employees. Our learning and development emphasize on training to help our employees master their work areas and perform optimally. Our training programs encompasses trainings for safety and compliance measures, embarking in new skills, certificates, work ethics procedures, learning on new languages and many more. As we embark on new productions, trainings will be provided to respective employees.

Sustainability Statement (Cont'd)

Courses	Targeted Audience
Mandatory skills	
Leadership, basic skills, mindset, and culture training	All employees
HSE training	
ESG practices	
5S practices	
Soft skills	
Leadership, basic skills, mindset, and culture training	Required employees and engineers
ISO- 26262,14001,45001	
Project introduction	
Data analysis	
Review Standard Operation Procedures	
Accident report & Investigation	
Chinese language training	
Microsoft Excel	
Prosedur kerja selamat	
Management workshop	
Safe defensive motor training	
Workplace health promotion	
Asia Pacific Occupational Safety and Health Organization	
Technical skills	
Quality Assurance Inspection & Test Instruction	Engineers
Quality Alert	
Robotic automation	
Part inspection standard	
Training for new testing tool/new product	
Safe defensive motor training	
Noise Risk Assessment	
X-Ray machine	
Training for new model, testing tool multimeter, model mechanical part information	
Manufacturing Jig Verification Label	
Information Technology Security Awareness	
Packing parts	
Specification Test and report	
Training of R&D performance management system	

Betamek remains committed to giving back to the community by providing food, household and essential supplies annually to orphans and tahfiz children. This ongoing initiative aims to ease their daily burdens and ensure they have the necessary support. In addition, we extended our contributions by providing festive cash for the Raya celebration. Through these efforts, we continue to strengthen our bond with the community and uphold our commitment to social responsibility.

Sustainability Statement (Cont'd)

GIVING BACK TO THE COMMUNITY



Distribution of duit raya to the orphans



Food was donated to the orphans

During the financial year, we proudly expanded our efforts beyond our organization by conducting our first external CSR program in collaboration with the Free Tree Society at Taman Tugu Nursery, Kuala Lumpur. Volunteers from our organization participated in this program to raise awareness within the local community about the importance of preserving the environment for future generations. As part of the initiative, free plants were distributed to support reforestation efforts. This program reflects our commitment to strengthening bonds with the community by actively engaging in and supporting meaningful environmental initiatives.

CORPORATE SOCIAL RESPONSIBILITY



CSR activity was held in Taman Tugu

Sustainability Statement (Cont'd)

Our Next Action

Moving forward, Betamek will continue strengthening community development both internally and externally. For our internal community, all staff will undergo a minimum of 16 hours of training annually, alongside structured training plans to support career growth. Externally, we remain committed to expanding our outreach, fostering connections and finding new ways to give back to the community.

8. Sustainable Business and Ethical Leadership

At Betamek, corporate governance remains a core pillar of our operations and organizational culture. Strong governance is essential in upholding trust, integrity and accountability across our business and with all stakeholders. During the financial year, we continue to reinforce our commitment to governance by ensuring quality assurance, responsible supply chain management and strict adherence to governance policies across all aspects of our operations. Some of our highlights in our governance pillar are:



Launch of Betamek Research & Development ("R&D") Centre to drive innovation, improve products and processes, staying competitive and exploring new markets



Performance score card

improved by 29%

compared to FYE 2024 from
Perodua Auto Corporation Sdn. Bhd.



Full score by Perodua Sales Sdn. Bhd.

5.0 with 0 cases recorded

in FYE 2025



BESB was awarded

Level 5

in the Supplier Competitiveness Level
Global Class Certificate by MARii



Anti-Corruption & Bribery training

for our director, top management and managers

Sustainability Statement (Cont'd)

a. Quality Assurance

Our Progress & Current initiatives

Quality assurance is a fundamental aspect of our corporate governance framework. We are committed to delivering high-quality products and services, with a strong foundation in IATF 16949:2016. From product development to manufacturing and distribution, we adhere to strict quality standards to meet customer expectations, particularly in the automotive industry. Our quality assurance protocols are regularly reviewed, updated to reflect industry best practices and audited annually by an external third-party certification body. This year, we have made significant progress as our TESIAR results have improved compared to last year. To demonstrate our commitment to continuous improvement, we have set an annual TESIAR target that is 29% lower than the previous year. Additionally, as part of our initiatives to enhance quality and reduce TESIAR occurrences, we have introduced an employee reward program, where team members receive a token of appreciation for achieving 130 consecutive days without any TESIAR incidents.



IATF 16949 certification from both our subsidiaries to represent one of our commitments in quality management of our products

ZERO TESIAR INCENTIVES



Incentives in the form of free food and drinks were given to all of our staff for achieving zero TESIAR

Sustainability Statement (Cont'd)

KAIZEN ACTIVITIES



KAIZEN³ initiatives implemented to enhance efficiency, quality & productivity

³ A Japanese term that refers to a mindset or process of making small, ongoing improvements

Additionally, Betamek also practices KAIZEN initiatives. KAIZEN, a Japanese philosophy meaning “continuous improvement,” focuses on making small, incremental changes to enhance efficiency, quality and productivity. By involving all employees in identifying and addressing inefficiencies, KAIZEN helps reduce defects, streamline processes and standardize best practices. It fosters a culture where quality control is a shared responsibility, ensuring consistency and minimizing variations. This approach not only improves operational efficiency but also boosts customer satisfaction by delivering higher-quality products and services.

Our Next Action

Our next action is to strengthen our commitment to quality assurance by reinforcing TESIAR reduction strategies, enhancing employee engagement through recognition programs and optimizing KAIZEN practices for continuous improvement. By fostering a culture of shared responsibility and efficiency, we aim to enhance product quality, minimize defects and exceed customer expectations.

b. Supply Chain Responsibility

At Betamek, our commitment to responsible and ethical supply chain practices was recognized this year when we were awarded Level 5, the highest rating in the Supplier Competitiveness Level Global Class Certificate by MARii. This achievement highlights our dedication to maintaining high-quality standards across our supply chain and the strong partnerships we have cultivated with suppliers who align with these values.

Sustainability Statement (Cont'd)

Building on this success, we have enhanced our practices by focusing on selecting vendors who meet our quality standards, incorporating waste management considerations into our permit-to-work processes and identifying climate risks in line with ISO 14001 standards. Through ongoing engagement and collaboration with our supply chain partners, we continue to promote fair labour practices, protect human rights and minimize environmental impact across our supply chain.

In May 2024, Betamek was recognized as one of the Platinum award recipients by the Malaysia Productivity Corporation ("MPC") for our commitment to sustainability and shared prosperity. We take pride in our efforts across key areas on People, Planet, Product, Process and Prosperity. We were also honoured to be invited by MPC to present our initiatives to Perodua's vendors as a representative of previous year's award-winning vendors. This opportunity allows us to share our best practices, foster collaboration and inspire continuous improvement in sustainable business practices across the industry. Below is the link to the video.

SSPOA Link: <https://www.youtube.com/watch?v=xqc98VqZwE0>



Betamek has been awarded Level 5 in the Supplier Competitiveness Level Global Class Certificate by MARii



Platinum award recognition in SSPOA awarded by MPC & sharing session with Perodua's vendors

Sustainability Statement (Cont'd)

As part of our commitment to strengthening the supply chain, we also place a strong emphasis on innovation. To drive technological advancements, we established our own R&D Centre, which was officially launched in March 2025. Equipped with state-of-the-art facilities, our R&D Centre is dedicated to developing cutting-edge technologies for the automotive industry. Through continuous research, testing and collaboration, we strive to create innovative solutions that enhance vehicle performance, efficiency and sustainability. Some examples of our latest advancements include:

BETAMEK'S INNOVATION IN AUTOMOTIVE ELECTRONICS SYSTEM



Telematics Box

The latest innovation from us, created for electric vehicles, is called the Telematics Box. It collects and transmits data related to the vehicle's performance, location and driver behaviour. It consists of several key components such as a Global Positioning System ("GPS") module, a gravity sensor ("G-sensor") and an emergency call ("E-call") system.



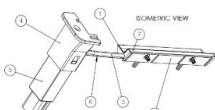
Child Presence Detector

The child presence detector uses radar technology to detect the presence of children in vehicles or hazardous areas. It helps prevent heatstroke and enhances overall child safety by alerting caregivers or triggering safety systems.



Cockpit System

This technology integrates a digital instrument cluster, infotainment system with Android Auto and Apple CarPlay and a steering control switch. The digital cluster replaces analogue dials, offering customization and advanced features for a more convenient and enjoyable driving experience.



Ambient Light

The ambient light system enhances vehicle's interior with customizable LED lighting, featuring colour modes, music sync and app control. It boosts aesthetics and creates a relaxed, enjoyable driving experience especially at night.



Wireless Charger

A wireless car charger uses Qi technology for fast and cable-free charging. It features overcharge protection, temperature control and smart detection for safety. An automatic grip secures the phone, ensuring stability even on bumpy roads.

Sustainability Statement (Cont'd)

Our Next Action

Betamek will continue to strengthen our supply chain practices by focusing on improving vendor selection and ensuring our partners consistently meet our high-quality standards. Additionally, we will leverage our R&D capabilities to drive innovation within the supply chain, particularly in developing advanced automotive technologies. By integrating cutting-edge solutions such as the telematics box and other smart vehicle technologies, we aim to enhance efficiency, sustainability and overall product quality across our supply chain.

c. Good Governance Practices

At Betamek, we adhere to a comprehensive set of policies designed to uphold ethical standards, transparency and accountability across all areas of our business. These policies cover a wide range of areas, including financial reporting, anti-bribery and integrity, whistleblowing, risk management, data privacy and corporate social responsibility. We regularly review and update our corporate governance policies to ensure alignment with regulatory requirements, industry standards and emerging best practices.

As part of our commitment to maintain strong governance, Betamek conducts comprehensive induction training for new hires to equip them with essential skills and instil company values. The training covers key corporate governance topics such as anti-bribery and corruption, code of conduct, cybersecurity and whistleblower policies. Additionally, all existing staff will receive refresher training from time to time, including anti-corruption training and assessment, to reinforce our commitment to good governance.

Our Next Action

Betamek will continue updating governance policies and enhancing training to ensure ongoing compliance and reinforce ethical standards and anti-corruption practices.

9. United Nations Global Compact

Betamek signed the United Nations Global Compact ("UNGC") in 2022, committing to uphold its ten principles on human rights, labour, the environment and anti-corruption. We actively engaged with stakeholders and participate in the UNGC network of Malaysia & Brunei to ensure our practices align with international standards. We continue to integrate these principles across our operations, working closely with suppliers, employees and partners to drive progress. Additionally, we are strengthening our sustainability efforts by enhancing transparency, promoting ethical business practices and fostering long-term positive impacts in line with UNGC's goals. Below are the initiatives implemented for each principle.



Sustainability Statement (Cont'd)

Environment <ul style="list-style-type: none"> Environmental Management Systems ("EMS"), ISO 14001 Carbon Footprint reduction initiatives Waste reduction programs in production and packaging 	Human Rights <ul style="list-style-type: none"> Regular human rights training for employees Collaboration with suppliers to ensure no child labour is involved in our supply chain
Anti Corruption <ul style="list-style-type: none"> Anti-Corruption training Whistleblower Protection policies Third-party audits 	Labour <ul style="list-style-type: none"> Health & Safety programs Equal opportunities for all Career development opportunities

10. Performance Data

The performance data table provides an overview of Betamek's sustainability performance based on key material matters. Currently, we have two years of data, with the first year containing some gaps as we were in the early stages of data collection. FYE 2025 marks the first year of complete annual data, providing a clearer picture of our progress. The increase in data values is also attributed to the inclusion of SMSB as a newly acquired subsidiary of Betamek. Moving forward, we will continue to collect and refine our data to enhance transparency and accountability.

Indicator	Unit	FYE 2024	FYE 2025
PILLAR 1: PRESERVING NATURE OUR SHARED RESPONSIBILITY			
Emissions Management			
Scope 1	tCO2e	-	35.81
Scope 2	tCO2e	1,005.43	3,090.36
Energy Management			
Total Energy Consumption	MWh	1299.00	1188.11
Waste Management			
Total waste diverted from disposal	MT	49.56	78.52
Total waste directed to disposal	MT	43.84	132.95
Water			
Total water used	m3	9,691	17,569
PILLAR 2: OUR PEOPLE OUR GREATEST ASSET			
Community/Society			
Total amount invested in the community (external)	RM	995	26,223
Total number of beneficiaries of investment in community	Frequency	30	70
Total number of volunteers	Frequency	5	31

Sustainability Statement (Cont'd)

Indicator	Unit	FYE 2024	FYE 2025
Diversity			
Male	%	34.36	34.75
Female	%	65.64	65.25
Management - Male	%	76.47	78.95
Management - Female	%	23.53	21.05
Executive - Male	%	59.02	61.29
Executive - Female	%	40.98	38.71
Non-Executive - Male	%	27.24	26.96
Non-Executive - Female	%	72.76	73.04
Directors - Male	%	67.00	67.00
Directors - Female	%	33.00	33.00
Directors - >50	%	100.00	100.00
Directors - 30-50	%	-	-
Directors - <30	%	-	-
Health & Safety			
Number of work-related fatalities	Frequency	-	-
Lost time incident rate	Rate	-	-
Number of employees trained on health and safety standard	Frequency	-	692
Labour practices and standards			
Total hours training - Management	Hours/Person	18.03	12.42
Total hours training - Executive	Hours/Person	18.83	10.75
Total hours training - Non-Executive	Hours/Person	10.75	10.91
Percentage of employee that are contractor/temporary staff	%	-	-
Employee turnover - Management	%	0.51	0.75
Employee turnover - Executive	%	3.08	2.00
Employee turnover - Non-Executive	%	21.28	21.75
Number of substantiated complaints concerning human rights violation	Frequency	-	-
PILLAR 3: GOOD GOVERNANCE PRACTICES			
Anti-Corruption			
Anti-corruption training - Management	%	-	40.00
Anti-corruption training - Executive	%	-	37.00
Anti-corruption training - Non-Executive	%	-	95.00
Percentage of operations accessed for corruption related risks	%	-	100.00
Confirmed incidents of corruption	Frequency	-	-
Supply chain management			
Proportion of local suppliers	%	53.00	54.00
Data privacy and security			
Breaches and data loss of customer data	Frequency	-	-

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Betamek Berhad recognises the importance of maintaining high standards of corporate governance for transparency, accountability, integrity and a well-managed company.

As a fundamental part of discharging its duties and responsibilities, the Board is committed towards ensuring good corporate governance practices are implemented and maintained throughout the Company and its subsidiaries (hereinafter referred to as the “**Group**”) to enhance shareholders’ value, and to be consistent with the principles and best practices as set out in the Malaysian Code on Corporate Governance (“**MCCG**”). This Corporate Governance Overview Statement is augmented with a Corporate Governance Report 2025 (“**CG Report**”), based on a prescribed format guided by Guidance Note 11 of the ACE Market Listing Requirements (“**AMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) so as to provide a detailed articulation on the application of the Company’s corporate governance practices as set out in the MCCG throughout the financial year ended 31 March 2025 (“**FYE 2025**”).

The CG Report is available on the Company’s website at <https://betamek.com.my>, as well as via an announcement on the website of Bursa Securities.

This Corporate Governance Overview Statement makes reference to the following three (3) key principles and practices to the extent of compliance with the recommendations of good corporate governance as set out in the MCCG and Corporate Governance Guide (4th Edition):-

- (a) Board Leadership and Effectiveness;
- (b) Effective Audit and Risk Management; and
- (c) Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

PART I : BOARD RESPONSIBILITIES

1. Board and Board Committees

1.1 Board of Directors

The Board is collectively responsible for the stewardship of the overall performance and business affairs of the Group. The Board provides necessary leadership which includes practicing a high level of good governance to ensure the long-term success of the Group as well as the delivery of sustainable value to its stakeholders.

The Board assumes among others, the following principal functions and responsibilities:-

- a) Establish the organisation’s values, vision, mission and strategies;
- b) Reviewing and setting up the Group’s strategic plan and direction;
- c) Promote better investor relations and shareholder communications;
- d) Establish appropriate policies and procedures, to ensure compliance obligations and functions are effectively discharged;
- e) Ensure all significant systems and procedures are in place for the organisation to run effectively, efficiently, and meet all legal and contractual requirements; and
- f) Ensure that the organisation has appropriate corporate governance in place including standards of ethical behaviour and promoting a culture of corporate responsibility.

1.2 Board Charter

The Board Charter sets out the key corporate governance principles for the Board for the operations of the Group and describes the functions of the Board and those functions delegated to the Management of the Company.

The Board Charter is established to promote a high standard of corporate governance and is designed to provide guidance and clarity for Directors and Management with regards to the role of the Board and its Committees.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I : BOARD RESPONSIBILITIES (CONT'D)

1. Board and Board Committees (Cont'd)

1.2 Board Charter (Cont'd)

This Board Charter does not overrule or preempt the statutory requirements and other relevant statutes. It shall form an integral part of each Director's duties and responsibilities.

The Board Charter is available on the Company's website at <https://betamek.com.my>.

1.3 Board Committees

In order to discharge of its stewardship role effectively, the Board has delegated specific duties to two (2) Board Committees. Each of the Board Committees operates within its respective Terms of Reference ("TOR") approved by the Board. The respective Board Committees report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for decision making, however, lies with the Board.

The Board Committees are as follows:

- a) Audit and Risk Management Committee ("ARMC"); and
- b) Nomination and Remuneration Committee ("NRC").

1.4 The Chairman of the Board

The Board is chaired by an Independent Non-Executive Chairman, namely, En Ahmad Subri Bin Abdullah. The Chairman is responsible for instilling good corporate governance practices in the Group, leading the Board in oversight of management, representing the Board to shareholders and chairing general meetings of shareholders.

The roles and responsibilities of the Chairman of the Board are specified under Paragraph 6.2 of the Board Charter.

The Board views that the Chairman of the Board should not be involved in any Board Committees. This is to ensure check and balance as well as the objectivity will not be influenced by the Chairman of the Board who also sits on Board Committee(s). Therefore, the Chairman of the Board is not a member of any of the Board Committees which is in line with the MCCG.

1.5 Separation of Positions of the Chairman and Managing Director ("MD")

There is a clear segregation of duties and responsibilities between the Chairman and MD for ensuring there is a balance of power and authority in the Company. The positions of the Chairman of the Board and the MD are held by different persons. The Chairman of the Company is En Ahmad Subri Bin Abdullah, an Independent Non-Executive Chairman whilst the MD is En Mirzan Bin Mahathir.

The segregation of roles facilitates a healthy open discussion and exchange of views between the Board and Management in their deliberations of the business, strategic aims and key activities of the Company.

The respective roles and responsibilities of the Chairman and the MD are clearly set out in the Board Charter of the Company.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I : BOARD RESPONSIBILITIES (CONT'D)

1. Board and Board Committees (Cont'd)

1.6 Company Secretaries

The Board is supported by two (2) external Company Secretaries, both are suitably qualified, competent and capable of carrying out the duties required. They are members of the Malaysian Institute of Chartered Secretaries and Administrators and are qualified to act as Company Secretaries under Section 235 of the Companies Act 2016.

All Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Company Secretaries play an advisory role, particularly on the corporate administrative and governance matters to ensure the Company complies with its Constitution, relevant laws and regulatory requirements.

The Company Secretaries attend all Board and Board Committees meetings and are responsible for ensuring the meeting procedures are in place, including disseminating complete and accurate meeting materials in a timely manner to allow Board members to have sufficient time to review the relevant documents prior to meetings. The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees, Management and other stakeholders.

The information of the Company Secretaries' qualifications can be found in the Corporate Information of this Annual Report, and the functional accountabilities of the Company Secretaries are described in the Board Charter of the Company.

1.7 Code of Ethics and Standard of Conduct

The Company has established the Code of Ethics and Standard of Conduct Policy to promote the corporate culture which engenders ethical conduct that permeates throughout the Group.

The objective of the policy is to ensure that the Group business interactions should not in any circumstances, be tainted by malpractices. The principle of the policy is based on principles of trust, integrity, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism.

The Code of Ethics and Standard of Conduct Policy is published on the Company's website at <https://betamek.com.my>.

1.8 Whistleblowing Policy

The Board recognises the importance to put in place a Whistleblowing Policy, which provides an avenue for employees, third parties and other stakeholders, on an anonymous basis if appropriate, to raise concerns or report any known or potential misconduct, violation of Group policies or applicable laws and regulations, without retaliation or retribution.

The Whistleblowing Policy is available for reference at the Company's website at <https://betamek.com.my>.

1.9 Anti-Bribery and Corruption Policy

In addition to the Code of Ethics and Standard of Conduct Policy, the Company has further established and adopted the Anti-Bribery and Corruption Policy to comply with the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act. The Anti-Bribery and Corruption Policy provides principles, guidelines and requirements on how to deal with bribery and corrupt practices that may arise in the course of daily business and operational activities within the Group.

The Anti-Bribery and Corruption Policy can be accessed through the Company's website at <https://betamek.com.my>.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I : BOARD RESPONSIBILITIES (CONT'D)

1. Board and Board Committees (Cont'd)

1.10 Promoting Sustainability

The Group recognises the economic, environmental, social and governance aspects of sustainability as key elements of formulating our roadmap for sustainability. Our sustainability strategy integrates investment, development, property and infrastructure, and human capital management to ensure that we meet the current and future needs of Malaysia and the wider community.

More details on the Group's effort to promote sustainability can be found in our Sustainability Statement section in this Annual Report.

PART II: BOARD COMPOSITION

2. BOARD COMPOSITION

2.1 Composition of the Board

The Board currently consists of six (6) members, comprising one (1) Independent Non-Executive Chairman, one (1) Managing Director, one (1) Executive Director and three (3) Independent Non-Executive Directors, as follows:-

Name	Designation	Age	Gender
1. Ahmad Subri Bin Abdullah	Independent Non-Executive Chairman	75	Male
2. Mirzan Bin Mahathir	Managing Director	66	Male
3. Muhammad Fauzi Bin Abd Ghani	Executive Director	63	Male
4. Azlina Binti Abdul Aziz	Independent Non-Executive Director	63	Female
5. Yap Suan See	Independent Non-Executive Director	58	Female
6. Mohd Shahrman Bin Mohd Sidek	Independent Non-Executive Director	61	Male

The Board members are from different backgrounds with diverse perspectives. Such composition is fundamental to the strategic success the Group is striving for. Each Director's in-depth knowledge and experience will provide valuable insights in propelling the Group forward.

With two-thirds (2/3) of the Board composed of Independent Non-Executive Directors, the Company is able to facilitate greater checks and balances during Board meeting deliberations and decision making. The Independent Directors provide the Board with professional judgement, experience and objectivity without being subordinated to operational considerations or the ability to provide independent judgement in the best interest of the Company.

A brief profile of each Director is presented in the Board of Directors' Profile section of the Annual Report.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II: BOARD COMPOSITION (CONT'D)

2. BOARD COMPOSITION

2.2 Re-election of Directors

In accordance with the Company's Constitution, an election of Directors shall take place each year. At the Annual General Meeting ("AGM") of the Company where one-third (1/3) of the Directors for the time being or if the number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election. All Directors, including an MD or Deputy MD shall retire from office at least once in every three (3) years, but shall be eligible for re-election.

The Directors to retire in each year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

At the forthcoming AGM of the Company, En Ahmad Subri Bin Abdullah and Pn Azlina Binti Abdul Aziz shall retire from office and being eligible for re-election in accordance with the Constitution of the Company. Their profiles can be found in this Annual Report.

2.3 Tenure as Independent Director

The Board is aware of the recommendation of the MCCG on the tenure of an Independent Director. As specified in the Board Charter of the Group, the tenure of an Independent Director shall not exceed a cumulative term of twelve (12) years. However, upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Directors' re-designation as a Non-Independent Director. In the event the Board intends to retain the Independent Director as an Independent Director beyond nine (9) years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

An Independent Director who has served for a cumulative term of more than twelve (12) years must resign or be redesignated as a Non-Independent Director.

As at the date of this statement, none of the Independent Directors has served the Company beyond nine (9) years.

2.4 Appointment to the Board

An appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendation from the NRC. Further, identifying candidate(s) for appointment of directors, the Board does not solely rely on recommendations from existing Board members, Management or major shareholders. The Board may utilise variety of independent sources to identify suitable candidate(s). It is essential to the Board to ensure high levels of professional skills and appropriate personal qualities are pre-requisites for such nominee(s).

The Board has adopted a Directors' Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure that a formal, rigorous and transparent process is adhered to for the appointment, reappointment and/or re-election of the Directors of the Group. The said policy is available on the Company's corporate website.

In the case of candidates for the position of Independent Non-Executive Directors, the NRC shall also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II: BOARD COMPOSITION (CONT'D)

2. BOARD COMPOSITION

2.5 Gender Diversity

The Board has adopted a Gender and Diversity Policy as it recognises that a diverse workforce makes an essential contribution to its success and add value to its core business by drawing on the different perspectives and experiences of many individuals.

Betamek is dedicated to encouraging a supportive and inclusive culture amongst the whole workforce within their best interest to promote diversity and eliminate discrimination in the workplace.

Currently, there are two (2) female Independent Non-Executive Directors representing 33% on the Board which complies with the recommendation of 30% by Practice 5.9 of MCCG.

2.6 ARMC

The ARMC comprises solely of Independent Non-Executive Directors as follows:-

Name	Designation	Directorship
Azlina Binti Abdul Aziz	Chairperson	Independent Non-Executive Director
Yap Suan See	Member	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director

The ARMC is governed by its TOR approved by the Board which is available on the Company's website at <https://betamek.com.my>.

2.7 NRC

The NRC comprises exclusively of Independent Non-Executive Directors as follows:-

Name	Designation	Directorship
Yap Suan See	Chairperson	Independent Non-Executive Director
Azlina Binti Abdul Aziz	Member	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director

The NRC is governed by its TOR approved by the Board which is available on the Company's website at <https://betamek.com.my>.

3. OVERALL BOARD EFFECTIVENESS

3.1 Annual Evaluation

The Board has, through the NRC, conducted the following annual evaluation to determine the effectiveness of the Board, its Board Committees and each individual Director in the FYE 2025:-

- i. Performance of Executive Directors;
- ii. Performance of Non-Executive Directors;
- iii. Independence of the Independent Directors; and
- iv. Performance of the ARMC.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II: BOARD COMPOSITION (CONT'D)

3. OVERALL BOARD EFFECTIVENESS (CONT'D)

3.1 Annual Evaluation (Cont'd)

Based on the evaluations conducted in the FYE 2025, the NRC and the Board are satisfied with the performance of the individual Directors, the Board as a whole, Board Committees, as well as the independence and objective judgements that the Independent Directors have brought to the Board.

3.2 Directors' Commitment

The Directors are to devote sufficient time and effort to carry out their responsibilities. It is also the Board's policy for Directors to notify the Chairman before accepting any new directorships notwithstanding that the AMLR of Bursa Securities allows a Director to sit on the board of five (5) listed corporations.

The Board endeavours to meet at quarterly intervals which are scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedules for the year. The Board is satisfied with the level of commitment given by the Directors toward fulfilling their roles and responsibilities as Directors of the Company. Additional meetings are convened where necessary to deal with urgent and important matters that require the attention of the Board.

All pertinent issues discussed at the Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries.

During the financial year under review, the Board met four (4) times and the attendance record of each of the Board members is tabulated as follows:-

Directors	Attendance				
	24 May 2024	25 July 2024	15 November 2024	20 February 2024	Total
Ahmad Subri Bin Abdullah (Independent Non-Executive Chairman)	✓	✓	✓	✓	4/4
Mirzan Bin Mahathir (Managing Director)	✓	✓	✓	✓	4/4
Muhammad Fauzi Bin Abd Ghani (Executive Director)	✓	✓	✓	✓	4/4
Azlina Binti Abdul Aziz (Independent Non-Executive Director)	✓	✓	✓	✓	4/4
Yap Suan See (Independent Non-Executive Director)	✓	✓	✓	✓	4/4
Mohd Shahrman Bin Mohd Sidek (Independent Non-Executive Director)	✓	✓	✓	✓	4/4

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II: BOARD COMPOSITION (CONT'D)

3. OVERALL BOARD EFFECTIVENESS (CONT'D)

3.3 Directors Training

The Board would evaluate and assess the training needs of each Director to keep them abreast with the state of the economy, technological advances, regulatory updates, management strategies and development in various aspects of the business environment to enhance the Board's skills and knowledge in discharging its duties and responsibilities as Directors on a continuous basis.

All Directors of the Company have attended and successfully completed the Mandatory Accreditation Programme (“MAP”) as required by the AMLR.

The training programmes and seminars attended by the Directors during the FYE 2025 are as follows:-

Name of Director	Date	Organiser	Title of Training programmes/ Seminars
Ahmad Subri Bin Abdullah	07 September 2024	AI Smartual Learning Sdn Bhd	Embedding Sustainability Practices and Compliance with the Listing Requirements
	09 -10 October 2024	Institute of Corporate Directors Malaysia (“ICDM”)	MAP Part II : Leading for Impact
	18 February 2025	FIDE Forum	Board Leadership Workshop: Board's Role in Digital Transformation – Putting Words into Action
Mirzan Bin Mahathir	27 November 2024	Malaysia Institute of Accountants (“MIA”)	AMLA: To What Extent Do You Really Know Your Customer?
Muhammad Fauzi Bin Abd Ghani	09 -10 October 2024	ICDM	MAP Part II : Leading for Impact
Azlina Binti Abdul Aziz	16 October 2024	ICDM	Growing Concerns From New Technology, Stakeholder Interests & Conflict Of Interest
	24 October 2024	MIA	Investigation & Prosecution of (AMLA) Cases in Malaysia
Yap Suan See	19 February 2025	Austria Technologie & Systemtechnik Aktiengesellschaft	Crisis Communication Training
Mohd Shahrman Bin Mohd Sidek	18 Nov 2024	MIA	Market Manipulation and Securities Fraud

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II: BOARD COMPOSITION (CONT'D)

4. LEVEL AND COMPOSITION OF REMUNERATION

4.1 Remuneration Policy

The Company has established a Remuneration Policy for Directors and Senior Management to ensure that the Directors and Senior Management are offered the appropriate level of remuneration which is compatible with the market rate and in line with the Company's business strategic objectives and corporate values.

The NRC is responsible for reviewing, assessing and recommending the remuneration packages for the Directors and Senior Management after taking into consideration the market conditions and the complexities and responsibilities to be undertaken.

The policy is reviewed on a periodic basis and tabled for Board's approval. The Remuneration Policy is available on the Company's website at <https://betamek.com.my>.

4.2 Remuneration of Directors

The Board is mindful that fair remuneration is critical to attract, retain and motivate the Directors of the Group as well as Directors serving as members of the Board Committees.

The Company will seek shareholders' approval at the forthcoming Fourth ("4th") AGM for Directors' fees for the current financial year and Directors' fees and benefits payable to the Directors for the period from 29 August 2025 until the next AGM of the Company in 2026.

The details of the Directors' remuneration of the Company and the Group on a named basis for the FYE 2025 are disclosed in the NRC report which can be found in this Annual Report.

4.3 Remuneration of Key Senior Management

In determining the remuneration packages of the Group's Key Senior Management, factors that were taken into consideration included the Senior Management's responsibilities, skills, expertise and contribution to the Group's performance.

Due to confidentiality and sensitivity of information, the Board is of the view that it would not be in its best interest to make such disclosure on a named basis in view of the competitive nature of human resource market and the Company should maintain confidentiality on employees' remuneration packages.

The remuneration of our Key Senior Management, including salaries, bonuses, other emoluments and benefits-in-kind. As an alternative, the Board decided to disclose the remuneration of the Key Senior Management of the Group for the FYE 2025 on an unnamed basis in bands of RM50,000 as follows:-

Remuneration Band	No. of Key Senior Management
RM 551,000 – RM 600,000	1
RM 351,000 – RM 400,000	1
RM 301,000 – RM 350,000	1
RM 251,000 – RM 300,000	1
RM 201,000 – RM 250,000	1
RM 101,000 – RM 150,000	1
RM 0 – RM 50,000	1

Note: The disclosure above includes remuneration for senior management personnel who resigned during the financial year, whose remuneration is reflected in the respective band.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT**PART I: ARMC****5. ARMC****5.1 Effective and Independent ARMC**

The ARMC is chaired by an Independent Non-Executive Director, Pn Azlina Binti Abdul Aziz, who is distinct from the Chairman of the Board. This separation is to ensure that the Board's review of the ARMC's findings and recommendations is not impaired.

The ARMC recognises the importance of upholding the independence of its External Auditors and that no possible conflict of interest whatsoever should arise. The TOR of the ARMC states that no former partner of the external audit firm of the Company shall be appointed as a member of ARMC unless a cooling-off period of at least three (3) years has been observed.

Presently, no former partner of the external audit firm of the Company is serving as a member of the ARMC.

5.2 Suitability and Effectiveness of External Auditor

The TOR of the ARMC sets out the guidelines and procedures for the ARMC to review, assess and monitor the suitability, objectivity and independence of the External Auditors.

The ARMC obtained assurance from the External Auditors, Grant Thornton Malaysia PLT, confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC carried out an annual performance assessment of the External Auditors and requested the Management to join the assessment.

The ARMC is satisfied with the performance, suitability and independence of the External Auditors of the Company. Having assessed their performance, the ARMC is satisfied with the competence and independence of Grant Thornton Malaysia PLT and had recommended to the Board, the re-appointment of Grant Thornton Malaysia PLT upon which the shareholders' approval will be sought at the forthcoming AGM of the Company.

5.3 Composition of ARMC

The ARMC comprises three (3) Independent Non-Executive Directors. The present members of the ARMC as follows:-

Name	Designation	Directorship
Azlina Binti Abdul Aziz	Chairperson	Independent Non-Executive Director
Yap Suan See	Member	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director

All members of the ARMC are financially literate, competent and able to understand the Group's business and matters under the purview of the ARMC, including the financial reporting process. The summary activities of the ARMC are set out in the ARMC Report.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART II: RISK MANAGEMENT AND INTERNAL CONTROL

6. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

6.1 Effective Risk Management and Internal Control Framework

The ARMC has established the Group's Risk Management Framework based on an internationally recognised risk management framework.

The Group's Risk Management Framework ensures effective risk management and internal controls are in place to identify and assess the risks and subsequently implement the necessary internal controls to manage and mitigate those risks.

The ARMC is assisted by the Management as well as the outsourced internal auditors to identify and assess the significant risks faced by the Group and to ensure that appropriate risk treatment is in place to mitigate the risks that could be affecting the achievement of the Group's business objectives.

Further details on the features of the risk management and internal control framework, as well as the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control of this Annual Report.

6.2 Internal Audit Function

An independent professional service provider, Talent League Sdn Bhd was appointed to provide internal audit services which provides independent appraisals on the effectiveness of the Company's internal controls, adherence to organisational and procedural controls for processes, and also identification of opportunities for improvements. The professional firm reports its findings directly to the ARMC.

Further details of the internal audit functions and activities carried out during the FYE 2025 are disclosed in the Statement on Risk Management and Internal Control of this Annual Report.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

PART I: ENGAGEMENT WITH STAKEHOLDERS

7. CONTINUOUS COMMUNICATION BETWEEN COMPANY AND STAKEHOLDERS

7.1 Communication with Stakeholders

The Board values the importance of the dissemination of information on major developments of the Group to the shareholders, potential investors and the general public in a timely and equitable manner.

The quarterly results, announcements and annual reports serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments.

The Company's corporate website at <https://betamek.com.my> serves as one of the most convenient ways for shareholders, business partners and members of the public to gain access to corporate information, Board Charter and policies, announcements, news and events relating to the Group.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

PART I: ENGAGEMENT WITH STAKEHOLDERS (CONT'D)

8. SHAREHOLDERS' PARTICIPATION AT GENERAL MEETINGS

8.1 Conduct of General Meetings

The Board will ensure that the Notice of the AGM is sent out at least twenty eight (28) days prior to the meeting to allow sufficient time for the shareholders to go through the Annual Report and make necessary attendance and voting arrangements.

In line with Practice 13.1 of MCCG, the notice convening the Third ("3rd") AGM of the Company was issued on 26 July 2024, providing shareholders with at least twenty-eight (28) days' notice before the 3rd AGM scheduled for 27 August 2024. This timeline ensures that shareholders were given sufficient time to read, consider the resolutions to be resolved and prepare themselves to attend the AGM or to appoint a proxy to attend and vote on their behalf.

The Company's 3rd AGM held on 27 August 2024 was held physically at Nice Banquet Hall, No 6, Jalan BJ 1, Taman Belmas Johan, 48000 Rawang, Selangor Darul Ehsan, Malaysia.

In line with AMLR of Bursa Securities, all resolutions set out in the Notice of the 3rd AGM were voted by poll. The Company also appointed an independent scrutineer, SKY Corporate Services Sdn Bhd, to validate the votes cast before the poll results is announced by the Chairman of the meeting.

The minutes of the 3rd AGM detailing the meeting proceedings were published on the Company's corporate website within thirty (30) business days after the conclusion of the 3rd AGM.

8.2 Effective Communication and Proactive Engagement

All Directors will be attending the 4th AGM and be accountable to the shareholders for their stewardship of the Company. The Chairman of the Board Committees will be available to respond to shareholders' queries concerning the Company and the Group at the 4th AGM.

From the Company's perspective, the AGM also serves as a forum for Directors to engage with the shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from the shareholders during and at the end of the shareholders' meetings and ensures their queries are responded to properly and systematically.

The Board ensures that the required infrastructure and tools will be in place to enable the smooth conduct of the 4th AGM and meaningful engagement with the shareholders. The Minutes of the 4th AGM will also be published on the Company's website within thirty (30) business days for the shareholders' information.

STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board has deliberated, reviewed and approved this Statement. The Board considers and is satisfied that to the best of its knowledge, the Company has fulfilled its obligations under the MCCG, the relevant chapters of the AMLR of Bursa Securities on corporate governance and all applicable laws and regulations throughout the FYE 2025. The Board remains steadfast in upholding the highest standards of corporate governance practices to safeguard the interests of all its stakeholders.

This statement is made in accordance with a resolution passed in the Board of Directors' Meeting held on 24 July 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“**Board**”) of Betamek Berhad (“**Company**”) is pleased to present the report of the Audit and Risk Management Committee (“**ARMC**”) for the financial year ended 31 March 2025 (“**FYE 2025**”).

The ARMC was established on 21 March 2022 with the primary objective to assist the Board in fulfilling its fiduciary duties and responsibilities in accordance with its Terms of Reference (“**TOR**”), providing an additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures as well as establishing and maintaining internal controls.

The authorities and duties of the ARMC are clearly governed by its TOR. The ARMC’s TOR is available on the Company’s website at <https://betamek.com.my>.

COMPOSITION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC currently comprises three (3) members, all of whom are Independent Non-Executive Directors. The Chairperson of the ARMC, Pn Azlina Binti Abdul Aziz, is a member of the Malaysian Institute of Accountants. All of the ARMC members are financially literate and understand matters under the purview of the ARMC, including the financial reporting process, to effectively discharge their duties and responsibilities as members of the ARMC. The ARMC therefore meets the requirements of Rule 15.09(1)(a), (b) and (c) of the ACE Market Listing Requirement (“**AMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and Practice 9.4 under Principle B of the Malaysian Code on Corporate Governance (“**MCCG**”).

Further information on the members of the ARMC is set out in the Directors’ Profile of this Annual Report.

ATTENDANCE AT MEETINGS

The members of ARMC and their attendance of each of the ARMC meetings during the FYE 2025 are tabulated as follows:-

ARMC Members	Designation	Attendance				Total
		24 May 2024	25 July 2024	15 November 2024	20 February 2025	
Azlina Binti Abdul Aziz (Chairperson of ARMC)	Independent Non-Executive Director	✓	✓	✓	✓	4/4
Yap Suan See	Independent Non-Executive Director	✓	✓	✓	✓	4/4
Mohd Shahrman Bin Mohd Sidek	Independent Non-Executive Director	✓	✓	✓	✓	4/4
Total Attendance		3/3	3/3	3/3	3/3	

Audit And Risk Management Committee Report (Cont'd)

A. SUMMARY OF WORKS UNDERTAKEN BY THE AUDIT AND RISK MANAGEMENT COMMITTEE

The summary of the activities undertaken by the ARMC in the discharge of its duties and responsibilities during FYE 2025, amongst others, included the following:-

- I. Reviewed the unaudited quarterly financial results and annual audited financial statements of the Group, including the announcements pertaining thereto, before recommending to the Board for their approval and release of the Group's results to Bursa Securities;
- II. Reviewed with the external auditors, the audit plan and scope of the statutory audit of the Group's financial statements for the financial year ended 31 March 2025, before the audit commenced to ensure that the scope of the external audit is comprehensive;
- III. Reviewed with the external auditors on the results and issues arising from their audit of the financial year end statements and their resolutions of such issues highlighted in their report to the ARMC;
- IV. Assessed the performance of external auditors and recommended to the Board for re-appointment;
- V. Reviewed the Statement on Risk Management and Internal Control together with the internal auditors and external auditors and received assurance from both Managing Director and Chief Financial Officer of the Company that the Group's risk management and internal control systems were operating adequately and effectively in all material aspects before recommending the said Statement to the Board for its approval;
- VI. Reviewed and recommended the draft ARMC Report to the Board for approval and inclusion in the Company's Annual Report 2024;
- VII. Reviewed the related party transactions, if any, entered into by the Group;
- VIII. Reviewed and discussed with the internal auditors, the internal audit plan and internal audit report and considered the findings of internal audit and management responses thereon and ensured that appropriate actions are taken on the recommendations raised by the internal auditors; and
- IX. Reviewed and monitored all conflict of interest ("COI") situations within the Group. The COI review was extended to encompass Directors and Key Senior Management within the Group. There were neither COI nor potential COI reported in FYE 2025.

B. INTERNAL AUDIT FUNCTION

The Group has engaged Talent League Sdn Bhd, a professional internal audit service provider as the Internal Auditors to support the ARMC in discharging its duties and responsibilities. The Internal Auditors' role is to undertake independent, regular and systematic reviews of the systems of internal controls, to provide reasonable assurance that such systems continue to operate satisfactorily, effectively and in compliance with the Group's established policies and procedures.

During the financial year ended 31 March 2025, the Internal Auditors conducted audits on the procurement operations and processes, and financial reporting and management systems of the Group. The results of the internal audit reviews and the recommendations for improvement are presented to the ARMC for deliberation. The reports on the audits, weaknesses identified, together with suggested recommendations for improvements to management's implementation, were presented to the ARMC at the ARMC meetings.

The summary of the works of the internal audit function is disclosed in the Statement on Risk Management and Internal Control in the Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“**the Board**”) acknowledges that the Company and its subsidiaries (“**the Group**”) cannot achieve its objectives and sustain its success without effective governance, risk management and internal control processes. Effective governance, risk management and internal control processes will guide the Group to achieve a proper balance between the risks incurred and potential returns to shareholders in accordance with the Group’s acceptable risk appetite. The Board is pleased to provide the following Statement on Risk Management and Internal Control of the Group for the financial year ended 31 March 2025 (“**FYE 2025**”). This has been prepared in accordance with Paragraph 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), Malaysian Code on Corporate Governance (“**MCCG**”) and “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers”.

BOARD’S RESPONSIBILITY

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing its adequacy and effectiveness to ensure shareholders’ interest and the Group’s assets are safeguarded.

The system of risk management and internal controls not only covers the financial aspects of the Group, but also the operational and compliance aspect of the Group. Given the inherent limitations in the risk management and internal control system, such a system put into effect by the Board is designed to manage rather than eliminate risks that may impede the achievement of the Group’s corporate objectives. Therefore, such a system can only provide reasonable and not absolute assurance against any material misstatement or loss, contingencies, fraud or irregularities.

RISK MANAGEMENT FRAMEWORK

The Board regards the management of core risks as an integral and critical part of the day-to-day operations of the Group. The experience, knowledge and expertise to identify and manage such risks throughout the financial period under review enable the Group to make cautious, mindful and well-informed decisions through formulation and implementation of requisite action plans and monitoring regimes which are imperative in ensuring the accomplishment of the Group’s objective.

Day-to-day operations in respect of the financial, commercial, legal compliance and operational aspects of the Group are closely monitored by the respective head of department and they have delegated the responsibilities to identify and manage these risks within defined parameters and standards.

The management of risk is an on-going process to identify, evaluate and manage the significant risks faced by the Group. As part of our Risk Management process, a Risk Management Policy and Risk Register were adopted. The Risk Register is maintained to identify principal business risks and key risk areas, their impact, the likelihood of occurrence, risk owner and risk control actions. The Risk Management Policy summarises risk management methodology, approach, processes, roles and responsibilities. The level of risk tolerance is established and monitored through the use of a risk impact and likelihood matrix where the ratings are assessed in response to changes in the business environment.

The respective risk owners are assigned and responsible for identifying risks as well as ensuring that adequate control systems are implemented to mitigate risks faced by the Group.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL AUDIT FUNCTION

During the FYE 2025, the internal audit function was outsourced to Talent League Sdn Bhd. (the “**Internal Auditors**”), a third-party professional internal audit service firm which is independent of the operations and activities of the Group. The Internal Auditors are also independent of the Board and management, and report directly to the Audit & Risk Management Committee (“**ARMC**”). In discharging its obligations and duties pursuant to its appointment, the Internal Auditors undertake rigorous, objective, independent and systematic reviews of the systems of internal control.

Following the assessment, the Internal Auditors provide a reasonable and continuous assurance on the satisfactory operations and effectiveness of the Group’s system of internal controls. The purpose of the comprehensive process is to identify existing shortcomings and potential pitfalls which would eventually be brought to the attention of the Board and rectification measures would be proposed and recommended.

The Internal Auditors submit their reports and findings to the ARMC at least twice a year at the ARMC Meeting. Issues arising thereto and shortfalls in internal controls are reviewed, deliberated at length and acted upon by the ARMC for remedial action. Where necessary, affirmative steps and measures will be introduced and initiated to address, mitigate, manage and arrest identified risks. Current internal control measures will also be further strengthened with compensating controls and appropriate check and balance mechanism, if required. Internal audit schedule and timetable for subsequent periods are tabled in the ARMC Meeting, outlining the entities which will be subject to the next internal audit exercise and the framework of the internal audit plan. Core internal audit scope and critical areas are also emphasised while internal audit issues highlighted in the preceding internal audit reports together with the progress and updates of the corresponding follow up works are also considered at length.

During the FYE 2025, three (3) internal audit reviews had been carried out by the Internal Auditors:-

Reporting Month	Name of Entity Audited	Audited areas	Fee
July 2024	Betamek Electronics (M) Sdn Bhd	1. Procurement	RM12,000
August 2024	Sanshin (Malaysia) Sdn Bhd	1. Internal Control Review	RM40,000
November 2024	Betamek Electronics (M) Sdn Bhd	1. Financial Reporting 2. Fixed Asset Management	RM12,000

INTERNAL CONTROL

The Board acknowledges that a sound system of internal control reduces, but cannot eliminate, the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees, management overriding controls, and the occurrence of unforeseeable circumstances.

The Group’s key senior management team receives and reviews regular reports on key financial data, performance indicators and regulatory matters. This is to ensure that matters requiring the Board’s attention are highlighted for review, deliberation and decision making on a timely basis. The Board will approve the appropriate responses or amendments to the Group’s policies.

The internal control matters are reviewed and the Board is updated on the significant control gaps, if any, for the Board’s attention and action. Issues relating to the business operations are also highlighted to the Board’s attention during the Board meetings and any significant fluctuation or exception noted will be analysed and acted in a timely manner.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL (CONT'D)

The key elements of the internal control system established by the Board to provide effective governance and oversight of internal control include:

a) Organisation Structure

The Group has a clear organisational structure which formally defines the lines of reporting, as well as the accountabilities and responsibilities of the respective functions within the Group. In addition, the Board and Board Committees are all governed by clearly defined terms of reference.

b) Limits of Authority

The Group has defined limits of authority which outlines the approving limits that have been assigned and delegated to each approving authority within the Group. The limits of authority are reviewed periodically and updated in line with changes in the organisation.

c) Policies and Procedures

Elements of internal control have been embedded and documented in the Standard Operating Procedure ("SOP") which are continually reviewed and updated to reflect changes in the business environment. Accountability and responsibility for key processes have been established in the SOPs.

d) Board Committees

The Board has established various board committees to assist in discharging its duties. These include the ARMC and Nomination and Remuneration Committee ("NRC"). These Board Committees are delegated with specific duties to review and consider all matters within their scope of responsibility as defined in their respective terms of reference.

e) Anti-Bribery and Corruption Policy

The Group adopts a zero-tolerance approach to all forms of bribery and corruption. The Group is committed in conducting its business free from any acts of bribery and corruption by upholding high standards of ethics and integrity. The Group has established an Anti-Bribery and Corruption Policy which prohibits all forms of bribery and corruption practices. All employees are to read and understand the said policy. All business partners including consultants and contractors are required to acknowledge and agree to comply with the Group's Anti-Bribery and Corruption Policy. The said policy is also made available on the Company's website.

f) Whistleblowing Policy

The Group has put in place a Whistleblowing Policy which provides an avenue for its employees and members of the public to report and disclose any improper or illegal activities within the Group. The Whistleblowing Policy is made available on the Company's website.

g) Safety and Health Management

The Group has been emphasising on the safety and health of employees and stakeholders by enforcing precautionary measures and guidelines in all factory premises as stipulated by the relevant authorities.

Statement on Risk Management and Internal Control (Cont'd)

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required under Paragraph 15.23 of the ACE Market Listing Requirements of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control to the scope set out in the Audit and Assurance Practice Guide 3 (“**AAPG 3**”): Guidance for Auditors on Engagements to Report on Risk Management and Internal Control included in the Annual Report, issued by Malaysian Institute of Accountants (“**MIA**”).

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that caused them to believe that the Statement is not prepared, in all material aspects:

- (a) Has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out; or
- (b) Is factually inaccurate

AAPG 3 does not require the external auditors to consider whether the Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the risk management and internal control system of the Group including the assessment and opinion by the Board and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact remedy the problems.

CONCLUSION

The Board is of the view that the Group’s system of risk management and internal control is adequate to safeguard shareholders’ investments and the Group’s assets. However, the Board is also cognisant of the fact that the Group’s system of internal controls and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will when necessary, put in place appropriate action plans to further enhance the Group’s system of risk management and internal controls.

This Statement on Risk Management and Internal Control is made in accordance with a resolution passed in the Board of Directors’ meeting held on 24 July 2025.

NOMINATION AND REMUNERATION COMMITTEE REPORT

The Board of Directors (“**Board**”) of Betamek Berhad (“**Company**”) is pleased to present the report of the Nomination and Remuneration Committee (“**NRC**”) for the financial year ended 31 March 2025 (“**FYE 2025**”).

The NRC was established on 21 March 2022 with the primary objective to assist in discharging the Board’s duties and responsibilities in accordance with its Terms of Reference (“**TOR**”), including but not limited to the following:-

- (a) oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as undertakes the annual assessment of the effectiveness of the Board as a whole, its committees and the contribution of each individual Director; and
- (b) recommending to the Board the remuneration framework for Directors, reviewing the remuneration package for Executive Directors and Key Management as well as the remuneration framework of employees of the Group.

The authorities and duties of the NRC are clearly governed by its TOR. The NRC’s TOR is available on the Company’s website at <https://betamek.com.my>.

COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE

The NRC currently comprises three (3) members, all of whom are Independent Non-Executive Directors which comply with the requirement of Rule 15.08(A) of the ACE Market Listing Requirements (“**AMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

The members of the NRC and their respective designation are as follows:-

Member	Designation	Directorship
Yap Suan See	Chairperson	Independent Non-Executive Director
Azlina Binti Abdul Aziz	Member	Independent Non-Executive Director
Mohd Shahrman Bin Mohd Sidek	Member	Independent Non-Executive Director

ATTENDANCE OF MEETINGS

During the financial year under review, the NRC met once and the attendance of each of the NRC members is as follows:-

NRC Members	Designation	Attendance	
		24 May 2024	Total
Yap Suan See (Chairperson of NRC)	Independent Non-Executive Director	✓	1/1
Azlina Binti Abdul Aziz	Independent Non-Executive Director	✓	1/1
Mohd Shahrman Bin Mohd Sidek	Independent Non-Executive Director	✓	1/1
Total Attendance		3/3	

Nomination and Remuneration Committee Report (Cont'd)

SUMMARY OF WORKS OF THE NOMINATION AND REMUNERATION COMMITTEE

The main activities undertaken by the NRC during the FYE 2025 were summarised as follows:-

- (a) Discussed the performance incentive program, compensation and benefit structure;
- (b) Discussed the performance of the key senior management;
- (c) Reviewed the composition of the Board and Board Committees with regards to the mix of skills, independence and diversity in accordance with its policy to ensure compliance;
- (d) Assessed and reviewed the independence and their tenure of service;
- (e) Assessed the effectiveness and performance of the Board, Directors and Board Committees for the FYE 2024. This was carried out through a self-assessment document that was completed by each Director and reviewed by the NRC. Assessment criteria include the following:-
 - Board composition
 - Board process
 - Performance of Board Committees
 - Information provided to the Board
 - Role of the Board in strategy and planning
 - Risk management framework
 - Accountability and standard of conduct of Directors;
- (f) Discussed and recommended the Directors' fees and benefits payable to Non-Executive Directors for the FYE 2024;
- (g) Reviewed and recommended the remuneration package for the Executive Directors of the Company for the FYE 2024;
- (h) Reviewed and assessed on behalf of the Board the training record and needs of each Director to ensure all Directors receive appropriate continuous training programmes;
- (i) Determined the Directors to stand for re-election at the 2024 Annual General Meeting on 27 August 2024 through application of the criteria established in the Directors' Fit and Proper Policy of the Company;
- (j) Reviewed the character, experience, integrity and competence of all the Directors, the Managing Director and Chief Financial Officer and assessed their performance in the FYE 2024, paying attention to whether each of the Non Executive Directors has made available sufficient time to discharge their responsibilities and duties; and
- (k) Reviewed and recommended the draft Report of the NRC to the Board for approval and inclusion in the Company's Annual Report 2024.

The NRC is governed by its TOR, and its primary role is to periodically suggest to the Board that the Chairman, Executive Directors and Key Management of the Group receive remuneration packages that are commensurate with their individual contributions. The choice about the Executive Directors' own remuneration packages will not be discussed or voted on by them. The person in question should not participate in discussions about their own remuneration packages. The director's fee and benefits are subject to the approval of shareholders annually.

As in the case of the Executive Directors and key senior management, remuneration is structured to link reward to both company and individual performance. Regarding the Non-Executive Directors, their fee is based on their level of expertise and the level of responsibility they have taken on.

Nomination and Remuneration Committee Report (Cont'd)

SUMMARY OF WORKS OF THE NOMINATION AND REMUNERATION COMMITTEE (CONT'D)

The resolution on Directors' fees and benefits for the period from 29 August 2025 until the next Annual General Meeting in 2026 is tabled for shareholders' approval at the forthcoming Fourth Annual General Meeting of the Company. The remuneration of the Company's Directors for the financial year ended 31 March 2025 on the named basis at the levels of the Group and the Company are as follows:-

Group Level								
No.	Name	RM'000						
		Directorate	Fee	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Ahmad Subri Bin Abdullah	Independent Non-Executive Chairman	65	0	0	0	3	68
2	Mirzan Bin Mahathir	Managing Director	0	606	386	13	41	1,046
3	Muhammad Fauzi Bin Abd Ghani	Executive Director	0	303	386	15	28	732
4	Azlina Binti Abdul Aziz	Independent Non-Executive Director	60	0	0	0	3	63
5	Yap Suan See	Independent Non-Executive Director	60	0	0	0	2	62
6	Mohd Shahrman Bin Mohd Sidek	Independent Non-Executive Director	50	0	0	0	2	52

Company Level								
No.	Name	RM'000						
		Directorate	Fee	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Ahmad Subri Bin Abdullah	Independent Non-Executive Chairman	65	0	0	0	3	68
2	Mirzan Bin Mahathir	Managing Director	0	0	0	0	0	0
3	Muhammad Fauzi Bin Abd Ghani	Executive Director	0	0	0	0	0	0
4	Azlina Binti Abdul Aziz	Independent Non-Executive Director	60	0	0	0	3	63
5	Yap Suan See	Independent Non-Executive Director	60	0	0	0	2	62
6	Mohd Shahrman Bin Mohd Sidek	Independent Non-Executive Director	50	0	0	0	2	52

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS RAISED FROM LISTING EXERCISE

The details of the utilisation of total proceeds raised as at 31 March 2025 are summarised as follows:-

Details	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance of proceeds RM'000	Estimated timeframe for utilisation
R&D – new product development	7,000	(6,411)	589	Within 36 months
To expand R&D office space, raw material storage and ancillary facilities	6,500	(5,597)	903	Within 36 months
Purchase of new process equipment	3,000	(3,000)	–	Within 12 months
Working capital requirement	3,850	(3,850)	–	Within 3 months
Repayment of bank borrowings	10,000	(10,000)	–	Within 3 months
Estimated listing expenses	3,400	(3,400)	–	Within 1 month
Total	33,750	(32,258)	1,492	

Pending deployment of the proceeds raised from our Public Issue, funds will be placed in short-term deposits with financial institutions.

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable to the External Auditors, Grant Thornton Malaysia PLT and its local affiliate by the Company and the Group for the financial year ended 31 March 2025 (“**FYE 2025**”) are as follows:-

Type of fees	Company RM	Group RM
Audit fees	44,000	179,000
Non-audit fees	8,000	8,000

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

There were no recurrent related party transactions of revenue or trading nature during FYE 2025.

MATERIAL CONTRACTS INVOLVING DIRECTORS, CHIEF EXECUTIVE OR MAJOR SHAREHOLDERS' INTEREST

There were no material contracts entered into by the Company and its subsidiaries involving the interests of Directors, Chief Executive who is not a Director or major shareholders during the FYE 2025.

CONTRACTS RELATING TO LOANS

There were no contracts relating to loans by the Company which involved the interests of Directors and major shareholders.

Additional Compliance Information (Cont'd)

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company did not implement any ESOS during the FYE 2025.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required under Rule 15.26(a) of the ACE Market Listing Requirements of Bursa Securities to issue a statement on their responsibility in the preparation of the annual audited financial statements.

The Directors are responsible for ensuring that the financial statements are properly drawn up in accordance with the provisions of the Companies Act 2016 and applicable Malaysian Financial Reporting Standards approved by the Malaysian Accounting Standards Board in Malaysia so as to give a true and fair view of the financial position of the Company and the Group as at 31 March 2025 and of the financial performance and cash flows of the Group for the year then ended and of the Company for the financial year ended 31 March 2025.

During the process of preparing the financial statements for the FYE 2025, the Directors have:-

- (i) applied the appropriate and relevant accounting policies consistently and in accordance with applicable approved accounting standards;
- (ii) made judgements and estimates that are reasonable and prudent; and
- (iii) applied the going concern basis for the preparation of the financial statements.

The Directors are also responsible for taking such steps that are necessary and reasonable to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.

The Statement is made in accordance with a resolution of the Board of Directors dated 24 July 2025.

FINANCIAL STATEMENTS

BETAMEK BERHAD

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and its subsidiaries during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year	25,112,499	34,625,710

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

HOLDING COMPANY

The Company is a subsidiary of Iskandar Holdings Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia. The Directors regard Iskandar Holdings Sdn. Bhd. as the holding company.

DIVIDENDS

The amount of dividends declared and paid since the end of the previous financial year are as follows:-

	RM
<u>In respect of the financial year ended 31 March 2024:-</u>	
Final single tier dividend of 1 sen per ordinary share, paid on 12 September 2024	4,500,000
<u>In respect of the financial year ended 31 March 2025:-</u>	
First single tier dividend of 1 sen per ordinary share, paid on 23 August 2024	4,500,000
Second single tier dividend of 1.25 sen per ordinary share, paid on 12 December 2024	5,625,000
Third single tier dividend of 1 sen per ordinary share, paid on 19 March 2025	4,500,000
	19,125,000

The Directors propose the payment of a final single-tier dividend of 1 sen per ordinary share, amounting to net dividend payment of RM4,500,000 in respect of the current financial year. The proposed final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 March 2026.

Directors' Report (Cont'd)

DIRECTORS

The name of the Directors of the Company and its subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:-

Directors of the Company

Mirzan Bin Mahathir
 Muhammad Fauzi Bin Abd Ghani
 Mohd Shahrman Bin Mohd Sidek
 Yap Suan See
 Ahmad Subri Bin Abdullah
 Azlina Binti Abdul Aziz

Name of subsidiaries

Betamek Electronics (M) Sdn. Bhd.

Betamek Research Sdn. Bhd.

Sanshin (Malaysia) Sdn. Bhd.

BZH Innovation Sdn. Bhd.

Name of Directors

Mirzan Bin Mahathir
 Muhammad Fauzi Bin Abd Ghani

Mirzan Bin Mahathir
 Muhammad Fauzi Bin Abd Ghani

Mirzan Bin Mahathir
 Muhammad Fauzi Bin Abd Ghani

Mirzan Bin Mahathir
 Muhammad Fauzi Bin Abd Ghani
 Su Jun (Appointed on 1 July 2025)

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows:-

	At 1.4.2024	Number of ordinary shares		At 31.3.2025
		Bought	Sold	
The Company				
<u>Direct interest</u>				
Ahmad Subri Bin Abdullah	69,000	4,000	(40,000)	33,000
Muhammad Fauzi Bin Abd Ghani	6,003,300	—	—	6,003,300
Azlina Binti Abdul Aziz	69,000	—	—	69,000
Yap Suan See	400,000	—	—	400,000
Mohd Shahrman Bin Mohd Sidek	760,000	—	—	760,000
<u>Deemed interest</u>				
Mirzan Bin Mahathir*	323,112,500	—	(4,300,000)	318,812,500
Holding company				
<u>Deemed interest</u>				
Mirzan Bin Mahathir*	2,000,000	—	—	2,000,000

* Deemed interest by virtue of his interests in Iskandar Holdings Sdn. Bhd.

Directors' Report (Cont'd)

DIRECTORS' INTERESTS IN SHARES (CONT'D)

En. Mirzan Bin Mahathir, by virtue of his interests in the ordinary shares of Iskandar Holdings Sdn. Bhd., is deemed to have an interest in the shares and/or options over shares of the Company and its subsidiaries to the extent that Iskandar Holdings Sdn. Bhd. has an interest pursuant to Section 8 of the Companies Act 2016 in Malaysia during the financial year.

Other than as disclosed above, none of the Directors in office at the end of the financial year held any direct interest in shares of the Company or its related corporation.

DIRECTORS' EMOLUMENTS AND BENEFITS

During the financial year, the emoluments and other benefits received and receivable by the Directors of the Group and of the Company are as follows:-

	Incurred by Company RM	Incurred by subsidiaries RM	Total RM
Directors' fee	235,000	–	235,000
Salaries and other emoluments	10,000	1,682,992	1,692,992
Defined contribution plans	–	67,260	67,260
	245,000	1,750,252	1,995,252

The estimate monetary value of benefits-in-kind received by Directors other than cash from the Group amounted to RM28,125.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issue and paid-up capital and no issuance of debentures during the financial year.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of indemnity coverage and insurance premium paid for Directors and Officers of the Group and of the Company during the financial year are amounted to RM10,000,000 and RM16,625 respectively.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

Directors' Report (Cont'd)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts written off and no provision for doubtful debts was required; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:-

- (a) which would render it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Group and of the Company; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:-

- (a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transactions or event of a material and unusual nature; and
- (c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the current financial year in which this report is made.

Directors' Report (Cont'd)

AUDITORS

The total amount of audit and other fees paid or payables to the Auditors, Grant Thornton Malaysia PLT, as remuneration for their services as Auditors of the Company and its subsidiaries are amounted to RM44,000 and RM135,000 respectively.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT as permitted under Section 289 of the Companies Act 2016 in Malaysia. No payment has been made to indemnify Grant Thornton Malaysia PLT for the financial year ended 31 March 2025.

The Auditors, Grant Thornton Malaysia PLT, have expressed their willingness to continue in office.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.

.....)	
MIRZAN BIN MAHATHIR)	
)	
)	DIRECTORS
)	
)	
.....)	
MUHAMMAD FAUZI BIN ABD GHANI)	

Kuala Lumpur
24 July 2025

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 102 to 149 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.

.....
MIRZAN BIN MAHATHIR

.....
MUHAMMAD FAUZI BIN ABD GHANI

Kuala Lumpur
24 July 2025

STATUTORY DECLARATION

I, Nor' Azrin Bin Nusi, being the Officer primarily responsible for the financial management of Betamek Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 102 to 149 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provision of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
24 July 2025)

.....
NOR' AZRIN BIN NUSI
(MIA NO: 14628)

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BETAMEK BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Betamek Berhad, which comprise the statements of financial position as at 31 March 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 102 to 149.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matter that, in our professional judgement, were of most significant in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Inventories' valuation net

The risk

Referring to Note 7 to the financial statements. The Group holds a significant amount of inventories which are subject to a risk that the inventories become slow-moving or obsolete, such that they could not be sold or only be sold for selling prices that are less than the carrying value. There is inherent subjectivity and estimation required in determining the accuracy of inventory obsolescence provision and in making an assessment of its adequacy due to risk such as inventories not stated at the lower of cost or net realisable value.

Our response

We tested the methodology for calculating the provisions, challenged the appropriateness and consistency of judgements and assumptions, and considered the nature and suitability of historic data used in estimating the provisions. In doing so, we obtained understanding on the ageing profile of inventories, the process for identifying specific problem inventories and historic loss rates.

Independent Auditors' Report (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (Cont'd)

Intangible assets

The risk

Referring to Note 5 to the financial statements. The Group holds intangible assets with definite useful lives for developing new technology systems. The Group performs an annual impairment assessment for its intangible assets. This requires management to estimate the recoverable amount of the cash-generating units and this involves significant assumptions which are inherently judgmental.

Our response

We evaluated the model used in determining the value in use of the cash-generating units as well as assessing the discount rate used and challenging the reasonableness of key assumptions based on our knowledge of the business and industry. Besides that, we also compared the actual performance of the cash-generating units to assumptions applied in prior years model, to assess accuracy of management's estimates. We have performed sensitivity analysis on the key assumptions inputted to the model and understood the impact on the overall carrying value of intangible assets with the alterations to the key assumptions. We also assessed the adequacy of disclosures in the financial statements.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report (Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determined those matters that were of most significant in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We described these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report (Cont'd)

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume the responsibility to any other person for the content of this report.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

KISHAN NARENDRA JASANI
(NO: 03223/12/2025(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
24 July 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	44,032,212	41,763,587	–	–
Right-of-use assets	4	12,548,503	418,302	–	–
Intangible assets	5	9,452,943	7,666,167	–	–
Investment in subsidiaries	6	–	–	141,595,641	127,769,000
Total non-current assets		66,033,658	49,848,056	141,595,641	127,769,000
Current assets					
Inventories	7	44,453,394	57,148,572	–	–
Trade receivables	8	17,229,917	13,569,673	–	–
Other receivables	9	6,100,493	10,004,605	23,158	79,300
Other investments	10	1	1	–	–
Tax recoverable		225,467	–	12,638	–
Cash and bank balances, deposits and placements	11	59,380,190	50,764,860	2,272,809	543,671
Total current assets		127,389,462	131,487,711	2,308,605	622,971
TOTAL ASSETS		193,423,120	181,335,767	143,904,246	128,391,971

Statements of Financial Position (Cont'd)

	Note	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	12	127,029,001	127,029,001	127,029,001	127,029,001
Merger deficit	13	(85,789,000)	(85,789,000)	–	–
Retained earnings		108,306,963	101,981,957	16,641,373	1,140,663
Total equity		149,546,964	143,221,958	143,670,374	128,169,664
LIABILITIES					
Non-current liabilities					
Borrowings	14	8,062,474	9,542,760	–	–
Lease liabilities	15	160,046	229,446	–	–
Retirement benefits obligation	16	759,779	–	–	–
Deferred tax liabilities	17	4,992,018	2,901,000	–	–
Total non-current liabilities		13,974,317	12,673,206	–	–
Current liabilities					
Trade payables	18	16,711,294	16,626,500	–	–
Other payables	19	8,409,501	7,106,073	233,872	218,509
Contract liabilities	20	1,479,067	–	–	–
Borrowings	14	1,438,051	1,317,240	–	–
Lease liabilities	15	69,400	66,232	–	–
Retirement benefits obligation	16	142,888	–	–	–
Tax payable		1,651,638	324,558	–	3,798
Total current liabilities		29,901,839	25,440,603	233,872	222,307
Total liabilities		43,876,156	38,113,809	233,872	222,307
TOTAL EQUITY AND LIABILITIES		193,423,120	181,335,767	143,904,246	128,391,971

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
Revenue	21	238,297,759	222,023,890	35,580,000	14,500,000
Cost of sales		(200,740,530)	(186,572,889)	–	–
Gross profit		37,557,229	35,451,001	35,580,000	14,500,000
Other income		7,280,847	1,012,781	–	–
Distribution expenses		(163,689)	(192,213)	–	–
Administration expenses		(12,181,194)	(9,381,339)	(957,844)	(431,499)
Other expenses		(1,597,353)	(1,366,794)	–	–
Operating profit		30,895,840	25,523,436	34,622,156	14,068,501
Finance income	22	1,107,036	923,168	4,676	64,136
Finance costs	23	(28,956)	(51,240)	–	–
Profit before tax	24	31,973,920	26,395,364	34,626,832	14,132,637
Tax expense	25	(6,861,421)	(6,363,678)	(1,122)	(62,978)
Profit for the financial year		25,112,499	20,031,686	34,625,710	14,069,659
Other comprehensive income, net of tax:					
Item that will not be reclassified subsequently to profit or loss					
Remeasurement of defined benefit obligations	16	337,507	–	–	–
Total comprehensive income for the financial year		25,450,006	20,031,686	34,625,710	14,069,659
Earnings per share attributable to Owners of the Company (sen):-					
Basic/Diluted	26	5.58	4.45		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	◀ Non-distributable Share capital RM	Merger deficit RM	Distributable Retained earnings RM	Total RM
Group					
At 1 April 2023		127,029,001	(85,789,000)	95,450,271	136,690,272
Transaction with owners:-					
Dividends	27	–	–	(13,500,000)	(13,500,000)
Total comprehensive income for the financial year		–	–	20,031,686	20,031,686
At 31 March 2024		127,029,001	(85,789,000)	101,981,957	143,221,958
Transaction with owners:-					
Dividends	27	–	–	(19,125,000)	(19,125,000)
Profit for the financial year		–	–	25,112,499	25,112,499
Other comprehensive income - Remeasurement of defined benefit obligations		–	–	337,507	337,507
Total comprehensive income for the financial year		–	–	25,450,006	25,450,006
At 31 March 2025		127,029,001	(85,789,000)	108,306,963	149,546,964

	Note	Non- distributable Share capital RM	Distributable Retained earnings RM	Total RM
Company				
At 1 April 2023		127,029,001	571,004	127,600,005
Transaction with owners:-				
Dividends	27	–	(13,500,000)	(13,500,000)
Total comprehensive income for the financial year		–	14,069,659	14,069,659
At 31 March 2024		127,029,001	1,140,663	128,169,664
Transaction with owners:-				
Dividends	27	–	(19,125,000)	(19,125,000)
Total comprehensive income for the financial year		–	34,625,710	34,625,710
At 31 March 2025		127,029,001	16,641,373	143,670,374

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
OPERATING ACTIVITIES					
Profit before tax		31,973,920	26,395,364	34,626,832	14,132,637
Adjustments for:-					
Amortisation of intangible assets		1,267,637	1,267,636	–	–
Bargain purchase on acquisition of a subsidiary		(6,316,298)	–	–	–
Depreciation of property, plant and equipment		3,338,301	2,705,528	–	–
Depreciation of right-of-use assets		558,619	86,611	–	–
Dividend income		–	(3,589)	(35,580,000)	(14,500,000)
Fair value gain on other investments		–	(32,426)	–	–
(Gain)/Loss on disposal of property, plant and equipment		(17,590)	96,152	–	–
Interest expenses		28,956	51,240	–	–
Interest income		(1,107,036)	(923,168)	(4,676)	(64,136)
Inventories written down		650,933	–	–	–
Loss on disposal of other investments		–	3,006	–	–
Property, plant and equipment written off		10	–	–	–
Retirement benefit obligations		207,377	–	–	–
Unrealised gain on foreign exchange		(219,804)	–	–	–
Operating profit/(loss) before working capital changes		30,365,025	29,646,354	(957,844)	(431,499)
Changes in working capital:-					
Inventories		14,817,435	(3,412,242)	–	–
Receivables		4,815,343	1,742,567	56,142	(3,948,429)
Payables		(7,295,152)	1,645,819	15,363	(124,371)
Contract liabilities		1,479,067	–	–	–
Trust receipts		–	(1,091,000)	–	–
Cash generated from/(used in) operations		44,181,718	28,531,498	(886,339)	(4,504,299)
Interest received		5,988	120,132	4,676	22,259
Interest paid		(1,016)	(9,574)	–	–
Retirement benefit obligations paid		(853,579)	–	–	–
Tax paid		(4,802,514)	(6,797,205)	(17,558)	(59,180)
Net cash from/(used in) operating activities		38,530,597	21,844,851	(899,221)	(4,541,220)
INVESTING ACTIVITIES					
Acquisition of a subsidiary		(4,182,897)	–	(13,826,641)	–
Dividend received		–	3,589	35,580,000	14,500,000
Interest received		1,101,048	803,036	–	41,877
Proceeds from disposal of other investments		–	158,217	–	–
Proceeds from disposal of property, plant and equipment		17,600	207,919	–	–
Purchase of intangible assets		(3,054,413)	(4,453,808)	–	–
Purchases of property, plant and equipment		(3,433,588)	(7,748,834)	–	–
Purchase of right-of-use assets	A	(3,820)	(101,240)	–	–
Subscription of shares in subsidiaries	B	–	–	–	(47,038)
Net cash (used in)/from investing activities		(9,556,070)	(11,131,121)	21,753,359	14,494,839

Statements of Cash Flows (Cont'd)

	Note	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
FINANCING ACTIVITIES					
Dividend paid		(19,125,000)	(13,500,000)	(19,125,000)	(13,500,000)
Interest paid		(26,855)	(41,666)	–	–
Repayment of lease liabilities		(66,232)	(54,322)	–	–
Repayment of term loans		(1,360,560)	(1,320,000)	–	–
Net cash used in financing activities		(20,578,647)	(14,915,988)	(19,125,000)	(13,500,000)
CASH AND CASH EQUIVALENTS					
Net changes		8,395,880	(4,202,258)	1,729,138	(3,546,381)
Effect of exchange rate changes on cash and cash equivalents		219,450	–	–	–
Brought forward		50,764,860	54,967,118	543,671	4,090,052
Carried forward	C	59,380,190	50,764,860	2,272,809	543,671

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF RIGHT-OF-USE ASSETS

	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Total purchase of right-of-use assets	3,820	301,240	–	–
Less: Acquired under lease arrangement	–	(200,000)	–	–
Cash payment	3,820	101,240	–	–

B. SUBSCRIPTION OF SHARES IN A SUBSIDIARY

	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Total subscription of shares	–	–	–	3,980,000
Less: Capitalisation of amount due from a subsidiary	–	–	–	(3,932,962)
	–	–	–	47,038

Statements of Cash Flows (Cont'd)

NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

C. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	6,428,795	10,404,860	2,272,809	543,671
Deposits and placements with financial institutions	52,951,395	40,360,000	–	–
	59,380,190	50,764,860	2,272,809	543,671

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	1 April 2024 RM	Cash flows RM	Others RM	31 March 2025 RM
Lease liabilities	295,678	(66,232)	–	229,446
Term loans	10,860,000	(1,360,560)	1,085	9,500,525
	11,155,678	(1,426,792)	1,085	9,729,971

	1 April 2023 RM	Drawdown RM	Cash flows RM	31 March 2024 RM
Lease liabilities	150,000	200,000	(54,322)	295,678
Term loans	12,180,000	–	(1,320,000)	10,860,000
	12,330,000	200,000	(1,374,322)	11,155,678

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

– 31 MARCH 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office of the Company is located at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur. The principal place of business of the Company is located at Lot 137, Lingkaran Taman Industri Integrasi Rawang 2, Taman Industri Integrasi Rawang, 48000 Rawang, Selangor Darul Ehsan.

The principal activities of the Company are investment holding and provision of management services.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of the principal activities of the Company and of its subsidiaries during the financial year.

The Company is a subsidiary of Iskandar Holdings Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia. The Directors regard Iskandar Holdings Sdn. Bhd. as the holding company.

The financial statements were authorised for issue by the Directors in accordance with a resolution of the Board of Directors on 24 July 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for the equity financial assets that have been measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and its measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.2 Basis of measurement (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs

2.4.1 Adoption of new standards/amendments/improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 April 2024.

Initial application of the new standards/amendments/improvement to MFRSs did not have any material impact on the financial statements of the Group and of the Company.

2.4.2 Standards issued but not yet effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intends to adopt these new and amended standards, if applicable, when they become effective.

Effective for financial period beginning on or after 1 January 2025:-

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

Effective for the financial period beginning on or after 1 January 2026:-

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments - Disclosures - Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments - Disclosures - Contracts Referencing Nature - Dependent Electricity
Annual Improvements to MFRS Accounting Standards - Volume 11	

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)**2.4 MFRSs (Cont'd)****2.4.2 Standards issued but not yet effective (Cont'd)***Effective for financial period beginning on or after 1 January 2027:-*

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

Amendments to MFRSs - effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The initial application of the above applicable amendments and improvements to standards are not expected to have material financial impact to the financial statements of the Group and of the Company.

2.5 Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2.5.1 Key sources of estimation uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful lives of depreciable assets

The management estimates the useful lives of the property, plant and equipment and right-of-use assets to be within 5 to 53 years and reviews the useful lives of depreciable assets at end each of the reporting period. The management assesses that the useful lives represent the expected usage of the assets of the Group. Actual result, however, may vary due to change in the expected level of usage and technology developments, which resulting in adjustment to the assets of the Group.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to economic and social preference which may cause selling prices to change rapidly, and the Group's profit to change.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant accounting estimates and judgements (Cont'd)

2.5.1 Key sources of estimation uncertainty (Cont'd)

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

In the process of measuring expected future cash flows, management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Development costs

The Group capitalises costs for product development. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. The carrying amount of the Group's development costs at the end of the reporting year is disclosed in Note 5 to the financial statements.

This amount includes significant investment in the development of an innovative automotive electronics system. Prior to being marketed, it will need to obtain a quality certification issued by the relevant regulatory authorities. The innovative nature of the product gives rise to some uncertainty as to whether the certificate will be obtained.

The development costs of technology systems are amortised on a straight-line basis over their useful lives of 5 years. The Group assesses annually the useful lives of the intangible assets and if the expectation differs from the original estimate, such difference will impact the amortisation expenses in the period in which such estimate had been charged.

Provision for expected credit losses ("ECLs") of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on the repayment pattern of the customers, customers type and coverage by letters of credit.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Notes to the Financial Statements (Cont'd)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 Significant accounting estimates and judgements (Cont'd)

2.5.1 Key sources of estimation uncertainty (Cont'd)

Retirement benefits

The measurement of retirement benefits is based on a number of assumptions that are determined on an actuarial basis. The assumptions used in the measurement of defined benefit costs and the related liabilities are disclosed in Note 16 to the financial statements. Any changes in these assumptions will have an impact on the carrying amount of the retirement benefits.

Income taxes

Significant judgement is involved in determining the Group's and the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognised tax liabilities based on estimates of whether additional tax will be due. Where the final tax outcome is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unused tax credits to the extent that it is probable that future taxable profits will be available against which all the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statement of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

2.5.2 Significant management judgement

There is no significant management judgement in applying the accounting policies of the Group and of the Company that have the most significant effect on the financial statements.

Notes to the Financial Statements (Cont'd)

3. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM	Freehold building and renovation RM	Plant and machinery RM	Motor vehicles RM	Tools, equipment and moulds RM	Furniture and office equipment RM	Total RM
Cost							
At 1 April 2023	3,056,107	22,521,690	11,538,566	1,202,671	16,558,467	3,285,368	58,162,869
Additions	-	3,976,702	2,211,639	139,172	338,501	1,082,820	7,748,834
Disposal	-	-	-	(172,188)	(1,516,041)	(8,850)	(1,697,079)
Written off	-	-	-	-	-	(3,750)	(3,750)
At 31 March 2024	3,056,107	26,498,392	13,750,205	1,169,655	15,380,927	4,355,588	64,210,874
Acquisition of a subsidiary	-	-	43,364,664	739,689	-	6,601,059	50,705,412
Additions	-	1,461,389	26,940	254,650	378,910	1,311,699	3,433,588
Disposal	-	-	(56,000)	(158,867)	-	(8,755)	(223,622)
Written off	-	-	(3,100)	-	(701,676)	(559,511)	(1,264,287)
At 31 March 2025	3,056,107	27,959,781	57,082,709	2,005,127	15,058,161	11,700,080	116,861,965
Accumulated depreciation							
At 1 April 2023	-	1,209,150	5,932,723	891,491	11,314,708	1,790,445	21,138,517
Charge for the financial year	-	450,852	951,803	124,042	925,132	253,699	2,705,528
Disposal	-	-	-	(130,950)	(1,261,968)	(90)	(1,393,008)
Written off	-	-	-	-	-	(3,750)	(3,750)
At 31 March 2024	-	1,660,002	6,884,526	884,583	10,977,872	2,040,304	22,447,287
Acquisition of a subsidiary	-	-	41,535,763	729,617	-	6,266,674	48,532,054
Charge for the financial year	-	532,408	1,398,143	154,754	848,760	404,236	3,338,301
Disposal	-	-	(56,000)	(158,864)	-	(8,748)	(223,612)
Written off	-	-	(3,100)	-	(701,676)	(559,501)	(1,264,277)
At 31 March 2025	-	2,192,410	49,759,332	1,610,090	11,124,956	8,142,965	72,829,753
Net carrying amount							
At 31 March 2025	3,056,107	25,767,371	7,323,377	395,037	3,933,205	3,557,115	44,032,212
At 31 March 2024	3,056,107	24,838,390	6,865,679	285,072	4,403,055	2,315,284	41,763,587

Notes to the Financial Statements (Cont'd)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The freehold buildings of the Group with net carrying amount of RM3,844,843 (2024: RMNil) were pledged to licensed bank as securities for the bank borrowing as disclosed in Note 14 to the financial statements.

Material accounting policy information

All property, plant and equipment are measured at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment are recognised as an asset if, and only if, it is probable that future economic benefit associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life. All property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Freehold building and renovation	2%
Plant and machinery	10% - 20%
Motor vehicles	20%
Tools, equipment and moulds	10%
Furniture and office equipment	10% - 20%

Freehold land is not depreciated but is subject to impairment test if there is indication of impairment.

4. RIGHT-OF-USE ASSETSAs a lessee

Set out are the carrying amounts of right-of-use assets recognised and the movements during the financial year:-

Group	Leasehold land RM	Building and factory improvement RM	Motor vehicles RM	Total RM
Cost				
At 1 April 2023	–	–	207,125	207,125
Additions	–	–	301,240	301,240
At 31 March 2024	–	–	508,365	508,365
Acquisition of a subsidiary	4,469,197	18,247,832	–	22,717,029
Additions	–	3,820	–	3,820
At 31 March 2025	4,469,197	18,251,652	508,365	23,229,214

Notes to the Financial Statements (Cont'd)

4. RIGHT-OF-USE ASSETS (CONT'D)

As a lessee (Cont'd)

Set out are the carrying amounts of right-of-use assets recognised and the movements during the financial year (Cont'd):-

Group (Cont'd)	Leasehold land RM	Building and factory improvement RM	Motor vehicles RM	Total RM
Accumulated depreciation				
At 1 April 2023	–	–	3,452	3,452
Charge for the financial year	–	–	86,611	86,611
At 31 March 2024	–	–	90,063	90,063
Acquisition of a subsidiary	1,039,198	8,992,831	–	10,032,029
Charge for the financial year	100,208	356,738	101,673	558,619
At 31 March 2025	1,139,406	9,349,569	191,736	10,680,711
Net carrying amount				
At 31 March 2025	3,329,791	8,902,083	316,629	12,548,503
At 31 March 2024	–	–	418,302	418,302

The motor vehicles above are held under lease arrangements and pledged as security for the related lease.

Material accounting policy information

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets, as follows:-

Leasehold land	53 years
Building and factory improvement	2% - 20%
Motor vehicles	20%

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements (Cont'd)

5. INTANGIBLE ASSETS

Group	Development costs RM	System in progress RM	Total RM
Cost			
At 1 April 2023	6,646,594	–	6,646,594
Additions	4,453,808	–	4,453,808
At 31 March 2024	11,100,402	–	11,100,402
Additions	2,994,514	59,899	3,054,413
At 31 March 2025	14,094,916	59,899	14,154,815
Accumulated amortisation			
At 1 April 2023	2,166,599	–	2,166,599
Charge for the financial year	1,267,636	–	1,267,636
At 31 March 2024	3,434,235	–	3,434,235
Charge for the financial year	1,267,637	–	1,267,637
At 31 March 2025	4,701,872	–	4,701,872
Net carrying amount			
At 31 March 2025	9,393,044	59,899	9,452,943
At 31 March 2024	7,666,167	–	7,666,167

The development costs are incurred for developing new technology system.

Material accounting policy information

Development costs have finite useful life and are amortised over the period of 5 years on a straight-line basis when is available for use/sales.

6. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 RM	2024 RM
Unquoted shares, at cost	141,595,641	127,769,000

Notes to the Financial Statements (Cont'd)

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

The particulars of the subsidiaries are as follows:-

Name of companies	Principal place of business	Principal activities	Effective equity interest	
			2025 %	2024 %
<i>Held by the Company</i> Betamek Electronics (M) Sdn. Bhd.	Malaysia	Providing full-service electronics manufacturing services starting from design, development, and manufacturing to marketing of electronic products and components for the automation and consumer markets.	100	100
Betamek Research Sdn. Bhd.	Malaysia	Engaged in research and development services provider, commercialisation and product development and electric vehicle (EV) solutions.	100	100
Sanshin (Malaysia) Sdn. Bhd.	Malaysia	Manufacturing and assembling of tuners, car stereos, cooler unit of machine and related electronic parts and trading as an international procurement centre.	100	–
<i>Held by Betamek Research Sdn. Bhd.</i> BZH Innovation Sdn. Bhd.	Malaysia	Dormant	100	–

2025

Acquisition/Incorporation of subsidiaries

- (i) On 13 May 2024, a wholly-owned subsidiary of the Company, Betamek Research Sdn. Bhd. had incorporated a wholly-owned subsidiary, BZH Innovation Sdn. Bhd., with cash subscription of RM1.
- (ii) On 28 June 2024, the Company acquired 15,600,000 units of ordinary shares representing 100% equity interest in Sanshin (Malaysia) Sdn. Bhd. for a total cash consideration of RM13,826,641.
- (iii) On 28 March 2025, BZH Innovation Sdn. Bhd. issue 24,999 new ordinary shares which was acquired by a wholly-owned subsidiary of the Company, Betamek Research Sdn. Bhd. for a cash consideration of RM24,999.

Notes to the Financial Statements (Cont'd)

6. INVESTMENT IN SUBSIDIARIES (CONT'D)**2025 (Cont'd)**Acquisition/Incorporation of subsidiaries (Cont'd)

The fair value of the identifiable assets and liabilities of Sanshin (Malaysia) Sdn. Bhd. as at the date of acquisition was as follow:-

	2025 RM
Property, plant and equipment	2,173,358
Right-of-use assets	12,685,000
Inventories	2,773,190
Trade receivables	4,005,216
Other receivables	562,620
Tax recoverable	201,926
Cash and bank balances	9,643,744
Total assets	32,045,054
Deferred tax liabilities	1,252,317
Retirement benefits obligation	1,886,376
Trade payables	2,761,916
Other payables	6,001,506
Total liabilities	11,902,115
Total identifiable net assets and liabilities	20,142,939
Gain on bargain purchase	(6,316,298)
Total cash consideration	13,826,641
Purchase consideration settled in cash and cash equivalents	13,826,641
Less: Cash and cash equivalents	(9,643,744)
Net cash outflows arising from acquisition of a subsidiary	4,182,897

Impact of the acquisition on the statements of profit or loss and other comprehensive income

From the date of acquisition, Sanshin (Malaysia) Sdn. Bhd. has contributed loss of RM271,833 to the Group's profit after tax. If the acquisition had taken place at the beginning of the financial year, Sanshin (Malaysia) Sdn. Bhd. loss after tax would have been RM8,111,630.

Notes to the Financial Statements (Cont'd)

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

2024

Incorporation of a subsidiary

- (i) On 7 September 2023, the Company had incorporated a wholly-owned subsidiary of the Company, Betamek Research Sdn. Bhd., with cash subscription of RM1.
- (ii) On 27 March 2024, Betamek Research Sdn. Bhd. issue 3,979,999 new ordinary shares which was acquired by the Company for a consideration of RM3,979,999 which was satisfied by the way of capitalisation of RM3,932,962 being part of the amount due from subsidiary and cash consideration RM47,037.

Material accounting policy information

Investment in subsidiaries, which are eliminated on consolidation, are stated in the Company's statement of financial position at cost less any impairment losses.

7. INVENTORIES

	2025 RM	Group 2024 RM
<u>At cost:-</u>		
Raw materials	30,248,693	35,690,006
Work-in-progress	7,747,915	15,739,131
Finished goods	6,456,786	5,719,435
	44,453,394	57,148,572
Recognised in profit or loss:-		
Inventories recognised as cost of sales	185,284,075	166,968,238
Inventories written down	650,933	-

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials is determined using weighted average and first in first out method and finished goods include direct materials, direct labour and an appropriate proportion of manufacturing overheads. Cost includes the original purchase price plus direct cost of bringing these inventories to their present condition and location.

8. TRADE RECEIVABLES

The trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The normal credit terms granted to the customers ranging from 15 to 90 days (2024: 30 to 60 days). Other credit terms are assessed and approved by the management on case-by-case basis.

Notes to the Financial Statements (Cont'd)

9. OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-trade receivables	151,505	5,082	–	–
Deposits	1,485,593	770,421	7,400	2,000
Advances to suppliers	3,990,388	9,058,036	–	–
Prepayments	473,007	171,066	15,758	77,300
	6,100,493	10,004,605	23,158	79,300

10. OTHER INVESTMENTS

	Group	
	2025 RM	2024 RM
<u>Financial assets at fair value</u>		
Unquoted shares outside Malaysia	1	1

The fair value of unquoted shares are determined based on the valuation techniques supported by available inputs comprising precedent transaction for similar financial instruments.

11. CASH AND BANK BALANCES, DEPOSITS AND PLACEMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	6,428,795	10,404,860	2,272,809	543,671
Deposits and placements with financial institutions	52,951,395	40,360,000	–	–
	59,380,190	50,764,860	2,272,809	543,671

The deposits and placements with financial institutions of the Group will mature within 1 to 89 days (2024: 1 to 63 days) with interest rates ranging from 1.90% to 4.40% (2024: 1.90% to 3.60%) per annum.

12. SHARE CAPITAL

	Group and Company	
	2025 RM	2024 RM
Issued and fully paid with no par value:-		
450,000,000 units of ordinary shares	127,029,001	127,029,001

The holders of ordinary shares are entitled to receive dividend as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

Notes to the Financial Statements (Cont'd)

13. MERGER DEFICIT

The merger deficit arises as and when the combination take place. It comprises the difference between the cost of merger and the nominal value of shares acquired in Betamek Electronics (M) Sdn. Bhd. in prior financial years.

14. BORROWINGS

	Group	
	2025 RM	2024 RM
Secured		
<u>Non-current</u>		
Term loans	8,062,474	9,542,760
<u>Current</u>		
Term loans	1,438,051	1,317,240
	9,500,525	10,860,000

The borrowings of the Group are secured by:-

- (i) Corporate guarantee by the Company; and
- (ii) A legal charge over the Group's freehold buildings as per disclosed in Note 3 to the financial statements.

The interest rates of term loans of the Group are ranging from 4.45% to 4.95% (2024: 4.20% to 4.50%) per annum.

15. LEASE LIABILITIES

	Group	
	2025 RM	2024 RM
Non-current	160,046	229,446
Current	69,400	66,232
	229,446	295,678

The maturity analysis of lease liability is disclosed in Note 31.2.2 to the financial statements.

Notes to the Financial Statements (Cont'd)

15. LEASE LIABILITIES (CONT'D)

The following amounts are recognised in profit or loss:-

	2025 RM	Group 2024 RM
Depreciation of right-of-use assets	558,619	86,611
Interest expense on lease liabilities	12,428	13,118
Short-term leases	447,552	188,717
	1,018,599	288,446

The total cash outflows for leases of the Group amounted to RM526,212 (2024: RM256,157).

The effective interest rates of lease liabilities of the Group are ranging from 4.63% to 4.77% (2024: 4.63% to 4.77%) per annum.

16. RETIREMENT BENEFIT OBLIGATIONS

	2025 RM	Group 2024 RM
Non-current	759,779	–
Current	142,888	–
	902,667	–

The Group operates an unfunded, defined benefit Retirement Benefit Scheme ('the Scheme') for its eligible employees. Under the Scheme, eligible employees are all full time employees who joined the Group before 1 October 2003 and have worked in the Group for at least 5 years. Eligible employees are entitled to retirement benefits of 15 days over 26 days of average of last 12 months' basic salary for each year of employment with the Group on attainment of the retirement age of 60. The retirement benefit is paid as a lump sum as per benefit amount.

The amounts recognised in the statement of profit or loss and other comprehensive income are as follows:-

	2025 RM	Group 2024 RM
Current service cost	97,947	–
Interest cost	109,430	–
Total included in staff costs	207,377	–

Notes to the Financial Statements (Cont'd)

16. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

Movement in the net liability recognised in the statement of financial position are as follows:-

	2025 RM	Group 2024 RM
Brought forward	–	–
Acquisition of a subsidiary	1,886,376	–
Remeasurement	207,377	–
Actuarial gain	(337,507)	–
Amount paid	(853,579)	–
Carried forward	902,667	–

Principal actuarial assumptions used are as follows:

	2025 %	Group 2024 %
Discount rate	4.60	–
Salary increase rate	5.00	–

17. DEFERRED TAX LIABILITIES

	2025 RM	Group 2024 RM
Brought forward	2,901,000	2,981,000
Acquisition of a subsidiary	1,252,317	–
Recognised in profit or loss	838,701	(80,000)
Carried forward	4,992,018	2,901,000

Notes to the Financial Statements (Cont'd)

17. DEFERRED TAX LIABILITIES (CONT'D)

The balance in the deferred tax liabilities is made up of temporary differences arising from:-

Group	Property, plant and equipment RM	Right-of-use assets RM	Intangible assets RM	Provisions RM	Unabsorbed capital allowance RM	Total RM
At 1 April 2023	3,434,000	5,000	648,000	(1,106,000)	–	2,981,000
Recognised in profit or loss	(102,000)	9,000	95,000	(82,000)	–	(80,000)
At 31 March 2024	3,332,000	14,000	743,000	(1,188,000)	–	2,901,000
Acquisition of a subsidiary	425,800	1,252,317	–	(127,800)	(298,000)	1,252,317
Recognised in profit or loss	(300)	(35,299)	729,000	206,800	(61,500)	838,701
At 31 March 2025	3,757,500	1,231,018	1,472,000	(1,109,000)	(359,500)	4,992,018

18. TRADE PAYABLES

The normal trade credit terms granted to the Group by the suppliers ranging from 30 to 90 days (2024: 30 to 90 days).

19. OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-trade payables	1,570,837	326,044	51,122	14,759
Accruals	6,699,279	6,761,217	182,750	203,750
Provisions for onerous contract	129,016	–	–	–
Sales and service tax payable	10,369	18,812	–	–
	8,409,501	7,106,073	233,872	218,509

20. CONTRACT LIABILITIES

	Group	
	2025 RM	2024 RM
Deposit received	1,479,067	–

Contract liabilities primarily relate to the Company's obligation to transfer good or services to customer for which the consideration has been received or receivable from the customers.

Notes to the Financial Statements (Cont'd)

21. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Revenue from contracts with customers</u>				
Sales of goods	232,187,278	222,023,890	–	–
Contract revenue	6,110,481	–	–	–
<u>Revenue from other sources of income</u>				
Dividend income	–	–	35,580,000	14,500,000
	238,297,759	222,023,890	35,580,000	14,500,000
<u>Timing of recognition</u>				
At point in time	232,187,278	222,023,890	–	–
Over time	6,110,481	–	–	–
	238,297,759	222,023,890	–	–
<u>Primary geographical market:</u>				
- Malaysia	233,674,077	222,023,890	–	–
- Hong Kong	114,583	–	–	–
- Japan	4,509,099	–	–	–
	238,297,759	222,023,890	–	–

21.1 Performance obligation

Information about the Group's and the Company's performance obligations are summarised below:-

Sales of goods

The performance obligation of sales of goods is satisfied upon delivery of the goods. There were no obligations for rebates, returns, warranty and other similar or related obligations.

Contract revenue

The performance obligation is satisfied over time and payment is generally due upon completion of installation and acceptance of the customer. In some contracts, short-term advances are required before the installation service is provided.

Contract value yet to be recognised as revenue

As at the reporting date, revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of the Group are RM9,165,722 (2024: RMNil). The Group expected to recognise this revenue over the next 12 to 24 months.

21.2 Revenue from other sources

Dividend income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established.

Notes to the Financial Statements (Cont'd)

22. FINANCE INCOME

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest income:				
- Deposits and placements with financial institutions	1,101,048	803,036	–	41,877
- Bank balances	5,988	120,132	4,676	22,259
	1,107,036	923,168	4,676	64,136

23. FINANCE COSTS

	Group	
	2025 RM	2024 RM
Interest expenses:		
- Lease liabilities	12,428	13,118
- Term loans	15,512	28,548
- Trust receipts	1,016	9,574
	28,956	51,240

24. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting), amongst others items, the following:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Charging:-				
Auditors' remuneration:				
- Statutory audit	176,000	118,000	41,000	40,000
- Others	3,000	3,000	3,000	3,000
Amortisation of intangible assets	1,267,637	1,267,636	–	–
Directors' fee	235,000	235,000	235,000	235,000
Depreciation of property, plant and equipment	3,338,301	2,705,528	–	–
Depreciation of right-of-use assets	558,619	86,611	–	–
Expenses relating to short-term leases	447,552	188,717	–	–
Inventories written down	650,933	–	–	–
Loss on disposal of property, plant and equipment	–	96,152	–	–
Loss on disposal of other investments	–	3,006	–	–
Property, plant and equipment written off	10	–	–	–
Realised loss on foreign exchange	326,344	–	–	–

Notes to the Financial Statements (Cont'd)

24. PROFIT BEFORE TAX (CONT'D)

Profit before tax has been determined after charging/(crediting), amongst others items, the following (Cont'd):-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Crediting:-				
Dividend income:				
- Quoted shares in Malaysia	-	(3,589)	-	-
- Unquoted shares in Malaysia	-	-	(35,580,000)	(14,500,000)
Fair value gain on other investments	-	(32,426)	-	-
Gain on disposal of property, plant and equipment	(17,590)	-	-	-
Realised gain on foreign exchange	(390,030)	(514,386)	-	-
Unrealised gain on foreign exchange	(219,804)	-	-	-

25. TAX EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax				
- Current financial year	6,694,414	6,395,748	1,112	15,048
- (Over)/Under provision in prior financial year	(671,694)	47,930	10	47,930
	6,022,720	6,443,678	1,122	62,978
Deferred tax				
- Current financial year	200,701	(80,000)	-	-
- Under recognised in prior financial year	638,000	-	-	-
	838,701	(80,000)	-	-
	6,861,421	6,363,678	1,122	62,978

Malaysian income tax is calculated at statutory tax rate of 24% (2024: 24%) of the estimated assessable profits for the financial year.

Notes to the Financial Statements (Cont'd)

25. TAX EXPENSE (CONT'D)

The numerical reconciliations between the effective tax rate and the statutory tax rate of the Group and of the Company are as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	31,973,920	26,395,364	34,626,832	14,132,637
Tax at Malaysian statutory tax rate of 24%	7,673,741	6,334,887	8,310,440	3,391,833
Tax effects in respect of:-				
Expenses not deductible for tax purposes	631,172	300,198	229,872	103,215
(Over)/Under provision of tax expense in prior financial year	(671,694)	47,930	10	47,930
Under recognised of deferred tax liabilities in prior financial year	638,000	—	—	—
Movement of deferred tax not recognised	162,893	—	—	—
Reinvestment tax allowance	—	(318,476)	—	—
Income not subject to tax	(1,572,691)	(861)	(8,539,200)	(3,480,000)
	6,861,421	6,363,678	1,122	62,978

Deferred tax assets have not been recognised in respect of these items (stated as gross) as it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom.

	Group	
	2025 RM	2024 RM
Inventories	15,023,856	14,372,923
Retirement benefits obligations	902,667	1,886,376
Provisions	759,150	759,150
Unutilised business losses	10,158,515	9,951,978
Unabsorbed capital allowances	804,958	—
	27,649,146	26,970,427

The expiry of the unutilised business losses is as follows:-

	Group	
	2025 RM	2024 RM
<u>Year of assessment ("YA")</u>		
YA 2033	3,115,826	9,951,978
YA 2035	7,042,689	—
	10,158,515	9,951,978

Notes to the Financial Statements (Cont'd)

26. EARNINGS PER SHARE

(a) Basic earnings per ordinary share

Basic earnings per share are calculated by dividing profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial year, excluding treasury shares and including mandatorily convertible instruments held by the Company.

Profits attributable to equity holders of the Company

	2025 RM	Group 2024 RM
Profit used for the computation of basic/diluted:		
- Profit attributable to equity holders of the Company	25,112,499	20,031,686
Weighted average number of ordinary shares after deducting treasury shares used for the computation of basic	450,000,000	450,000,000
Basic earnings per ordinary share (sen)	5.58	4.45

(b) Diluted earnings per ordinary share

There are no diluted earnings per share because the Company does not have any convertible financial instruments as at the end of the financial year.

27. DIVIDENDS

	2025 RM	Group 2024 RM	2025 RM	Company 2024 RM
<u>In respect of the financial year ended</u>				
<u>31 March 2025:-</u>				
First single tier dividend of 1 sen per ordinary share, paid on 23 August 2024	4,500,000	–	4,500,000	–
Second single tier dividend of 1.25 sen per ordinary share, paid on 12 December 2024	5,625,000	–	5,625,000	–
Third single tier dividend of 1 sen per ordinary share, paid on 19 March 2025	4,500,000	–	4,500,000	–

Notes to the Financial Statements (Cont'd)

27. DIVIDENDS (CONT'D)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>In respect of the financial year ended</u>				
<u>31 March 2024:-</u>				
First single tier dividend of 1 sen per ordinary share, paid on 18 August 2023	–	4,500,000	–	4,500,000
Second single tier dividend of 2 sen per ordinary share, paid on 23 February 2024	–	9,000,000	–	9,000,000
Final single tier dividend of 1 sen per ordinary share, paid on 12 September 2024	4,500,000	–	4,500,000	–
	19,125,000	13,500,000	19,125,000	13,500,000

The Directors propose the payment of a final single-tier dividend of 1 sen per ordinary share, amounting to net dividend payment of RM4,500,000 in respect of the current financial year. The proposed final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 March 2026.

28. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Staffs' remuneration				
Salaries and other emoluments	23,723,319	17,452,748	–	–
Defined contribution plans	2,079,404	1,451,082	–	–
	25,802,723	18,903,830	–	–
Directors' remuneration				
Salaries and other emoluments	1,692,992	1,543,831	10,000	11,500
Defined contribution plans	67,260	61,123	–	–
	1,760,252	1,604,954	10,000	11,500
	27,562,975	20,508,784	10,000	11,500

The estimate monetary value of benefits-in-kind received by Directors other than cash from the Group amounted to RM28,125 (2024: RM26,250).

Notes to the Financial Statements (Cont'd)

29. RELATED PARTY DISCLOSURES

Related party transactions

The significant related party transactions of the Group and of the Company are as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Dividend received from a subsidiary	–	–	35,580,000	14,500,000
Payments made on behalf to a subsidiary which has been capitalised	–	–	–	3,932,962
Payments made on behalf to a subsidiary	–	–	1,661,737	–
Rental expenses paid to holding company	144,000	144,000	–	–

There is no outstanding balance arising from related party transactions as at the reporting date.

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly and entity that provides key management personnel services to the Group and the Company.

Key management includes all the Directors of the Company and its subsidiaries and certain members of senior management of the Group and of the Company.

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors' remuneration	1,760,252	1,604,954	10,000	11,500
Key management personnel:-				
Salaries and other emoluments	1,660,146	1,381,626	–	–
Defined contribution plans	196,079	178,078	–	–
	1,856,225	1,559,704	–	–
	3,616,477	3,164,658	10,000	11,500

The estimate monetary value of benefits-in-kind received by key management other than cash from the Group amounted to RM50,642 (2024: RM45,278).

30. CAPITAL COMMITMENT

	Company	
	2025 RM	2024 RM
Authorised and contracted for:		
- Property, plant and equipment	630,609	215,658

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS

31.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:-

- (i) Amortised cost ("AC"); and
- (ii) Financial assets at fair value through profit or loss ("FVTPL")

	Carrying amount RM	AC RM	FVTPL RM
Group			
2025			
Financial assets			
Trade receivables	17,229,917	17,229,917	–
Other receivables*	5,627,486	5,627,486	–
Other investments	1	–	1
Cash and bank balances, deposits and placements	59,380,190	59,380,190	–
	82,237,594	82,237,593	1
Financial liabilities			
Trade payables	16,711,294	16,711,294	–
Other payables#	8,399,132	8,399,132	–
Borrowings	9,500,525	9,500,525	–
	34,610,951	34,610,951	–
2024			
Financial assets			
Trade receivables	13,569,673	13,569,673	–
Other receivables*	9,833,539	9,833,539	–
Other investments	1	–	1
Cash and bank balances, deposits and placements	50,764,860	50,764,860	–
	74,168,073	74,168,072	1
Financial liabilities			
Trade payables	16,626,500	16,626,500	–
Other payables#	7,087,261	7,087,261	–
Borrowings	10,860,000	10,860,000	–
	34,573,761	34,573,761	–

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 Categories of financial instruments (Cont'd)

The table below provides an analysis of financial instruments categorised as follows (Cont'd):-

	Carrying amount RM	AC RM	FVTPL RM
Company			
2025			
Financial assets			
Other receivables*	7,400	7,400	–
Cash and bank balances, deposits and placements	2,272,809	2,272,809	–
	2,280,209	2,280,209	–
Financial liability			
Other payables	233,872	233,872	–
2024			
Financial assets			
Other receivables*	2,000	2,000	–
Cash and bank balances, deposits and placements	543,671	543,671	–
	545,671	545,671	–
Financial liability			
Other payables	218,509	218,509	–

* excluded prepayments

excluded sales and service tax payable

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)**31.2 Financial risk management**

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. They have established policies and procedures to ensure effective management of credit risk, liquidity risk, interest rate risk and foreign currency risk.

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

31.2.1 Credit risk

Credit risk refers to the risk that a counterparty will default in its contractual obligations resulting in financial loss to the Group and the Company. For other financial assets, the Group and the Company adopt the policy of dealing with reputable institutions.

Following are the areas where the Group and the Company are exposed to credit risk.

Exposure to credit risk

Maximum exposure of the Group and of the Company to credit risk is limited to the carrying amount of financial assets recognised at reporting date, as summarised below:-

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Classes of financial assets:-				
Trade receivables	17,229,917	13,569,673	-	-
Other receivables	5,627,486	9,833,539	7,400	2,000
Cash and bank balances, deposits and placements	59,380,190	50,764,860	2,272,809	543,671
	82,237,593	74,168,072	2,280,209	545,671

Credit risk concentration

The credit risk concentration profile by geographical on trade receivables of the Group as at the reporting date is as follows:-

	Group		Group	
	2025		2024	
	RM	%	RM	%
By country				
Malaysia				
2 customers (2024: 2 customers)	11,850,295	69	11,575,207	85

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial risk management (Cont'd)

31.2.1 Credit risk (Cont'd)

Receivables

Recognition and measurement of impairment loss

In managing credit risk of trade receivables the Group manages its debtors and takes appropriate actions to recover long overdue balances. For trade receivables' credit term that are past due but not impaired, the Group's debt recovery process is the Group will initiate a structured debt recovery process which is monitored via management reporting procedures.

The Group applies the simplified approach under MFRS 9 to measure expected credit losses, which uses a lifetime expected credit losses for all trade receivables. The Group evaluates the credit losses on a case-by-case basis.

The Group assesses the expected loss rates based on historical payment profiles of the trade receivables and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the financial capability of the debtor and default or significant delay in payments. No significant changes to estimation techniques or assumptions were made during the reporting period.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired. The gross carrying amounts of credit impaired trade receivables are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Trade receivables that are written off are still subjected to enforcement activities.

As at the reporting date, the management is of the opinion that all necessary impairment that is required has been provided for and trade receivables have not been impaired are credit worthy debtors whereby impairment is not required.

None of the Group's financial assets are secured by collateral or other credit enhancements.

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables as follows:-

	Gross carrying amount RM	Expected credit loss RM	Net carrying amount RM
Group 2025			
Not past due	16,684,299	–	16,684,299
Past due 1 to 30 days	545,586	–	545,586
Past due 31 to 60 days	32	–	32
	17,229,917	–	17,229,917

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)**31.2 Financial risk management (Cont'd)****31.2.1 Credit risk (Cont'd)**Receivables (Cont'd)*Recognition and measurement of impairment loss (Cont'd)*

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables as follows (Cont'd):-

	Gross carrying amount RM	Expected credit loss RM	Net carrying amount RM
Group (Cont'd)			
2024			
Not past due	12,396,339	–	12,396,339
Past due 1 to 30 days	841,330	–	841,330
Past due 31 to 60 days	332,004	–	332,004
	13,569,673	–	13,569,673

Other receivables

As at the end of the reporting period, there was no indication that other receivables are not recoverable.

Cash and bank balances, deposits and placements

The credit risk for cash and bank balances, deposits and placements is considered low, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

31.2.2 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due, due to shortage of funds.

In managing its exposures to liquidity risk that arises principally from its various payables, borrowings and lease liabilities, the Group and the Company maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible that they will have sufficient liquidity to meet its liabilities as and when they fall due.

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial risk management (Cont'd)

31.2.2 Liquidity risk (Cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follow:-

	Carrying amount RM	Contractual cash flows RM	Current Within 1 year RM	← Non-current → 1 to 5 years RM More than 5 years RM	
Group					
2025					
Trade payables	16,711,294	16,711,294	16,711,294	—	—
Other payables	8,399,132	8,399,132	8,399,132	—	—
Borrowings	9,500,525	10,913,927	1,817,388	7,720,683	1,375,856
Lease liabilities	229,446	247,200	78,660	168,540	—
	34,840,397	36,271,553	27,006,474	7,889,223	1,375,856
2024					
Trade payables	16,626,500	16,626,500	16,626,500	—	—
Other payables	7,087,261	7,087,261	7,087,261	—	—
Borrowings	10,860,000	12,842,484	1,769,151	6,490,491	4,582,842
Lease liabilities	295,678	325,860	78,660	247,200	—
	34,869,439	36,882,105	25,561,572	6,737,691	4,582,842
Company					
2025					
Other payables	233,872	233,872	233,872	—	—
Corporate guarantee*	—	9,500,525	9,500,525	—	—
2024					
Other payables	218,509	218,509	218,509	—	—
Corporate guarantee*	—	10,860,000	10,860,000	—	—

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)**31.2 Financial risk management (Cont'd)****31.2.3 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate borrowings are exposed to the risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group's and the Company's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the reporting date is as follows:-

	Group	
	2025 RM	2024 RM
Fixed rate instruments		
<u>Financial asset</u>		
Deposits and placements	52,951,395	40,360,000
<u>Financial liability</u>		
Lease liabilities	(229,446)	(295,678)
Net financial assets	52,721,949	40,064,322
Floating rate instrument		
<u>Financial liability</u>		
Term loans	(9,500,525)	(10,860,000)

Cash flows sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates as at the reporting date would not affect profit or loss.

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial risk management (Cont'd)

31.2.3 Interest rate risk

Cash flow sensitivity analysis for variable rate instruments

The following table illustrates the sensitivity of profit/equity to a reasonably possible change in interest rate of +/-50 (2024: +/-50) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instrument held at each reporting date that is sensitive to changes in interest rate. All other variables are held constant.

	Group	
	Impact on profit/equity	
	(Decrease)/Increase	
	+50bp	-50bp
	RM	RM
2025	(47,503)	47,503
2024	(54,300)	54,300

31.2.4 Foreign currency risk

The Group is exposed to foreign currency risk as a result of their normal operating activities, where the currency denomination differs from the local currency, Ringgit Malaysia ("RM"). The Group's policy is to keep the foreign exchange exposure to an acceptable level.

The Group is exposed to transactional currency risk primarily through costs of sales that are denominated in a currency other than the functional currency to which they related. The currency giving rise to this risk is primarily United States Dollar ("USD"), Singapore Dollar ("SGD"), Chinese Yuan ("CNY"), Japanese Yen ("JPY") and Euro ("EURO").

Foreign currency denominated financial assets and financial liabilities which expose the Group to currency risk are disclosed below. The amount shown is those reported to key management translated into RM at the closing rate:-

	Group	
	2025	2024
	RM	RM
<u>Denominated in USD</u>		
Trade receivables	1,739,356	—
Other receivables	504,745	5,764,250
Cash and bank balances, deposits and placements	2,839,866	64,306
Trade payables	(5,963,888)	(6,394,479)
	(879,921)	(565,923)

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial risk management (Cont'd)

31.2.4 Foreign currency risk (Cont'd)

Foreign currency denominated financial assets and financial liabilities which expose the Group to currency risk are disclosed below. The amount shown is those reported to key management translated into RM at the closing rate (Cont'd):-

	2025 RM	Group 2024 RM
<u>Denominated in SGD</u>		
Cash and bank balances, deposits and placements	46,973	10,017
Trade payables	(305,095)	(744,435)
	(258,122)	(734,418)
<u>Denominated in CNY</u>		
Other receivables	–	3,441,682
Cash and bank balances, deposits and placements	53,604	56,333
Trade payables	(3,947,895)	(3,890,171)
	(3,894,291)	(392,156)
<u>Denominated in JPY</u>		
Cash and bank balances, deposits and placements	7,247	–
<u>Denominated in EURO</u>		
Cash and bank balances, deposits and placements	46,759	–

Foreign currency sensitivity analysis

The following table illustrates the sensitivity of profit/equity with regards to the Group's financial assets and financial liabilities and the RM/USD, RM/SGD, RM/CNY, RM/JPY and RM/EURO exchange rate assuming all other things being equal. A 1% (2024: 1%) change in the RM/USD, RM/SGD, RM/CNY, RM/JPY and RM/EURO exchange rate at the reporting is deemed possible. Both of these percentages have been determined based on average market volatility in exchange rates in the previous 12 months.

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial risk management (Cont'd)

31.2.4 Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis (Cont'd)

The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates. If the RM had strengthened/weakened against the USD, SGD, CNY, JPY and EURO, then the impact would be as follows:-

	Group Impact on profit/equity (Decrease)/Increase	
	+1% RM	-1% RM
<u>RM/USD</u>		
2025	(8,799)	8,799
2024	(5,659)	5,659
<u>RM/SGD</u>		
2025	(2,581)	2,581
2024	(7,344)	7,344
<u>RM/CNY</u>		
2025	(38,943)	38,943
2024	(3,922)	3,922
<u>RM/JPY</u>		
2025	72	(72)
2024	—	—
<u>RM/EURO</u>		
2025	468	(468)
2024	—	—

Notes to the Financial Statements (Cont'd)

31. FINANCIAL INSTRUMENTS (CONT'D)**31.3 Fair value of financial instruments**

The carrying amounts of financial assets and financial liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date or immaterial discounting impact.

31.4 Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2025				
Financial assets at FVTPL				
Other investments	–	–	1	1
2024				
Financial assets at FVTPL				
Other investments	–	–	1	1

There was no transfer between Level 1 and Level 3 in 2025 and 2024.

Notes to the Financial Statements (Cont'd)

32. OPERATING SEGMENTS

Business segments

The Group has arrived at five (2024: three) reportable segments that are organised and managed separately according to the nature of products and technological requirements, which require different business and marketing strategies. The reportable segments are summarised as follows:-

Business segments	Business activities
Vehicle audio and visual products	Design and manufacture of vehicle audio products and components comprising car infotainment systems and audio video accessories.
Vehicle accessories	Design and manufacture of vehicle accessories such as air conditioning control panels, USB chargers, mirror switches, switch clusters and power sockets.
Consumer electronics	Manufacture of consumer electronics products and components used in the production of home appliances such as the Frequency Agile Ultra High Frequency (UHF) wireless system and Printed Circuit Board Assemblies (PCBAs) for home appliances.
Industrial instruments	Manufacture of industrial instruments or components used in the manufacturing of industrial instruments such as cooler units for machinery and Printed Circuit Board Assemblies (PCBAs) for machineries and equipments.
Investment holding	Investment holding and provision of management services.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

The Group evaluates performance on the basis of profit or loss from operations before tax.

Management monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the financial statements.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the financial statements. These policies have been applied consistently throughout the financial years.

The inter-segment assets are adjusted against the segment assets to arrive at total assets reported in the statements of financial position.

Notes to the Financial Statements (Cont'd)

32. OPERATING SEGMENTS (CONT'D)

Business segments (Cont'd)

	Note	Vehicle audio and visual products RM	Vehicle accessories RM	Consumer electronics RM	Industrial instruments RM	Investment holding RM	Elimination RM	Total RM
2025								
Revenue								
External revenue		170,211,499	51,323,264	5,983,028	10,779,968	-	-	238,297,759
Inter-segment revenue	(i)	-	-	-	-	35,580,000	(35,580,000)	-
Total revenue		170,211,499	51,323,264	5,983,028	10,779,968	35,580,000	(35,580,000)	238,297,759
Results								
Finance income								(1,107,036)
Finance costs								28,956
Amortisation of intangible assets								1,267,637
Depreciation of property, plant and equipment								3,338,301
Depreciation of right-of-use assets								558,619
Other non-cash income	(ii)							(5,695,372)
Tax expense								6,861,421
Segment profit	(iii)							24,034,419
Assets								
Unallocated segment assets	(iv)							183,970,177
Additions to non-current assets	(v)							6,491,821
Liabilities								
Unallocated segment liabilities	(vi)							27,502,529

Notes to the Financial Statements (Cont'd)

32. OPERATING SEGMENTS (CONT'D)

Business segments (Cont'd)

2024		Vehicle audio and visual products RM	Vehicle accessories RM	Investment holding RM	Elimination RM	Total RM
Revenue						
External revenue		173,673,483	48,350,407	–	–	222,023,890
Inter-segment revenue	(i)	–	–	14,500,000	(14,500,000)	–
Total revenue		173,673,483	48,350,407	14,500,000	(14,500,000)	222,023,890
Results						
Finance income						(923,168)
Finance costs						51,240
Amortisation of intangible assets						1,267,636
Depreciation of property, plant and equipment						2,705,528
Depreciation of right-of-use assets						86,611
Other non-cash expenses	(ii)					66,732
Tax expense						6,363,678
Segment profit	(iii)					19,159,758
Assets						
Unallocated segment assets	(iv)					173,669,600
Additions to non-current assets	(v)					12,503,882
Liabilities						
Unallocated segment liabilities	(vi)					23,732,573

Notes to the nature of adjustments and eliminations to arrive at amount reported in the financial statements.

Notes to the Financial Statements (Cont'd)

32. OPERATING SEGMENTS (CONT'D)**Business segments (Cont'd)**

- (i) Inter-segment revenues are eliminated on consolidation.
- (ii) Other major non-cash (income)/expenses consist of the followings items are presented in the respective notes to the financial statements:-

	2025 RM	2024 RM
Bargain purchase on acquisition of a subsidiary	(6,316,298)	–
Fair value gain on other investments	–	(32,426)
(Gain)/Loss on disposal of property, plant and equipment	(17,590)	96,152
Inventories written down	650,933	–
Loss on disposal of other investments	–	3,006
Property, plant and equipment written off	10	–
Retirement benefit obligations	207,377	–
Unrealised gain on foreign exchange	(219,804)	–
	<hr/> (5,695,372)	<hr/> 66,732

- (iii) The following items are added to/(deducted from) segment profit to arrive at “profit after tax” presented in the statements of profit or loss:-

	2025 RM	2024 RM
Segment profit	24,034,419	19,159,758
Finance income	1,107,036	923,168
Finance costs	(28,956)	(51,240)
Profit after tax	<hr/> 25,112,499	<hr/> 20,031,686

- (iv) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	2025 RM	2024 RM
Segment assets	183,970,177	173,669,600
Intangible assets	9,452,943	7,666,167
Total assets	<hr/> 193,423,120	<hr/> 181,335,767

Notes to the Financial Statements (Cont'd)

32. OPERATING SEGMENTS (CONT'D)

Business segments (Cont'd)

(v) Additions to non-current assets other than the financial instruments and deferred tax assets consist of:-

	2025 RM	2024 RM
Property, plant and equipment	3,433,588	7,748,834
Right-of-use assets	3,820	301,240
Intangible assets	3,054,413	4,453,808
	6,491,821	12,503,882

(vi) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:-

	2025 RM	2024 RM
Segment liabilities	27,502,529	23,732,573
Deferred tax liabilities	4,992,018	2,901,000
Lease liabilities	229,446	295,678
Borrowings	9,500,525	10,860,000
Tax payable	1,651,638	324,558
Total liabilities	43,876,156	38,113,809

Geographical information

Revenue information by geographical segments are disclosed in Note 21 to the financial statements.

Non-current assets information by geographical segments are not presented as the Group's activities are located and conducted principally in Malaysia.

Information about major customers

The following are the major customers with revenue equal to or more than ten percent of revenue of the Group:-

	RM	%	Operating segment
<u>2025</u>			
Customer A	112,240,117	47	Vehicle audio, visual products and vehicle accessories
Customer B	94,472,426	40	Vehicle audio, visual products and vehicle accessories
	206,712,543	87	

Notes to the Financial Statements (Cont'd)

32. OPERATING SEGMENTS (CONT'D)**Information about major customers (Cont'd)**

The following are the major customers with revenue equal to or more than ten percent of revenue of the Group (Cont'd):-

	RM	%	Operating segment
<u>2024</u>			
Customer A	111,439,788	50	Vehicle audio, visual products and vehicle accessories
Customer B	94,596,041	43	Vehicle audio, visual products and vehicle accessories
	206,035,829	93	

33. CAPITAL MANAGEMENT

Total capital managed at the Group's and the Company's level are the shareholders' fund as shown in the statements of financial position.

The primary objective of the Group's and of the Company's capital management are to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions including the interest rate movements. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders, sell assets to reduce debt or issue new share capital.

No changes were made in the objective, policies or processes during the financial year and prior financial years.

LIST OF PROPERTIES

PROPERTIES OWNED BY OUR GROUP

No	Address	Description	Land Area	Date of Acquisition	Age of Property	Net book value as at 31 March 2025 (RM'000)
1	Lot 137, Lingkaran Taman Industri Integrasi Rawang 2, Taman Industri Integrasi Rawang, 48000 Rawang, Selangor	Industrial land and a 2-storey factory building with a single storey ancillary building erected thereon/ Headquarters of Betamek comprising office and factory/ freehold	14,583 sq m	05.04.1995	30 years	20,532
2	No. 2, Jalan Indah 1, Taman Industri Indah, 48000 Rawang, Selangor	3-storey shop offices/ Research & development office/ freehold	241 sq m	27.11.2023	2 year	2,530
3	No. 2A, Jalan Indah 1, Taman Industri Indah, 48000 Rawang, Selangor	2-storey shop offices/ Research & development office/ freehold	181 sq m	27.11.2023	2 year	1,315
4	Lot 54, Bakar Arang Industrial Estate, 08000 Sungai Petani, Kedah.	Leasehold industrial land and 1 unit of double-storey factory and 1 unit of single-storey factory	14,164 sq m	30.09.1988	37 years	7,423
5	Lot 55, Bakar Arang Industrial Estate, 08000 Sungai Petani, Kedah.	Leasehold industrial land and 2 units of single-storey factory and other ancillary buildings	6,475 sq m	31.03.1986	39 years	2,278
6	Lot 56, Bakar Arang Industrial Estate, 08000 Sungai Petani, Kedah.	Leasehold industrial land and 1 unit of double-storey warehouse and 1 unit of single-storey warehouse	4,249 sq m	31.03.1989	36 years	2,531

ANALYSIS OF SHAREHOLDINGS

AS PER RECORD OF DEPOSITORS AS AT 30 JUNE 2025

Total number of issued shares	:	450,000,000 ordinary shares
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	Total Holdings	%
Less than 100 shares	4	0.10	92	Negligible
100 - 1,000 shares	534	14.89	266,400	0.05
1,001 - 10,000 shares	1,590	44.33	9,615,208	2.14
10,001 - 100,000 shares	1,262	35.18	42,333,700	9.41
100,001 to less than 5% of issued shares	195	5.44	79,915,700	17.76
5% and above of issued shares	2	0.06	317,868,900	70.64
TOTAL	3,587	100.00	450,000,000	100.00

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Name of Substantial Shareholders	Direct Interest	%	No. of Shares Held Deemed Interest	%
Iskandar Holdings Sdn. Bhd.	317,868,900	70.64	–	–
Mirzan bin Mahathir	–	–	317,868,900 ⁽¹⁾	70.64

Note:-

⁽¹⁾ Deemed interest by virtue of his direct shareholding in Iskandar Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct Interest	%	No. of Shares Held Deemed Interest	%
Ahmad Subri bin Abdullah	33,000	0.01	–	–
Azlina binti Abdul Aziz	69,000	0.02	–	–
Mirzan bin Mahathir	–	–	317,868,900 ⁽¹⁾	70.64
Mohd Shahrman bin Mohd Sidek	760,000	0.17	–	–
Muhammad Fauzi bin Abd Ghani	6,129,000	1.36	–	–
Yap Suan See	400,000	0.09	–	–

Note:-

⁽¹⁾ Deemed interest by virtue of his direct shareholding in Iskandar Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

Analysis of Shareholdings (Cont'd)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	%
1.	Iskandar Holdings Sdn. Bhd.	205,368,900	45.64
2.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Iskandar Holdings Sdn. Bhd. (MI0078)	112,500,000	25.00
3.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chin Chin Seong (7014455)	7,700,000	1.71
4.	Muhammad Fauzi Bin Abd Ghani	6,129,000	1.36
5.	Chin Chin Seong	3,000,000	0.67
6.	Nor'Azrin Bin Nusi	2,724,800	0.61
7.	Ong Chee Joon	2,400,000	0.53
8.	Tay Yoke Theng	2,387,300	0.53
9.	Megat Iskandar Hashim Bin Ismail	1,879,700	0.42
10.	Federlite Holdings Sdn. Bhd.	1,640,600	0.37
11.	Siti Padillah Binti Abdul Wahab	1,444,100	0.32
12.	Chong Chiew Tshung	1,100,000	0.24
13.	Goh Chew Hoon	1,014,400	0.23
14.	Hong Yeam Wah	1,000,000	0.22
15.	Lye Chee Leong	1,000,000	0.22
16.	Wong Gak Yonn	920,000	0.20
17.	Starview Restoran Sdn. Bhd.	800,000	0.18
18.	Mohammad Amirul Bin Rahim	777,700	0.17
19.	RHB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Tan Gaik Suan	767,800	0.17
20.	Mohd Shahrman Bin Mohd Sidek	760,000	0.17

Analysis of Shareholdings (Cont'd)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares Held	%
21.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Erwin Selvarajah A/L Peter Selvarajah	750,000	0.17
22.	Tan Gaik Hoon	742,800	0.17
23.	Tan Meng Han	735,400	0.16
24.	Wu Nge Peng	735,000	0.16
25.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Lai Kee Ming (J Gopeng-CL)	712,500	0.16
26.	Liow Yun Chun	700,000	0.16
27.	Tan Lian Chuan	650,000	0.14
28.	Chong Siew Tatt	600,000	0.13
29.	Goay Kee Hooi	600,000	0.13
30.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Soon Hui (E-SJA)	592,700	0.13

NOTICE OF FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourth (“4th”) Annual General Meeting (“AGM”) of the Company will be held at Nice Banquet Hall, No 6, Jalan BJ 1, Taman Belmas Johan, 48000 Rawang, Selangor Darul Ehsan, Malaysia on Thursday, 28 August 2025 at 10:00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

- | | |
|--|------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Reports of the Directors and Auditors thereon. | Explanatory Note 1 |
| 2. To approve the payment of a final single-tier dividend of 1.0 sen per ordinary share for the financial year ended 31 March 2025. | Ordinary Resolution 1 |
| 3. To approve the fees up to an aggregate amount of RM300,000 and benefits of up to RM20,000 payable to the Non-Executive Directors of the Company for the period from 29 August 2025 until the next AGM of the Company and the payment thereof. | Ordinary Resolution 2 |
| 4. To re-elect the Director, Encik Ahmad Subri bin Abdullah, who retires by rotation in accordance with Clause 102 of the Company's Constitution. | Ordinary Resolution 3 |
| 5. To re-elect the Director, Puan Azlina binti Abdul Aziz, who retires by rotation in accordance with Clause 102 of the Company's Constitution. | Ordinary Resolution 4 |
| 6. To re-appoint Grant Thornton Malaysia PLT as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix the Auditors' remuneration. | Ordinary Resolution 5 |

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution with or without modification:

- | | |
|---|------------------------------|
| 7. AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS | Ordinary Resolution 6 |
|---|------------------------------|

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, and subject to the approval from other relevant governmental/regulatory authorities, the Directors be and are hereby empowered to allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be and are hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation of the additional shares so allotted.

AND THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 63 of the Company's Constitution, approval be and is hereby to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Sections 75 and 76 of the Companies Act 2016.”

- | | |
|---|--|
| 8. To transact any other business which may properly be transacted at an Annual General Meeting for which due notice shall have been given. | |
|---|--|

Notice of Fourth Annual General Meeting (Cont'd)

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT a final single-tier dividend of 1.0 sen per ordinary share for the financial year ended 31 March 2025, if approved, will be paid on 12 September 2025. The entitlement date for the payment is 29 August 2025.

A depositor shall qualify for entitlement only in respect of:-

- (a) Shares transferred into the Depositor's Securities Account before 4:30 p.m. on 29 August 2025 in respect of transfer; and
- (b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

BY ORDER OF THE BOARD

LIM SECK WAH (MAICSA 0799845)
(SSM PRACTICING CERTIFICATE NO. 202008000054)
KONG MEI KEE (MAICSA 7039391)
(SSM PRACTICING CERTIFICATE NO. 202008002882)
 Company Secretaries

Kuala Lumpur

Dated this 29th day of July 2025

NOTES:

- 1) In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at 21 August 2025 shall be eligible to attend, participate, speak and vote at this meeting or appoint proxy(ies) to attend, participate, speak and vote on his/her behalf.
- 2) A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than 2 proxies, and in the case of a corporation, a duly authorised representative to attend and vote in its stead.
- 3) A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, he shall specify the proportions of his shareholdings to be represented by each proxy.
- 4) Where a member of the company is an exempt authorised nominee which holds ordinary shares in the company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- 5) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
- 6) The original instrument appointing a proxy ("**Form of Proxy**") must be deposited at the Company's Share Registrar's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time set for holding the AGM or at any adjournment thereof.
- 7) If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to attend our AGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy 48 hours before this meeting.
- 8) Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by way of poll.

Personal Data Privacy:-

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to the Personal Data Protection Act 2010.

Notice of Fourth Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON ORDINARY BUSINESS AND SPECIAL BUSINESS

1. The Audited Financial Statements are meant for discussion only as the Company's Constitution provides that the audited financial statements are to be laid in the general meeting but does not require a formal approval of shareholders.
2. Ordinary Resolution 2 - Payment of Directors' Fees and Benefits Payable

The Board of Directors ("Board") wishes to seek shareholders' approval on the fees up to an aggregate amount of RM300,000 and benefits of up to RM20,000 payable to the Non-Executive Directors of the Company for the period from 29 August 2025 until the next AGM of the Company to be held in 2026. The details are set out in the Nomination and Remuneration Committee ("NRC") Report on page 88 of the Annual Report 2025. The amount of Directors' fees consists of the fees payable to Non-Executive Directors as members of the Board and Board Committees. Whilst, the amount of benefits payable to the Non-Executive Directors comprises meeting allowances only. The structure of annual and Board Committees' fees payable to the Directors as set out below:-

	Director's fee per annum
Chairman of the Board of Directors	RM65,000 – RM70,000
Chairman of the Board Committees	RM60,000 – RM65,000
Board Committee Member	RM50,000 – RM55,000

The payment of Non-Executive Directors' fees as members of the Board and Board Committees as well as the benefits payable to Non-Executive Directors are recommended for shareholders' approval at this 4th AGM.

3. Ordinary Resolutions 3 and 4 - Re-election of Directors

For the purpose of determining the eligibility of the Directors to stand for re-election at the 4th AGM of the Company, the Board through its NRC undertakes a formal evaluation to determine the eligibility of each retiring Director in line with the Malaysian Code on Corporate Governance and AMLR of Bursa Securities, which includes the following:-

- (i) Performance and effectiveness of the Board as a whole, Board Committees and individual Directors;
- (ii) Independence of the Independent Director; and
- (iii) Fit and proper assessment.

The NRC and the Board are satisfied that the Directors, namely En Ahmad Subri bin Abdullah and Pn Azlina binti Aziz (collectively, the "retiring Directors") standing for re-election have performed their duties as per the Board Charter and they will continue to bring to bear their knowledge, experience and skills and contribute effectively to the Board's discussions, deliberations and decisions. In view thereof, the Board recommends that they be re-elected as Directors of the Company.

The retiring Directors being eligible, have offered themselves for re-election at the 4th AGM.

The retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election at the relevant Board meeting. The profiles of the Directors who are standing for re-election under Ordinary Resolutions 3 and 4 are set out in the Profiles of the Board on page 11 and page 12 respectively of the Annual Report 2025.

4. Ordinary Resolution 5 - Re-appointment of Auditors

Grant Thornton Malaysia PLT, the auditors of the Company, have expressed their willingness to continue in office as auditors of the Company for the financial year ending 31 March 2026. The Board has approved the Audit and Risk Management Committee's recommendation that they be retained after taking into account relevant feedback on their experience, performance and independence following a formal assessment.

Notice of Fourth Annual General Meeting (Cont'd)

EXPLANATORY NOTES ON ORDINARY BUSINESS AND SPECIAL BUSINESS (CONT'D)

5. Ordinary Resolution 6 - Authority to Allot Shares

The proposed Ordinary Resolution 6 is primarily to give flexibility to the Board of Directors to allot shares not more than 10% of the total number of issued shares at any time in their absolute discretion and for such purposes as they consider would be in the interest of the Company without convening a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the allotment of new shares, the Directors, under certain circumstances when the opportunity arises, would have to convene a general meeting to approve the allotment of new shares even though the number involved may be less than 10% of the total number of issued shares of the Company.

In order to avoid any delay and costs involved in convening a general meeting to approve such allotment of shares, it is thus considered appropriate that the Directors be empowered to allot shares in the Company, up to any amount not exceeding in total 10% of the total number of issued shares of the Company at the time of submission to the authority, for such purposes. The renewed authority for allotment of shares will provide flexibility to the Company for the allotment of shares for the purpose of funding future investment, working capital and/or acquisitions.

As at the date of this Notice, no new shares in the Company were issued pursuant to this authority granted to the Directors at the 3rd Annual General Meeting held on 27 August 2024.

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BETAMEK

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)
(Incorporated in Malaysia)

FORM OF PROXY

No. of ordinary shares held	
CDS Account No.	

I/We, _____ NRIC/Registration No. _____
(Full name in block letters)

of _____
(Full address)

and telephone/mobile no. _____ email address _____

being a member of **BETAMEK BERHAD**, hereby appoint _____
(Full name in block letters)

NRIC/Passport No. _____ of _____

_____ (Full address)

and telephone/mobile no. _____ email address _____

or failing him/her, _____ NRIC/Passport No. _____ of
(Full name in block letters)

_____ (Full address)

and telephone/mobile no. _____ email address _____

or failing him/her, *the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Fourth Annual General Meeting ("AGM") of Betamek Berhad (the "**Company**") to be held at Nice Banquet Hall, No 6, Jalan BJ 1, Taman Belmas Johan, 48000 Rawang, Selangor Darul Ehsan, Malaysia on Thursday, 28 August 2025 at 10:00 a.m. and at each and every adjournment thereof, on the following resolutions referred to in the Notice of Fourth AGM.

* Please delete the words "the Chairman of the meeting" if you wish to appoint some other person to be your proxy.

My/Our proxy is to vote as indicated below:-

RESOLUTIONS		*FOR	*AGAINST
Ordinary Resolution 1	- Payment of a final single-tier dividend of 1.0 sen per ordinary share for the financial year ended 31 March 2025		
Ordinary Resolution 2	- Fees up to an aggregate amount of RM300,000 and benefits of up to RM20,000 payable to the Non-Executive Directors of the Company and its subsidiaries for the period from 29 August 2025 until the next AGM of the Company and the payment thereof.		
Ordinary Resolution 3	- Re-election of Director, En Ahmad Subri bin Abdullah		
Ordinary Resolution 4	- Re-election of Director, Pn Azlina binti Abdul Aziz		
Ordinary Resolution 5	- Re-appointment of the retiring auditors, Grant Thornton Malaysia PLT		
Ordinary Resolution 6	- Authority to allot shares and waiver of pre-emptive rights		

Subject to the abovestated voting instructions, my/our proxy/proxies may vote or abstain from voting on any resolutions as *he/*she/*they may think fit.

Signed this _____ day of _____ 2025

The proportion of my/our shareholdings to be represented by my/our proxies are as follows:-

	Percentage
First Proxy	%
Second Proxy	%
Total	100%

Signature of Member(s)^

^ Manner of execution:-

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this Form of Proxy should be executed under seal in accordance with the Constitution of your corporation.
- If you are a corporate member which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your corporation (if any) and executed by:-
 - at least 2 authorised officers, of whom one shall be a director; or
 - any Director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.



Notes:

1. In respect of deposited securities, only members whose names appear in the Company's Record of Depositors as at 21 August 2025 shall be eligible to attend, participate, speak and vote at this meeting or appoint proxy(ies) to attend, participate, speak and vote on his/her behalf.
2. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than 2 proxies, and in the case of a corporation, a duly authorised representative to attend and vote in its stead.
3. A proxy may but need not be a member of the Company. Where a member appoints more than 1 proxy, he shall specify the proportions of his shareholdings to be represented by each proxy.
4. Where a member of the company is an exempt authorised nominee which holds ordinary shares in the company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised in writing.
6. The original instrument appointing a proxy ("**Form of Proxy**") must be deposited at the Company's Share Registrar's Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than 48 hours before the time set for holding the AGM or at any adjournment thereof.
7. If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to attend our AGM by yourself, please write in to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointed proxy 48 hours before this meeting.
8. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of AGM will be put to vote by way of poll.

Personal Data Privacy:-

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to Personal Data Protection Act, 2010.

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AFFIX
STAMP

BETAMEK BERHAD

Registration No. 202101041577 (1441877-P)
c/o Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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Fold This Flap For Sealing



BETAMEK

BETAMEK BERHAD

Registration No. 202101041577 (1441877-P)

Lot 137, Lingkaran Taman Industri Integrasi Rawang 2
Taman Industri Integrasi Rawang, 48000 Rawang, Selangor Darul Ehsan
Telephone: +603-6094 2999

www.betamek.com.my