

Registration No: 202101041577 (1441877-P)

BETAMEK BERHAD
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 MARCH 2024

BETAMEK BERHAD
(Incorporated in Malaysia)

CONTENTS	PAGES
• Corporate Information	2 - 3
• Directors' Report	4 - 9
• Statement by Directors and Statutory Declaration	10
• Independent Auditors' Report	11 - 16
• Statements of Financial Position	17 - 18
• Statements of Profit or Loss and Other Comprehensive Income	19
• Statements of Changes in Equity	20 - 21
• Statements of Cash Flows	22 - 24
• Notes to the Financial Statements	25 - 71

BETAMEK BERHAD

(Incorporated in Malaysia)

CORPORATE INFORMATION

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 Shahrman Bin Mohd Sidek (Independent Non-Executive Director)

**AUDIT AND RISK
MANAGEMENT
COMMITTEE**

Azlina Binti Abdul Aziz (Chairperson)
Yap Suan See
Mohd Shahrman Bin Mohd Sidek

**NOMINATION AND
REMUNERATION
COMMITTEE**

Yap Suan See (Chairperson)
Azlina Binti Abdul Aziz
Mohd Shahrman Bin Mohd Sidek

SECRETARIES

Tai Yit Chan (MAICSA 7009143)
Chan Yoke Peng (MAICSA 7053966)

AUDITORS

Grant Thornton Malaysia PLT
(Member Firm of Grant Thornton International Ltd.)
Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (603) 2692 4022
Fax: (603) 2732 5119
Website: www.grantthornton.com.my

BETAMEK BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION (CONT'D)

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Sekysen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel: (603) 7890 4800
Fax: (603) 7890 4650

**PRINCIPAL PLACE OF
BUSINESS**

Lot 137, Lingkaran Taman Industri Integrasi Rawang 2
Taman Industri Integrasi Rawang
48000 Rawang
Selangor Darul Ehsan
Tel: (603) 6094 2999

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Sekysen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel: (603) 7890 4700
Fax: (603) 7890 4670

**STOCK EXCHANGE
LISTING**

ACE Market
Bursa Malaysia Securities Berhad
Stock Code: 0263

BETAMEK BERHAD
(Incorporated in Malaysia)

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 2024.

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 of its subsidiaries during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year	<u>20,031,686</u>	<u>14,069,659</u>

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>	
Interim single tier dividend of 1 sen per ordinary share, paid on 18 August 2023	4,500,000
Interim single tier dividend of 2 sen per ordinary share, paid on 23 February 2024	<u>9,000,000</u>
	<u>13,500,000</u>

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 2025.

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.

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.

Name of Directors

Mirzan Bin Mahathir
Muhammad Fauzi Bin Abd Ghani

Mirzan Bin Mahathir
Muhammad Fauzi Bin Abd Ghani

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests and deemed interests in the ordinary shares of the immediate holding company and ultimate holding company of those who were Directors as at the financial year end are as follows:-

	<u>Number of ordinary shares</u>			
	<u>At</u> <u>1.4.2023</u>	<u>Bought</u>	<u>Sold</u>	<u>At</u> <u>31.3.2024</u>
The Company				
<u>Direct interests</u>				
Ahmad Subri Bin Abdullah	69,000	-	-	69,000
Muhammad Fauzi Bin Abd Ghani	5,753,300	250,000	-	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

DIRECTORS' INTERESTS IN SHARES (CONT'D)

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests and deemed interests in the ordinary shares of the immediate holding company and ultimate holding company of those who were Directors as at the financial year end are as follows (cont'd):-

	<u>Number of ordinary shares</u>			
	At <u>1.4.2023</u>	<u>Bought</u>	<u>Sold</u>	At <u>31.3.2024</u>
The Company (cont'd)				
<u>Deemed interests</u>				
Mirzan Bin Mahathir*	324,112,500	-	(1,000,000)	323,112,500
Holding company				
<u>Direct interests</u>				
Mirzan Bin Mahathir	2,000,000	-	-	2,000,000

* Deemed interest by virtue of his interests in Iskandar Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

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 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' REMUNERATION AND BENEFITS

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

	<u>Subsidiaries RM</u>	<u>Company RM</u>	<u>Total RM</u>
Directors' fee	-	235,000	235,000
Directors' salaries and other emoluments	1,532,331	11,500	1,543,831
Defined contribution plans	61,123	-	61,123
	1,593,454	246,500	1,839,954
Benefits-in-kind	26,250	-	26,250
	1,619,704	246,500	1,866,204

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 RM18,560 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.

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.

OTHER STATUTORY INFORMATION (CONT'D)

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.

SIGNIFICANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD

The significant events subsequent to the reporting period are disclosed in Note 32 to the financial statements.

	Group RM	Company RM
Auditors' remuneration:		
- Statutory audit	121,000	43,000
- Assurance-related services	80,000	80,000

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



DIRECTORS

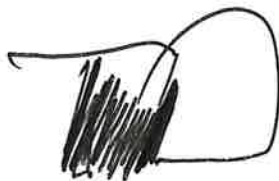
9

BETAMEK BERHAD
(Incorporated in Malaysia)

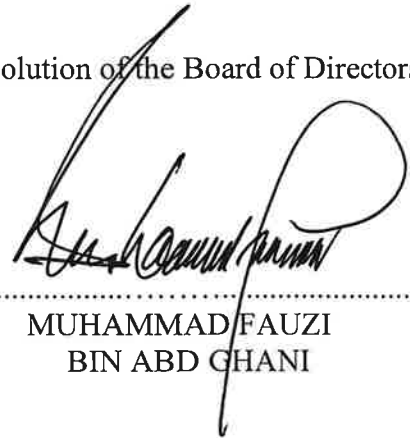
STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 17 to 71 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 2024 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
25 July 2024

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 17 to 71 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)
25 July 2024)



NOR' AZRIN BIN NUSI
(MIA NO: 14628)

Before me:



Commissioner for Oaths

Tingkat 5 Wisma Harwant
Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

BETAMEK BERHAD

(Incorporated in Malaysia)

Registration No: 202101041577 (1441877-P)

Grant Thornton Malaysia PLT

Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Malaysia

T +603 2692 4022

F +603 2691 5229

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 2024 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 17 to 71.

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 2024, 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.

Registration No: 202101041577 (1441877-P)

Report on the Audit of the Financial Statements (cont'd)

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.

Intangible assets

The risk

Referring to Note 5 to the financial statements. The Group holds intangible assets with definite useful lives of RM7,666,167 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.

Registration No: 202101041577 (1441877-P)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Intangible assets (cont'd)

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.

Registration No: 202101041577 (1441877-P)

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of the Directors for the Financial Statements (cont'd)

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.

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.

Registration No: 202101041577 (1441877-P)

Report on the Audit of the Financial Statements (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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 (cont'd):

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance 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.


Registration No: 202101041577 (1441877-P)

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)



FOO LEE MENG
(NO: 03069/07/2025(J))
CHARTERED ACCOUNTANT

Kuala Lumpur
25 July 2024

BETAMEK BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2024

		Group		Company	
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		RM	RM	RM	RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	41,763,587	37,024,352	-	-
Right-of-use assets	4	418,302	203,673	-	-
Intangible assets	5	7,666,167	4,479,995	-	-
Investment in subsidiaries	6	-	-	127,769,000	123,789,000
Total non-current assets		49,848,056	41,708,020	127,769,000	123,789,000
Current assets					
Inventories	7	57,148,572	53,736,330	-	-
Trade receivables	8	13,569,673	21,597,587	-	-
Other receivables	9	10,004,605	3,719,258	79,300	63,833
Other investments	10	1	128,798	-	-
Cash and bank balances, deposits and placements	11	50,764,860	54,967,118	543,671	4,090,052
Total current assets		131,487,711	134,149,091	622,971	4,153,885
TOTAL ASSETS		181,335,767	175,857,111	128,391,971	127,942,885
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		101,981,957	95,450,271	1,140,663	571,004
Total equity		143,221,958	136,690,272	128,169,664	127,600,005
LIABILITIES					
Non-current liabilities					
Borrowings	14	9,542,760	10,862,760	-	-
Lease liabilities	15	229,446	122,796	-	-
Deferred tax liabilities	16	2,901,000	2,981,000	-	-
Total non-current liabilities		12,673,206	13,966,556	-	-

BETAMEK BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2024 (CONT'D)

		Group		Company	
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		RM	RM	RM	RM
LIABILITIES (CONT'D)					
Current liabilities					
Trade payables	17	16,626,500	15,287,166	-	-
Other payables	18	7,106,073	6,799,588	218,509	342,880
Borrowings	14	1,317,240	2,408,240	-	-
Lease liabilities	15	66,232	27,204	-	-
Tax payable		324,558	678,085	3,798	-
		<u>25,440,603</u>	<u>25,200,283</u>	<u>222,307</u>	<u>342,880</u>
Total current liabilities					
		<u>25,440,603</u>	<u>25,200,283</u>	<u>222,307</u>	<u>342,880</u>
TOTAL LIABILITIES		<u>38,113,809</u>	<u>39,166,839</u>	<u>222,307</u>	<u>342,880</u>
TOTAL EQUITY AND LIABILITIES					
		<u>181,335,767</u>	<u>175,857,111</u>	<u>128,391,971</u>	<u>127,942,885</u>

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

BETAMEK BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

		Group		Company	
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		RM	RM	RM	RM
Revenue	19	222,023,890	205,704,675	14,500,000	6,000,000
Cost of sales		(186,572,889)	(169,259,494)	-	-
Gross profit		35,451,001	36,445,181	14,500,000	6,000,000
Other income		1,012,781	246,457	-	-
Distribution expenses		(192,213)	(95,999)	-	-
Administration expenses		(9,381,339)	(11,580,455)	(431,499)	(3,379,206)
Other expenses		(1,366,794)	(2,016,319)	-	-
Operating profit		25,523,436	22,998,865	14,068,501	2,620,794
Finance income	20	923,168	335,844	64,136	207,959
Finance costs	21	(51,240)	(912,388)	-	-
Profit before tax	22	26,395,364	22,422,321	14,132,637	2,828,753
Tax expense	23	(6,363,678)	(6,156,168)	(62,978)	-
Profit/Total comprehensive income for the financial year		<u>20,031,686</u>	<u>16,266,153</u>	<u>14,069,659</u>	<u>2,828,753</u>
Earnings per share attributable to Owners of the Company (sen):-					
Basic/Diluted	24	<u>4.45</u>	<u>3.61</u>		

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

BETAMEK BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Note</u>	Non-distributable		Distributable	<u>Total</u> RM
		<u>Share capital</u> RM	<u>Merger deficit</u> RM	<u>Retained earnings</u> RM	
Group					
At 1 April 2022		8,000,001	-	85,434,118	93,434,119
Transactions with owners:-					
Acquisition of a subsidiary	12	(8,000,000)	8,000,000	-	-
Issuance of ordinary shares pursuant to acquisition of a subsidiary	12	93,789,000	(93,789,000)	-	-
Issuance of shares	12	33,750,000	-	-	33,750,000
Share issuance expenses	12	(510,000)	-	-	(510,000)
Dividends	25	-	-	(2,250,000)	(2,250,000)
Dividends paid by a subsidiary to its former owners	25	-	-	(4,000,000)	(4,000,000)
Total transactions with owners		119,029,000	(85,789,000)	(6,250,000)	26,990,000
Total comprehensive income for the financial year		-	-	16,266,153	16,266,153
At 31 March 2023		127,029,001	(85,789,000)	95,450,271	136,690,272
Transactions with owners:-					
Dividends	25	-	-	(13,500,000)	(13,500,000)
Total comprehensive income for the financial year		-	-	20,031,686	20,031,686
At 31 March 2024		<u>127,029,001</u>	<u>(85,789,000)</u>	<u>101,981,957</u>	<u>143,221,958</u>

BETAMEK BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONT'D)**

		Non-distributable	Distributable (Accumulated losses)/ Retained earnings	Total
	<u>Note</u>	<u>Share capital</u> RM	<u>RM</u>	<u>RM</u>
Company				
At 1 April 2022		1	(7,749)	(7,748)
Transactions with owners:-				
Issuance of ordinary shares pursuant to acquisition of a subsidiary	12	93,789,000	-	93,789,000
Issuance of shares	12	33,750,000	-	33,750,000
Share issuance expenses	12	(510,000)	-	(510,000)
Dividends	25	-	(2,250,000)	(2,250,000)
Total transactions with owners		127,029,000	(2,250,000)	124,779,000
Total comprehensive income for the financial year		-	2,828,753	2,828,753
At 31 March 2023		127,029,001	571,004	127,600,005
Transaction with owners:-				
Dividends	25	-	(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

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

BETAMEK BERHAD

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Note</u>	<u>Group</u> <u>2024</u> RM	<u>2023</u> RM	<u>Company</u> <u>2024</u> RM	<u>2023</u> RM
OPERATING ACTIVITIES					
Profit before tax		26,395,364	22,422,321	14,132,637	2,828,753
Adjustments for:-					
Amortisation of intangible assets		1,267,636	1,214,969	-	-
Depreciation of property, plant and equipment		2,705,528	2,953,766	-	-
Depreciation of right-of-use assets		86,611	3,452	-	-
Dividend income		(3,589)	(9,332)	(14,500,000)	(6,000,000)
Fair value (gain)/loss on other investments		(32,426)	7,664	-	-
Interest expenses		51,240	912,388	-	-
Interest income		(923,168)	(335,844)	(64,136)	(207,959)
Loss on disposal of other investments		3,006	-	-	-
Loss on disposal of property, plant and equipment		96,152	-	-	-
Operating profit/(loss) before working capital changes		29,646,354	27,169,384	(431,499)	(3,379,206)
Changes in working capital:-					
Inventories		(3,412,242)	2,131,442	-	-
Receivables		1,742,567	(1,786,351)	(3,948,429)	(63,833)
Payables		1,645,819	9,131,787	(124,371)	335,131
Trust receipts		(1,091,000)	(7,060,321)	-	-
Cash generated from/(used in) operations		28,531,498	29,585,941	(4,504,299)	(3,107,908)
Tax paid		(6,797,205)	(4,268,275)	(59,180)	-
Interest received		120,132	81,739	22,259	18,067
Interest paid		(9,574)	(167,889)	-	-
Net cash flows from/(used in) operating activities		21,844,851	25,231,516	(4,541,220)	(3,089,841)
INVESTING ACTIVITIES					
Dividend received		3,589	9,332	14,500,000	6,000,000
Interest received		803,036	254,105	41,877	189,892
Proceeds from disposal of other investments		158,217	-	-	-
Proceeds from disposal of property, plant and equipment		207,919	-	-	-
Purchase of intangible assets		(4,453,808)	-	-	-
Purchases of property, plant and equipment		(7,748,834)	(1,617,278)	-	-
Purchase of right-of-use assets	A	(101,240)	(57,125)	-	-
Subscription of shares in a subsidiary	B	-	-	(47,038)	(30,000,000)
Net cash flows (used in)/from investing activities		(11,131,121)	(1,410,966)	14,494,839	(23,810,108)

BETAMEK BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONT'D)

		Group		Company	
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		RM	RM	RM	RM
FINANCING ACTIVITIES					
Dividend paid		(13,500,000)	(6,250,000)	(13,500,000)	(2,250,000)
Drawdown of deposits pledged with a financial institution		-	204,830	-	-
Repayment of revolving credit		-	(8,040,956)	-	-
Drawdown of term loans		-	12,180,000	-	-
Interest paid		(41,666)	(744,499)	-	-
Proceeds from issuance of shares	12	-	33,750,000	-	33,750,000
Repayment of lease liabilities		(54,322)	-	-	-
Repayment of term loans		(1,320,000)	(15,119,326)	-	-
Share issuance expenses	12	-	(510,000)	-	(510,000)
Net cash flows (used in)/from financing activities		<u>(14,915,988)</u>	<u>15,470,049</u>	<u>(13,500,000)</u>	<u>30,990,000</u>
CASH AND CASH EQUIVALENTS					
Net changes		(4,202,258)	39,290,599	(3,546,381)	4,090,051
Brought forward		<u>54,967,118</u>	<u>15,676,519</u>	<u>4,090,052</u>	<u>1</u>
Carried forward	C	<u><u>50,764,860</u></u>	<u><u>54,967,118</u></u>	<u><u>543,671</u></u>	<u><u>4,090,052</u></u>

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF RIGHT-OF-USE ASSETS

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Total purchase of right-of-use assets	301,240	207,125	-	-
Less: Acquired under lease arrangement	<u>(200,000)</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>
Cash payment	<u><u>101,240</u></u>	<u><u>57,125</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

B. SUBSCRIPTION OF SHARES IN A SUBSIDIARY

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Total subscription of shares	-	-	3,980,000	30,000,000
Less: Capitalisation of amount due from a subsidiary	<u>-</u>	<u>-</u>	<u>(3,932,962)</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>47,038</u></u>	<u><u>30,000,000</u></u>

BETAMEK BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONT'D)

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

C. CASH AND CASH EQUIVALENTS

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Cash and bank balances	10,404,860	7,587,118	543,671	890,052
Deposits and placements with financial institutions	40,360,000	47,380,000	-	3,200,000
	<u>50,764,860</u>	<u>54,967,118</u>	<u>543,671</u>	<u>4,090,052</u>

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group	<u>1 April</u> <u>2023</u> RM	<u>Net cash</u> <u>flows</u> RM	<u>31 March</u> <u>2024</u> RM
Lease liabilities	150,000	145,678	295,678
Term loans	12,180,000	(1,320,000)	10,860,000
	<u>12,330,000</u>	<u>(1,174,322)</u>	<u>11,155,678</u>

	<u>1 April</u> <u>2022</u> RM	<u>Net cash</u> <u>flows</u> RM	<u>31 March</u> <u>2023</u> RM
Lease liabilities	-	150,000	150,000
Term loans	15,119,326	(2,939,326)	12,180,000
Revolving credit	8,040,956	(8,040,956)	-
	<u>23,160,282</u>	<u>(10,830,282)</u>	<u>12,330,000</u>

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

BETAMEK BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

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 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. 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 25 July 2024.

2. BASIS OF PREPARATION

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.

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of measurement (cont'd)

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.

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. BASIS OF PREPARATION (CONT'D)

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/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 April 2023.

Initial application of the amendments to MFRSs did not have any material impact on the financial statements of the Group and the Company, except for disclosed below:-

Amendments to MFRS 101 - Presentation of Financial Statements - Disclosure of Accounting Policies

The amendments change the requirements in MFRS 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term “significant” with ‘material’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in MFRS 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Malaysian Accounting Standards Board (“MASB”) has also developed guidance and examples to explain and demonstrate the application of the “four-step materiality process” described in MFRS Practice Statement 2.

The amendments have had an impact on the Group’s and the Company’s disclosures of accounting policies but not on the measurement, recognition or presentation of any items in the Group’s and the Company’s financial statements.

2. BASIS OF PREPARATION (CONT'D)

2.4 MFRSs (Cont'd)

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 2024:-

Amendments to MFRS 16*	Leases - Lease Liability in a Sale and Leaseback
Amendments to MFRS 101*	Presentation of Financial Statements - Non-current Liabilities with Covenants
Amendments to MFRS 101	Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
Amendments to MFRS 107* and MFRS 7*	Statement of Cash Flows and Financial Instruments: Disclosures - Supplier Financial Arrangements

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 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
---------------------------------	--

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

Deferred to a date to be determined by the MASB:-

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
-------------------------------------	--

* Not applicable to the Group's and the Company's operation

The initial application of the above applicable new and amendments to standards are not expected to have material financial impact to the financial statements of the Group and of the Company.

2. BASIS OF PREPARATION (CONT'D)

2.5 Significant accounting estimates and judgements (cont'd)

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

Management estimates the useful lives of the property, plant and equipment and right-of-use assets to be within 5 to 50 years and reviews the useful lives of depreciable assets at end each of the reporting period. At 31 March 2024, 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.

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.

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.

2. BASIS OF PREPARATION (CONT'D)

2.5 Significant accounting estimates and judgements (cont'd)

2.5.1 Key sources of estimation uncertainty (cont'd)

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 period 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.

2. BASIS OF PREPARATION (CONT'D)

2.5 Significant accounting estimates and judgements (cont'd)

2.5.1 Key sources of estimation uncertainty (cont'd)

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.

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.

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 2022	3,056,107	21,715,193	11,538,566	1,086,026	16,166,631	2,983,068	56,545,591
Additions	-	806,497	-	116,645	391,836	302,300	1,617,278
At 31 March 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
Accumulated depreciation							
At 1 April 2022	-	765,583	4,868,216	749,807	10,229,563	1,571,582	18,184,751
Charge for the financial year	-	443,567	1,064,507	141,684	1,085,145	218,863	2,953,766
At 31 March 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
Net carrying amount							
At 31 March 2024	3,056,107	24,838,390	6,865,679	285,072	4,403,055	2,315,284	41,763,587
At 31 March 2023	3,056,107	21,312,540	5,605,843	311,180	5,243,759	1,494,923	37,024,352

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

In the prior financial year, the freehold land and freehold building with net carrying amount amounted to RM19,612,778 were pledged as securities for bank borrowings as disclosed in Note 14 to the financial statements.

Material accounting policy information

Recognition and measurement

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

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life. Freehold land with an infinite life is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:-

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

4. **RIGHT-OF-USE ASSETS**

As a lessee

The Group has lease for motor vehicles that run for 5 years.

The Group also has lease of premises and machine and equipment with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemption for these leases.

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

Group	Motor vehicles RM
Cost	
At 1 April 2022	-
Addition	207,125
At 31 March 2023	207,125
Addition	301,240
At 31 March 2024	508,365
Accumulated depreciation	
At 1 April 2022	-
Charge for the financial year	3,452
At 31 March 2023	3,452
Charge for the financial year	86,611
At 31 March 2024	90,063
Net carrying amount	
At 31 March 2024	418,302
At 31 March 2023	203,673

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

Material accounting policy information

Recognition and measurement

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.

4. **RIGHT-OF-USE ASSETS**

Material accounting policy information (cont'd)

Depreciation

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:-

Motor vehicles	20%
----------------	-----

Recognition exemption

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.

5. **INTANGIBLE ASSETS**

Group	Development costs RM
Cost	
At 1 April 2022/31 March 2023	6,646,594
Additions	<u>4,453,808</u>
At 31 March 2024	<u>11,100,402</u>
Accumulated amortisation	
At 1 April 2022	951,630
Charge for the financial year	<u>1,214,969</u>
At 31 March 2023	2,166,599
Charge for the financial year	<u>1,267,636</u>
At 31 March 2024	<u>3,434,235</u>
Net carrying amount	
At 31 March 2024	<u>7,666,167</u>
At 31 March 2023	<u>4,479,995</u>

The development costs are incurred for developing new technology system.

5. INTANGIBLE ASSETS (CONT'D)

Impairment loss review of development costs

The Group tests annually for impairment or more frequently if there are indications that might be impaired.

For the purpose of impairment testing, development costs have been allocated to the Group's cash generating units ("CGU"). The Group identified according to the industry of the Group's operations.

Key assumptions made in determining the value-in-use are as follows:

- Cash flows were projected based on actual operating results and the five years business plan;
- The discount rate applied to the cash flows projections are derived from the weighted average cost of capital of the Group plus a reasonable risk premium; and
- The size of operation will remain at least or not lower than the current results.

The key assumptions used for determining the value in use, which are determined based on management's past experience and expectation of the future development, are as follows:-

	<u>2024</u> %	<u>2023</u> %
Projected growth rate	2.00	2.00
Discount rate	<u>11.30</u>	<u>8.05</u>

The projected cash flows from use are derived from the most recent financial budgets approved by management.

With regards to the assessments, management believes that no reasonably possible changes in any of the key assumptions would cause the carrying values of these units to differ materially from their recoverable amounts except for the changes in prevailing operating environment which is not ascertainable.

5. **INTANGIBLE ASSETS (CONT'D)**

Material accounting policy information

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the profit or loss in the period in which it incurred.

Expenditure incurred on projects to develop new products is capitalised as development costs and deferred only when the Group can demonstrate the technical feasibility of completing the asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Development costs which do not meet these criteria are recognised in profit or loss as incurred.

Amortisation

The useful life of intangible assets is assessed to be either finite or indefinite. Intangible assets with finite life are amortised on straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by charging the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Development costs have finite useful life and are amortised over the period of 5 years on a straight-line basis.

6. INVESTMENT IN SUBSIDIARIES

	Company	
	<u>2024</u> RM	<u>2023</u> RM
Unquoted shares, at cost	<u>127,769,000</u>	<u>123,789,000</u>

The particulars of the subsidiaries are as follows:-

<u>Name of companies</u>	<u>Principal place of business</u>	<u>Principal activities</u>	<u>Effective equity interest</u>	
			<u>2024</u> %	<u>2023</u> %
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	-

2024

Incorporation of a subsidiary

On 7 September 2023, the Company had incorporated Betamek Research Sdn. Bhd., a wholly-owned subsidiary of the Company, with an issued and paid-up capital of RM1 comprising of 1 ordinary share.

As at 27 March 2024, the Company subscribed for additional 3,979,999 ordinary shares in Betamek Research Sdn. Bhd. 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.

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

2023

Acquisition of subsidiary

- (a) On 5 September 2022, the Company had acquired 6,000,000 ordinary shares representing 100% equity interest in Betamek Electronics (M) Sdn. Bhd., for a consideration of RM93,789,000 which was satisfied by issuance of new ordinary shares. After the acquisition, Betamek Electronics (M) Sdn. Bhd. become a wholly-owned subsidiary of the Company.
- (b) On 29 March 2023, the Company subscribed for additional 2,000,000 ordinary shares in Betamek Electronics (M) Sdn. Bhd. for a cash consideration of RM30,000,000.

In 2023 financial year, the consolidated financial statements have been prepared using the merger method to account for the acquisition of Betamek Electronics (M) Sdn. Bhd.. Merger reserve or deficit are determined as the difference between the cost of merger and nominal value of the share capital of the subsidiaries acquired and recognised in statements of financial position.

In the financial period when the merger took place, the subsidiary's profits are included in the Group's profits for the full financial period, regardless of the effective date of merger.

Impairment of subsidiaries

The Company assesses whether there is any indicator of impairment at the reporting date. If any such indication exists, the management of the Company assesses the recoverable amount of the investment in subsidiaries and an impairment loss is recognised when the recoverable amount of the investment in subsidiaries is less than their carrying amount.

The recoverable amount of the investments in subsidiaries are assessed by reference to the fair value less cost to sell of the underlying assets or value-in-use of the respective subsidiaries.

Estimating a value in use requires significant judgements and estimates about the future results and key assumptions applied to the cash flow projections of the subsidiaries in determining the recoverable amounts. These key assumptions include different forecast growth in future revenue and operating cash flows, as well as determining an appropriate pre-tax discount rate for used for each subsidiary.

Fair value less cost to sell method are within Level 3 of the fair value hierarchy.

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Impairment of subsidiaries (cont'd)

Details of the Level 3 fair value method used in obtaining the recoverable amounts are as follows:-

Valuation method and key inputs	Significant unobservable inputs	Relationship of unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity by reference to the fair value of its assets and liabilities	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value

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

	Group	
	<u>2024</u> RM	<u>2023</u> RM
<u>At cost:-</u>		
Raw materials	35,690,006	38,183,280
Work-in-progress	15,739,131	9,459,445
Finished goods	<u>5,719,435</u>	<u>6,093,605</u>
	<u>57,148,572</u>	<u>53,736,330</u>
<u>Recognised in profit or loss:-</u>		
Inventories recognised in cost of sales	<u>166,968,238</u>	<u>149,479,015</u>

Material accounting policy information

Inventories, comprising raw materials, work-in-progress and finished goods are stated at the lower of cost and net realisable value ("NRV") after adequate specific write down has been made by the Directors for deteriorated, obsolete and slow-moving inventories.

Cost of raw materials is determined using weighted average 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 30 days to 60 days (2023: 30 days to 60 days). Other credit terms are assessed and approved by the management on case-by-case basis.

9. **OTHER RECEIVABLES**

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Non-trade receivables	5,082	7,647	-	-
Deposits	770,421	480,105	2,000	2,000
Advances to suppliers	9,058,036	2,845,856	-	-
Prepayments	<u>171,066</u>	<u>385,650</u>	<u>77,300</u>	<u>61,833</u>
	<u>10,004,605</u>	<u>3,719,258</u>	<u>79,300</u>	<u>63,833</u>

10. **OTHER INVESTMENTS**

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
<u>Financial assets at fair value</u>		
Quoted shares in Malaysia	-	128,797
Unquoted shares outside Malaysia	<u>1</u>	<u>1</u>
	<u>1</u>	<u>128,798</u>

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	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Cash and bank balances	10,404,860	7,587,118	543,671	890,052
Deposits and placements with financial institutions	<u>40,360,000</u>	<u>47,380,000</u>	<u>-</u>	<u>3,200,000</u>
	<u>50,764,860</u>	<u>54,967,118</u>	<u>543,671</u>	<u>4,090,052</u>

Group and Company

The deposits and placements with financial institutions will mature within 1 day to 63 days (2023: 12 days to 365 days) with interest rates ranging from 1.90% to 3.60% (2023: 1.15% to 2.56%) per annum.

12. SHARE CAPITAL

	Group		Amount	
	<u>Number of ordinary shares</u>		<u>2024</u>	<u>2023</u>
	2024	2023	2024	2023
	Unit	Unit	RM	RM
Issued and fully paid with no par value:-				
At 1 April 2023/2022	450,000,000	6,000,001	127,029,001	8,000,001
Acquisition of a subsidiary	-	(6,000,000)	-	(8,000,000)
Issued pursuant to acquisition of a subsidiary	-	382,499,999	-	93,789,000
Issuance of shares	-	67,500,000	-	33,750,000
Share issuance expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(510,000)</u>
At 31 March	<u>450,000,000</u>	<u>450,000,000</u>	<u>127,029,001</u>	<u>127,029,001</u>

12. SHARE CAPITAL (CONT'D)

	Company			
	<u>Number of ordinary shares</u>		<u>Amount</u>	
	2024 Unit	2023 Unit	2024 RM	2023 RM
Issued and fully paid with no par value:-				
At 1 April 2023/2022	450,000,000	1	127,029,001	1
Issued pursuant to acquisition of a subsidiary	-	382,499,999	-	93,789,000
Issuance of shares	-	67,500,000	-	33,750,000
Share issuance expenses	-	-	-	(510,000)
At 31 March	<u>450,000,000</u>	<u>450,000,000</u>	<u>127,029,001</u>	<u>127,029,001</u>

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.

Invested equity

	Group			
	<u>Number of ordinary shares</u>		<u>Amount</u>	
	2024 Unit	2023 Unit	2024 RM	2023 RM
Issued and fully paid with no par value:-				
At 1 April 2023/2022	-	6,000,000	-	8,000,000
Reversed against the purchase consideration for the acquisition of Betamek Electronics (M) Sdn. Bhd.	-	(6,000,000)	-	(8,000,000)
At 31 March	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The invested equity constitutes the share capital of Betamek Electronics (M) Sdn. Bhd..

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. as disclosed in Note 6 to the financial statements.

14. **BORROWINGS**

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
<u>Non-current</u>		
Secured:-		
Term loans	<u>9,542,760</u>	<u>10,862,760</u>
<u>Current</u>		
Secured:-		
Term loans	<u>1,317,240</u>	<u>1,317,240</u>
Trust receipts	<u>-</u>	<u>1,091,000</u>
	<u>1,317,240</u>	<u>2,408,240</u>
	<u>10,860,000</u>	<u>13,271,000</u>

The maturity of the borrowings as at the reporting date are as follows:-

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
Within 1 year	1,317,240	2,408,240
After 1 year but not later than 5 years	<u>5,268,960</u>	<u>5,268,960</u>
Later than 5 years	<u>4,273,800</u>	<u>5,593,800</u>
	<u>9,542,760</u>	<u>10,862,760</u>
	<u>10,860,000</u>	<u>13,271,000</u>

Group

The borrowings are secured by:-

- (i) Corporate guarantee by the Company.

In the prior financial year, the borrowings were secured by:-

- (i) Corporate guarantee by the Company;
- (ii) Legal charge over the Group's property; and
- (iii) Assignment of receivables proceeds.

The effective interest rates of term loans of the Group are ranging from 4.20% to 4.50% (2023: at 4.20%) per annum.

The effective interest rate of trust receipts of the Group is charged at rate 3.08% (2023: 3.84%) per annum.

15. LEASE LIABILITIES

The Group has leased for motor vehicles. Future minimum lease payments as at reporting date is as follows:-

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
Brought forward	150,000	-
Addition	200,000	150,000
Payment	<u>(54,322)</u>	<u>-</u>
Carried forward	<u>295,678</u>	<u>150,000</u>
Represented by:-		
Non-current	229,446	122,796
Current	<u>66,232</u>	<u>27,204</u>
	<u>295,678</u>	<u>150,000</u>

The maturity analysis of lease liability is disclosed in Note 29.2.2 to the financial statements.

The following amounts are recognised in profit or loss:-

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
Depreciation of right-of-use assets	86,611	3,452
Interest expense on lease liabilities	13,118	-
Short-term leases	<u>188,717</u>	<u>38,825</u>
	<u>288,446</u>	<u>42,277</u>

The total cash outflows for leases of the Group amounted to RM 256,157 (2023: RM38,825).

The effective interest rates of lease liabilities of the Group are ranging from 4.63% to 4.77% (2023: at 4.77%) per annum.

16. DEFERRED TAX LIABILITIES

	Group	
	<u>2024</u> RM	<u>2023</u> RM
Brought forward	2,981,000	3,513,000
Recognised in profit or loss	<u>(80,000)</u>	<u>(532,000)</u>
Carried forward	<u>2,901,000</u>	<u>2,981,000</u>

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

	<u>Property, plant and equipment</u> RM	<u>Right-of- use assets</u> RM	<u>Intangible assets</u> RM	<u>Provisions</u> RM	<u>Total</u> RM
At 1 April 2022	3,428,000	-	637,000	(552,000)	3,513,000
Recognised in profit or loss	<u>6,000</u>	<u>5,000</u>	<u>11,000</u>	<u>(554,000)</u>	<u>(532,000)</u>
At 31 March 2023	3,434,000	5,000	648,000	(1,106,000)	2,981,000
Recognised in profit or loss	<u>(102,000)</u>	<u>9,000</u>	<u>95,000</u>	<u>(82,000)</u>	<u>(80,000)</u>
At 31 March 2024	<u>3,332,000</u>	<u>14,000</u>	<u>743,000</u>	<u>(1,188,000)</u>	<u>2,901,000</u>

17. TRADE PAYABLES

The trade payables are non-interest bearing and the normal credit terms granted by the trade payables ranging from 30 days to 90 days (2023: 30 days to 90 days).

18. OTHER PAYABLES

	Group		Company	
	<u>2024</u> RM	<u>2023</u> RM	<u>2024</u> RM	<u>2023</u> RM
Non-trade payables	326,044	479,203	14,759	5,880
Accruals	6,761,217	6,309,451	203,750	337,000
Sales and service tax payable	<u>18,812</u>	<u>10,934</u>	<u>-</u>	<u>-</u>
	<u>7,106,073</u>	<u>6,799,588</u>	<u>218,509</u>	<u>342,880</u>

19. REVENUE

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
<u>Revenue from contracts with customers recognised at a point in time:</u>				
- Sales of trading goods	222,023,890	205,704,675	-	-
<u>Revenue from other sources of income:</u>				
- Dividend income	-	-	14,500,000	6,000,000
	<u>222,023,890</u>	<u>205,704,675</u>	<u>14,500,000</u>	<u>6,000,000</u>
<u>Primary geographical market:</u>				
- Malaysia	<u>222,023,890</u>	<u>205,704,675</u>		

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.

There were no remaining performance obligations unsatisfied as at the reporting date.

Dividend income

Dividend income is recognised in profit or loss on the date that the Company's right to receive payment is established.

20. FINANCE INCOME

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
<u>Interest income:</u>				
- Deposits and placements with financial institutions	803,036	254,105	41,877	189,892
- Bank balances	120,132	70,449	22,259	6,777
- Others	-	11,290	-	11,290
	<u>923,168</u>	<u>335,844</u>	<u>64,136</u>	<u>207,959</u>

21. FINANCE COSTS

	Group	
	<u>2024</u> RM	<u>2023</u> RM
Interest expenses:		
- Lease liabilities	13,118	-
- Term loans	28,548	507,425
- Bank overdraft	-	2,816
- Revolving credit	-	237,074
- Trust receipts	9,574	165,073
	<u>51,240</u>	<u>912,388</u>

22. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting), amongst others items, the following:-

	Group		Company	
	<u>2024</u> RM	<u>2023</u> RM	<u>2024</u> RM	<u>2023</u> RM
<u>Charging:-</u>				
Auditors' remuneration:				
- Statutory audit	121,000	105,000	43,000	30,000
- Assurance-related services	-	460,000	-	360,000
Amortisation of intangible assets	1,267,636	1,214,969	-	-
Directors' fee	235,000	190,000	235,000	190,000
Depreciation of property, plant and equipment	2,705,528	2,953,766	-	-
Depreciation of right-of-use assets	86,611	3,452	-	-
Expenses relating to short term leases	188,717	38,825	-	-
Fair value loss on other investments	-	7,664	-	-
Realised loss on foreign exchange	-	793,685	-	-
Loss on disposal of property, plant and equipment	96,152	-	-	-
Loss on disposal of other investments	3,006	-	-	-

22. **PROFIT BEFORE TAX (CONT'D)**

Profit before tax has been determined after charging/(crediting), amongst others items, the following (cont'd):-

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Crediting:-				
Dividend Income:-				
- Quoted shares in Malaysia	(3,589)	(9,332)	-	-
- Unquoted shares in Malaysia	-	-	(14,500,000)	(6,000,000)
Fair value gain on other investments	(32,426)	-	-	-
Realised gain on foreign exchange	<u>(514,386)</u>	<u>-</u>	<u>-</u>	<u>-</u>

23. **TAX EXPENSE**

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Current tax:				
- Current financial year	6,395,748	6,888,425	15,048	-
- Under/(Over) provision in prior financial year	<u>47,930</u>	<u>(200,257)</u>	<u>47,930</u>	<u>-</u>
	<u>6,443,678</u>	<u>6,688,168</u>	<u>62,978</u>	<u>-</u>
Deferred tax:				
- Origination and reversed at temporary differences	<u>(80,000)</u>	<u>(532,000)</u>	<u>-</u>	<u>-</u>
	<u>6,363,678</u>	<u>6,156,168</u>	<u>62,978</u>	<u>-</u>

Malaysian income tax is calculated at statutory tax rate of 24% (2023: 24%) of the estimated assessable profits for the financial year.

23. **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	
	<u>2024</u> RM	<u>2023</u> RM	<u>2024</u> RM	<u>2023</u> RM
Profit before tax	<u>26,395,364</u>	<u>22,422,321</u>	<u>14,132,637</u>	<u>2,828,753</u>
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	6,334,887	5,381,357	3,391,833	678,901
Tax effects in respect of:-				
Expenses not deductible for tax purposes	300,198	977,308	103,215	765,409
Under/(Over) provision of tax expense in prior financial year	47,930	(200,257)	47,930	-
Reinvestment tax allowance granted during the financial year	(318,476)	-	-	-
Income not subject to tax	<u>(861)</u>	<u>(2,240)</u>	<u>(3,480,000)</u>	<u>(1,444,310)</u>
	<u>6,363,678</u>	<u>6,156,168</u>	<u>62,978</u>	<u>-</u>

24. **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.

24. **EARNINGS PER SHARE (CONT'D)**

(a) Basic earnings per ordinary share (cont'd)

Profits attributable to equity holders of the Company

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
Profit used for the computation of basic/ diluted:		
- Profit attributable to equity holders of the Company	<u>20,031,686</u>	<u>16,266,153</u>
Weighted average number of ordinary shares after deducting treasury shares used for the computation of basic	<u>450,000,000</u>	<u>450,000,000</u>
Basic earnings per ordinary share (sen)	<u>4.45</u>	<u>3.61</u>

(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.

25. **DIVIDENDS**

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
<u>In respect of the financial</u> <u>year ended 31 March</u> <u>2024:-</u>				
Interim single tier dividend of 1 sen per ordinary share, paid on 18 August 2023	4,500,000	-	4,500,000	-
Interim single tier dividend of 2 sen per ordinary share, paid on 23 February 2024	9,000,000	-	9,000,000	-
<u>In respect of the financial</u> <u>year ended 31 March</u> <u>2023:-</u>				
Interim single tier dividend of 0.5 sen per ordinary share, paid on 21 March 2023	-	2,250,000	-	2,250,000

25. **DIVIDENDS (CONT'D)**

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
<u>In respect of the</u>				
<u>financial year ended</u>				
<u>31 March 2023</u>				
<u>(cont'd):-</u>				
Interim single tier				
dividend of 33 sen per				
ordinary share, paid on				
29 July 2022*	-	2,000,000	-	-
Interim single tier				
dividend of 33 sen per				
ordinary share, paid on				
30 June 2022	-	2,000,000	-	-
	<u>13,500,000</u>	<u>6,250,000</u>	<u>13,500,000</u>	<u>2,250,000</u>

* Dividend declared prior to the completion of acquisition of Betamek Electronics (M) Sdn. Bhd. by the Company as disclosed in Note 6 to the financial statements.

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 2025.

26. **EMPLOYEE BENEFITS EXPENSE**

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Staffs' remuneration				
Salaries and other emoluments	17,452,748	17,774,472	-	-
Defined contribution plans	<u>1,451,082</u>	<u>1,574,337</u>	<u>-</u>	<u>-</u>
	<u>18,903,830</u>	<u>19,348,809</u>	<u>-</u>	<u>-</u>

26. **EMPLOYEE BENEFITS EXPENSE (CONT'D)**

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Directors' remuneration				
Directors' salaries and other emoluments	1,543,831	1,222,304	11,500	-
Defined contribution plans	61,123	35,508	-	-
Benefits-in-kind	<u>26,250</u>	<u>15,000</u>	<u>-</u>	<u>-</u>
	<u>1,631,204</u>	<u>1,272,812</u>	<u>11,500</u>	<u>-</u>
	<u>20,535,034</u>	<u>20,621,621</u>	<u>11,500</u>	<u>-</u>

27. **RELATED PARTY DISCLOSURES**

Related party transactions

The significant related party transactions of the Group and of the Company are as follows:-

	Group		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Dividend received from a subsidiary	-	-	14,500,000	6,000,000
Payment made on behalf to a subsidiary which has been capitalised	-	-	3,932,962	-
Rental expenses paid to holding company	<u>144,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

There is no outstanding balance arising from related party transactions as at the reporting date.

27. **RELATED PARTY DISCLOSURES (CONT'D)**

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	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Directors' remuneration	1,631,204	1,272,812	11,500	-
Key management personnel:-				
Salaries and other emoluments	1,381,626	1,462,788	-	-
Defined contribution plans	178,078	148,076	-	-
Benefits-in-kind	19,028	23,700	-	-
	<u>1,578,732</u>	<u>1,634,564</u>	<u>-</u>	<u>-</u>
	<u>3,209,936</u>	<u>2,907,376</u>	<u>11,500</u>	<u>-</u>

28. **CAPITAL COMMITMENT**

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
Authorised and contracted for:		
- Property, plant and equipment	<u>215,658</u>	<u>129,080</u>

29. FINANCIAL INSTRUMENTS

29.1 Categories of financial instruments

The table below provides an analysis of financial instruments categories as follows:-

- (i) Financial assets and financial liabilities measured at amortised cost (“AC”); and
- (ii) Financial assets at fair value through profit or loss (“FVTPL”)

Group	Carrying amount RM	AC RM	FVTPL RM
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	-
	<u>74,168,073</u>	<u>74,168,072</u>	<u>1</u>
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	-
	<u>34,573,761</u>	<u>34,573,761</u>	<u>-</u>
2023			
Financial assets			
Trade receivables	21,597,587	21,597,587	-
Other receivables*	3,252,966	3,252,966	-
Other investments	128,798	-	128,798
Cash and bank balances, deposits and placements	54,967,118	54,967,118	-
	<u>79,946,469</u>	<u>79,817,671</u>	<u>128,798</u>
Financial liabilities			
Trade payables	15,287,166	15,287,166	-
Other payables#	6,788,654	6,788,654	-
Borrowings	13,271,000	13,271,000	-
	<u>35,346,820</u>	<u>35,346,820</u>	<u>-</u>

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 Categories of financial instruments (cont'd)

The table below provides an analysis of financial instruments categories as follows (cont'd):-

Company	Carrying amount RM	AC RM	FVTPL RM
2024			
Financial assets			
Other receivables *	2,000	2,000	-
Cash and bank balances, deposits and placements	543,671	543,671	-
	<u>545,671</u>	<u>545,671</u>	<u>-</u>
Financial liability			
Other payables	<u>218,509</u>	<u>218,509</u>	<u>-</u>
2023			
Financial assets			
Other receivables *	2,000	2,000	-
Cash and bank balances, deposits and placements	4,090,052	4,090,052	-
	<u>4,092,052</u>	<u>4,092,052</u>	<u>-</u>
Financial liability			
Other payables	<u>342,880</u>	<u>342,880</u>	<u>-</u>

* excluded prepayments

excluded sales and service tax payable

29.2 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 following sections explain key risks faced by the Group and the Company and their management. Financial assets and financial liabilities of the Group and of the Company are summarised in Notes 29.1 to the financial statements.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 Financial risk management (cont'd)

29.2.1 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	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Classes of financial assets:-				
Trade receivables	13,569,673	21,597,587	-	-
Other receivables	9,833,539	3,252,966	2,000	2,000
Cash and bank balances, deposits and placements	<u>50,764,860</u>	<u>54,967,118</u>	<u>543,671</u>	<u>4,090,052</u>
	<u>74,168,072</u>	<u>79,817,671</u>	<u>545,671</u>	<u>4,092,052</u>

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			
	<u>2024</u>		<u>2023</u>	
	RM	%	RM	%
By country:-				
Malaysia 2 customers				
(2023: 2 customers)	<u>11,575,207</u>	<u>85</u>	<u>19,845,361</u>	<u>92</u>

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.

29. **FINANCIAL INSTRUMENTS (CONT'D)**

29.2 **Financial risk management (cont'd)**

29.2.1 **Credit risk (cont'd)**

Credit risk concentration (cont'd)

Recognition and measurement of impairment loss (cont'd)

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 and contract assets. 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 and contract assets which are grouped together as they are expected to have similar risk nature:-

	Gross carrying <u>amount</u> RM	Expected credit loss RM	Net carrying <u>amount</u> RM
Group			
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
	<u>13,569,673</u>	<u>-</u>	<u>13,569,673</u>

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 Financial risk management (cont'd)

29.2.1 Credit risk (cont'd)

Credit risk concentration (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 and contract assets which are grouped together as they are expected to have similar risk nature:-

	Gross carrying amount RM	Expected credit loss RM	Net carrying amount RM
Group (cont'd)			
2023			
Not past due	20,847,950	-	20,847,950
Past due 1 to 30 days	749,637	-	749,637
	<u>21,597,587</u>	<u>-</u>	<u>21,597,587</u>

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.

29.2.2 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.

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.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 Financial risk management (cont'd)

29.2.2 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	Maturity		
			Within 1 year RM	1 to 5 years RM	Later than 5 years RM
Group					
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	-
	<u>34,869,439</u>	<u>36,882,105</u>	<u>25,561,572</u>	<u>6,737,691</u>	<u>4,582,842</u>
Financial guarantee*	204,830	204,830	204,830	-	-
2023					
Trade payables	15,287,166	15,287,166	15,287,166	-	-
Other payables	6,788,654	6,788,654	6,788,654	-	-
Borrowings	13,271,000	15,661,447	2,858,049	6,680,274	6,123,124
Lease liabilities	150,000	168,900	33,780	135,120	-
	<u>35,496,820</u>	<u>37,906,167</u>	<u>24,967,649</u>	<u>6,815,394</u>	<u>6,123,124</u>
Financial guarantee*	204,830	204,830	204,830	-	-
Company					
2024					
Other payables	218,509	218,509	218,509	-	-
Corporate guarantee*	10,860,000	10,860,000	10,860,000	-	-
2023					
Other payables	342,880	342,880	342,880	-	-
Corporate guarantee*	12,180,000	12,180,000	12,180,000	-	-

* This exposure is included in liquidity risk for illustration only. No financial guarantee was called upon by the holders as at the end of the reporting period.

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

29.2.3 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.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 Financial risk management (cont'd)

29.2.3 Interest rate risk (cont'd)

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		Company	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM	RM	RM	RM
Fixed rate instruments				
<u>Financial asset</u>				
Deposits and placements	<u>40,360,000</u>	<u>47,380,000</u>	<u>-</u>	<u>3,200,000</u>
<u>Financial liabilities</u>				
Lease liabilities	<u>(295,678)</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>
Trust receipts	<u>-</u>	<u>(1,091,000)</u>	<u>-</u>	<u>-</u>
	<u>(295,678)</u>	<u>(1,241,000)</u>	<u>-</u>	<u>-</u>
Net financial asset	<u>40,064,322</u>	<u>46,139,000</u>	<u>-</u>	<u>3,200,000</u>
Floating rate instruments				
<u>Financial liability</u>				
Term loans	<u>(10,860,000)</u>	<u>(12,180,000)</u>	<u>-</u>	<u>-</u>

Fair value 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.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 Financial risk management (cont'd)

29.2.3 Interest rate risk (cont'd)

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 (2023: +/-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	
	<u>(Decrease)/Increase</u>	
	+50bp	-50bp
	RM	RM
2024	(54,300)	54,300
2023	<u>(60,900)</u>	<u>60,900</u>

29.2.4 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") and Chinese Yuan ("CNY").

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	
	<u>2024</u>	<u>2023</u>
	RM	RM
<u>Denominated in USD</u>		
Cash and bank balances, deposits and placements	64,306	2,190,906
Other receivables	5,764,250	2,773,776
Trade payables	<u>(6,394,479)</u>	<u>(6,101,866)</u>
	<u>(565,923)</u>	<u>(1,137,184)</u>

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 Financial risk management (cont'd)

29.2.4 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):-

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
<u>Denominated in SGD</u>		
Cash and bank balances, deposits and placements	10,017	4,480
Trade payables	<u>(744,435)</u>	<u>(501,459)</u>
	<u>(734,418)</u>	<u>(496,979)</u>
<u>Denominated in CNY</u>		
Cash and bank balances, deposits and placements	56,333	1,267,215
Other receivables	3,441,682	-
Trade payables	<u>(3,890,171)</u>	<u>(2,988,019)</u>
	<u>(392,156)</u>	<u>(1,720,804)</u>

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 and RM/SGD exchange rate assuming all other things being equal. A 1% (2023: 1%) change in the RM/USD, RM/SGD and RM/CNY 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.

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 and CNY, then the impact would be as follows:-

	Group	
	Impact on profit/equity	
	<u>Increase/(Decrease)</u>	
	+1%	-1%
	RM	RM
<u>RM/USD</u>		
2024	(5,659)	5,659
2023	<u>(11,372)</u>	<u>11,372</u>

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 Financial risk management (cont'd)

29.2.4 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 and CNY, then the impact would be as follows (cont'd):-

	Group	
	Impact on profit/equity	
	<u>Increase/(Decrease)</u>	
	+1%	-1%
	RM	RM
<u>RM/SGD</u>		
2024	(7,344)	7,344
2023	<u>(4,970)</u>	<u>4,970</u>
<u>RM/CNY</u>		
2024	(3,922)	3,922
2023	<u>(17,208)</u>	<u>17,208</u>

29.3 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.

29.4 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:-

	Group			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	RM	RM	RM	RM
2024				
Financial assets				
Non-derivative financial assets at FVTPL	-	-	1	1
2023				
Financial assets				
Non-derivative financial assets at FVTPL	128,797	-	1	128,798

There was no transfer between Level 1 and Level 3 in 2024 and 2023.

29. **FINANCIAL INSTRUMENTS (CONT'D)**

29.5 **Net gain or losses arising from financial instruments**

	Group	
	<u>2024</u>	<u>2023</u>
	RM	RM
<u>Net (gain)/loss on:-</u>		
Financial assets at FVTPL		
- recognised in profit or loss	<u>(32,426)</u>	<u>7,664</u>

30. **OPERATING SEGMENTS**

Business segments

The Group has arrived at 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.
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.

30. **OPERATING SEGMENTS (CONT'D)**

Business segments (cont'd)

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.

Operating segments

	<u>Note</u>	<u>Vehicle audio and visual products</u> RM	<u>Vehicle accessories</u> RM	<u>Investment holding</u> RM	<u>Elimination</u> RM	<u>Total</u> RM
<u>2024</u>						
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

30. OPERATING SEGMENTS (CONT'D)

Business segments (cont'd)

Operating segments (cont'd)

	Note	Vehicle audio and visual products RM	Vehicle accessories RM	Investment holding RM	Elimination RM	Total RM
<u>2023</u>						
Revenue						
External revenue		163,366,548	42,338,127	-	-	205,704,675
Inter-segment revenue	(i)	-	-	6,000,000	(6,000,000)	-
Total revenue		163,366,548	42,338,127	6,000,000	(6,000,000)	205,704,675
Results						
Finance income						(335,844)
Finance costs						912,388
Amortisation of intangible assets						1,214,969
Depreciation of property, plant and equipment						2,953,766
Depreciation of right-of-use assets						3,452
Other non-cash expenses	(ii)					7,664
Tax expense						6,156,168
Segment profit	(iii)					16,842,697
Assets						
Unallocated segment assets	(iv)					171,377,116
Additions to non- current assets	(v)					1,824,403
Liabilities						
Unallocated segment liabilities	(vi)					22,086,754

Notes to the nature of adjustments and eliminations to arrive at amount reported in the financial statements.

30. **OPERATING SEGMENTS (CONT'D)**

Business segments (cont'd)

Operating 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:-

	<u>2024</u> RM	<u>2023</u> RM
Fair value (gain)/loss on other investments	(32,426)	7,664
Loss on disposal of other investments	3,006	-
Loss on disposal of property, plant and equipment	<u>96,152</u>	<u>-</u>
	<u>66,732</u>	<u>7,664</u>

- (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:-

	<u>2024</u> RM	<u>2023</u> RM
Segment profit	19,159,758	16,842,697
Finance income	923,168	335,844
Finance costs	<u>(51,240)</u>	<u>(912,388)</u>
Profit after tax	<u>20,031,686</u>	<u>16,266,153</u>

- (iv) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	<u>2024</u> RM	<u>2023</u> RM
Segment assets	173,669,600	171,377,116
Intangible assets	<u>7,666,167</u>	<u>4,479,995</u>
Total assets	<u>181,335,767</u>	<u>175,857,111</u>

30. **OPERATING SEGMENTS (CONT'D)**

Business segments (cont'd)

Operating segments (cont'd)

- (v) Additions to non-current assets other than the financial instruments and deferred tax assets consist of:-

	<u>2024</u> RM	<u>2023</u> RM
Property, plant and equipment	7,748,834	1,617,278
Right-of-use assets	301,240	207,125
Intangible assets	<u>4,453,808</u>	<u>-</u>
	<u>12,503,882</u>	<u>1,824,403</u>

- (vi) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:-

	<u>2024</u> RM	<u>2023</u> RM
Segment liabilities	23,732,573	22,086,754
Deferred tax liabilities	2,901,000	2,981,000
Lease liabilities	295,678	150,000
Borrowings	10,860,000	13,271,000
Tax payable	<u>324,558</u>	<u>678,085</u>
Total liabilities	<u>38,113,809</u>	<u>39,166,839</u>

Geographical information

Revenue and non-current assets information by geographical segments are not presented as the Group's customers and activities are located and conducted principally in Malaysia.

30. **OPERATING SEGMENTS (CONT'D)**

Business segments (cont'd)

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>2024</u>			
Customer A	111,439,788	50	Vehicle audio, visual products and vehicle accessories
Customer B	<u>94,596,041</u>	<u>43</u>	Vehicle audio, visual products and vehicle accessories
	<u>206,035,829</u>	<u>93</u>	
<u>2023</u>			
Customer A	117,534,737	57	Vehicle audio, visual products and vehicle accessories
Customer B	<u>79,249,348</u>	<u>39</u>	Vehicle audio, visual products and vehicle accessories
	<u>196,784,085</u>	<u>96</u>	

31. **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.

32. SIGNIFICANT EVENTS SUBSEQUENT TO THE REPORTING PERIOD

Incorporation of a subsidiary – BZH Innovation Sdn. Bhd. (“BZH”)

On 13 May 2024, BZH was incorporated as an indirect subsidiary of the Company with an issued and paid-up share capital of RM1 comprising of 1 ordinary share. BZH is 100% owned by Betamek Research Sdn. Bhd., a wholly owned subsidiary of the Company.

BZH is principally engaged in the design, development, customisation, commercialisation marketing and sale of electronics product solutions and innovative technology solutions for the electric vehicle market. However, BZH has not commenced operation up to date of this report.

Acquisition of a subsidiary

On 1 April 2024, the Company had entered into a conditional Share Sale and Purchase Agreement (“SSPA”) with Outsourcing Inc. for the acquisition of 15,600,000 ordinary shares in Sanshin (Malaysia) Sdn. Bhd. (“SMSB”), representing 100% equity shares in SMSB, for a cash consideration of RM13.44 million (“Acquisition”).

On 28 June 2024, the Acquisition has been completed consequent to the fulfilment and/or waiver of all the conditions precedent. SMSB will become a wholly-owned subsidiary of the Company upon the registration of the share transfer.