



BETAMEK
BETAMEK BERHAD

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

INTERIM FINANCIAL REPORT
FOR THE QUARTER ENDED 30 SEPTEMBER 2022

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS
AND OTHER COMPREHENSIVE INCOME ⁽¹⁾⁽²⁾
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	Individual Quarter		Cumulative Period	
	Current Year	Preceding	Current Year	Preceding
	Quarter	Year	Year-To-Date	Year
	30.09.2022	Corresponding	30.09.2022	Corresponding
	RM'000	Quarter	30.09.2021	Year-To-Date
		30.09.2021	30.09.2021	30.09.2021
		RM'000	RM'000	RM'000
Revenue	48,598	N/A	95,033	N/A
Cost of sales	(39,980)	N/A	(78,512)	N/A
Gross profit	8,618	N/A	16,521	N/A
Other income	38	N/A	76	N/A
Administrative expenses	(1,675)	N/A	(3,272)	N/A
Selling and distribution expenses	(28)	N/A	(50)	N/A
Other operating expenses	(612)	N/A	(1,186)	N/A
Operating profit	6,341	N/A	12,089	N/A
Finance income	18	N/A	23	N/A
Finance costs	(299)	N/A	(558)	N/A
Profit before taxation	6,060	N/A	11,554	N/A
Taxation	B5 (1,411)	N/A	(2,650)	N/A
Net profit/ Total comprehensive income for the period	4,649	N/A	8,904	N/A
Net profit/ Total comprehensive income for the period attributable to:				
Owners of the Company	<u>4,649</u>	<u>N/A</u>	<u>8,904</u>	<u>N/A</u>
Basic earnings per share (sen) ⁽³⁾	B11 <u>1.22</u>	<u>N/A</u>	<u>2.33</u>	<u>N/A</u>

Notes:-

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 28 September 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) The interim financial report announced in compliance with the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). There are no comparative figures for the preceding corresponding quarter and year-to-date as the Company will only be listed on the ACE Market of Bursa Securities on 26 October 2022 and as such no interim financial report was prepared for the comparative financial period concerned.

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

(Incorporated in Malaysia)

- (3) Basic earnings per share (“**EPS**”) is calculated based on the Company’s share capital of 382,500,000 ordinary shares after issuance of shares to the acquisition of Betamek Electronics (M) Sdn. Bhd. (“**BESB**”) (refer to Note A11).
- (4) N/A – Not Applicable

The remaining of this page is intentionally left blank

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION ⁽¹⁾
AS AT 30 SEPTEMBER 2022

	Unaudited As at 30.09.2022 RM'000	Audited As at 31.03.2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	37,480	38,361
Intangible assets	5,136	5,695
Total non-current assets	42,616	44,056
Current assets		
Inventories	57,502	55,868
Trade receivables	18,351	16,533
Other receivables, deposits and prepayments	7,311	6,998
Other investments	106	136
Tax recoverable	966	1,742
Cash and bank balances	18,096	15,881
Total current assets	102,332	97,158
TOTAL ASSETS	144,948	141,214
EQUITY AND LIABILITIES		
EQUITY		
Share capital	93,789	93,789
Merger reserves	(85,789)	(85,789)
Retained profits	90,338	85,434
Total equity	98,338	93,434
LIABILITIES		
Non-current liabilities		
Borrowings	17,039	19,030
Deferred tax liabilities	3,619	3,513
Total non-current liabilities	20,658	22,543
Current liabilities		
Trade payables	12,669	8,945
Other payables and accruals	2,537	4,011
Borrowings	10,746	12,281
Total current liabilities	25,952	25,237
Total liabilities	46,610	47,780
TOTAL EQUITY AND LIABILITIES	144,948	141,214

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

Unaudited	Audited
As at 30.09.2022	As at 31.03.2022
RM'000	RM'000

Net assets per ordinary share attributable to owners of the Company (RM) ⁽²⁾

0.26	0.24
------	------

Notes:-

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Financial Position are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 28 September 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) Net assets per share is calculated based on the Company's share capital of 382,500,000 ordinary shares after issuance of shares to the acquisition of BESB (refer to Note A11).

The remaining of this page is intentionally left blank
--

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ⁽¹⁾⁽²⁾
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Attributable to owners of the parent			Total Equity RM'000
	Non-Distributable	Distributable		
	Share Capital RM'000	Merger Reserve RM'000	Retained Earnings RM'000	
<u>6 months ended 30 September 2022</u>				
At 1 April 2022 (Audited)	*(3)	-	(7)	(7)
Consideration for acquisition of subsidiary	93,789	(85,789)	85,441	93,441
Dividend paid	-	-	(4,000)	(4,000)
Profit/ Total comprehensive income for the period	-	-	8,904	8,904
At 30 September 2022 (Unaudited)	93,789	(85,789)	90,338	98,338

Notes:-

- (1) The basis of preparation of the above Unaudited Condensed Consolidated Statements of Changes in Equity are detailed in Note A1 and should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 28 September 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures for the preceding quarter are available as this is the Company's first interim financial report on its consolidated results for the second quarter ended 30 September 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.
- (3) * Denotes less than RM1,000.

The remaining of this page is intentionally left blank
--

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS ⁽¹⁾⁽²⁾
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Current	Preceding Year
	Year-To-Date	Corresponding
	30.09.2022	Year-To-Date
	RM'000	30.09.2021⁽²⁾
		RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	11,554	N/A
Adjustments for:-		
Amortisation of intangible assets	581	N/A
Depreciation of property, plant and equipment	1,471	N/A
Dividend income	(3)	N/A
Fair value adjustment on other investments	30	N/A
Interest expenses	558	N/A
Interest income	(23)	N/A
Operating profit before working capital changes	14,168	N/A
Changes in working capital:-		
Inventories	(1,634)	N/A
Receivables	(2,131)	N/A
Payables	2,250	N/A
Cash generated from operations	12,653	N/A
Income tax paid, net of refund	(1,768)	N/A
Interest received	23	N/A
Interest paid	(107)	
Net cash flows from operating activities	10,801	N/A
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	3	N/A
Purchase of intangible assets	(22)	N/A
Purchase of property, plant and equipment	(590)	N/A
Net cash flows used in investing activities	(609)	N/A
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(4,000)	N/A
Drawdown of term loans	881	N/A
Drawdown of other borrowing	17,870	N/A

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

	Current	Preceding Year
	Year-To-Date	Corresponding
	30.09.2022	Year-To-Date
	RM'000	30.09.2021⁽²⁾
		RM'000
Interest paid	(451)	N/A
Repayment of term loans	(443)	N/A
Repayment of other borrowings	(21,834)	N/A
Net cash flows used in financing activities	(7,977)	N/A
NET CHANGES IN CASH AND CASH EQUIVALENTS	2,215	N/A
CASH AND CASH EQUIVALENTS AT BEGINNING	15,676	N/A
CASH AND CASH EQUIVALENTS AT END	17,891	N/A
Represented by:-		
Deposits with financial institutions	337	N/A
Cash and bank balances	17,759	N/A
	18,096	N/A
Less: Fixed deposits pledged to a licensed bank	(205)	N/A
	17,891	N/A

Notes:-

- (1) The above Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 28 September 2022 and the accompanying explanatory notes attached to this interim financial report.
- (2) No comparative figures for the preceding quarter are available as this is the Company's first interim financial report on its consolidated results for the second quarter ended 30 September 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.
- (3) N/A – Not Applicable

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

(Incorporated in Malaysia)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 of Listing Requirements of Bursa Securities.

This is the Company’s first interim financial report on the unaudited condensed consolidated financial results for the second quarter ended 30 September 2022 announced by the Company in compliance with the Listing Requirements of Bursa Securities and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial statements should be read in conjunction with the Accountants’ Report as disclosed in the Prospectus of the Company dated 28 September 2022. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2022.

A2. Significant Accounting Policies

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in preparation of the Accountants’ Report as disclosed in the Prospectus dated 28 September 2022 except for the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group.

Effective for annual period beginning on or after 1 January 2023

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current

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

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date yet to be confirmed

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards is not expected to have any material impacts to the financial statements of the Group upon adoption.

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

*(Incorporated in Malaysia)***A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)****A3. Auditors' Report on Preceding Annual Financial Statements**

Betamek Berhad was incorporated under the Companies Act 2016 on 7 December 2021. The Company completed the acquisition of its subsidiary, Betamek Electronics (M) Sdn. Bhd. ("BESB") on 6 September 2022.

The auditors' report to the member of BESB on the financial statements for the financial year ended 31 March 2022 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's operation was not significantly affected by any unusual seasonal or cyclical factors.

A5. Unusual Items Due to Their Nature, Size or Incidence

There were no extraordinary and exceptional items of unusual nature affecting assets, liabilities, equity, net income, or cash flows in the interim financial period ended 30 September 2022.

A6. Material Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods or prior financial year that have a material effect in the current financial year to date.

A7. Debt and Equity Securities

The gearing ratio of the Group as at 30 September 2022 are as follows:

	Unaudited	Audited
	As at	As at
	30.09.2022	31.03.2022
	RM'000	RM'000
Total debt	27,785	31,311
Total equity	98,338	93,434
Gearing ratio	0.28	0.34

The Group reported gearing ratio of 0.28 as at 30 September 2022 which decreased by 0.06 as compared to 31 March 2022.

Save as disclosed above, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current financial quarter under review.

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

*(Incorporated in Malaysia)***A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)****A8. Dividend Paid**

An interim single-tier dividend in respect of the current financial year was declared and paid by BESB to its previous sole shareholder on two occasions, on 30 June 2022 and 29 July 2022 as disclosed in Note B10.

A9. Segmental Information

The management determines the business segments based on the reports reviewed and used by the management for strategic decisions making and resources allocation.

No segmental analysis by business segment is prepared as the Group operates predominantly in the electronic manufacturing services (“EMS”) focusing on design, development and manufacturing of electronic products and components for automotive manufacturers.

Revenue segmented by products

	Individual Quarter		Cumulative Period	
	<u>Current Year</u> Quarter 30.09.2022 RM'000	<u>Preceding Year</u> Corresponding Quarter 30.09.2021 ⁽¹⁾ RM'000	<u>Current Year</u> Year-To-Date 30.09.2022 RM'000	<u>Preceding Year</u> Corresponding Year-To-Date 30.09.2021 ⁽¹⁾ RM'000
Vehicle audio and video products	38,268	N/A	75,002	N/A
Vehicle accessories	10,330	N/A	20,031	N/A
	48,598	N/A	95,033	N/A

Revenue segmented by geographical market

	Individual Quarter		Cumulative Period	
	<u>Current Year</u> Quarter 30.09.2022 RM'000	<u>Preceding Year</u> Corresponding Quarter 30.09.2021 ⁽¹⁾ RM'000	<u>Current Year</u> Year-To-Date 30.09.2022 RM'000	<u>Preceding Year</u> Corresponding Year-To-Date 30.09.2021 ⁽¹⁾ RM'000
Malaysia	48,598	N/A	95,033	N/A
	48,598	N/A	95,033	N/A

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

(Incorporated in Malaysia)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A9. Segmental Information (Continued)

Notes:-

- (1) No comparative figures for the preceding quarter are available as this is the Company's first interim financial report on its consolidated results for the second quarter ended 30 September 2022 being announced by the Company in compliance with the Listing Requirements of the Bursa Securities.
- (2) N/A – Not Applicable

A10. Valuation of property, plant and equipment

There was no valuation of property, plant and equipment in the current financial quarter under review.

A11. Material events subsequent to the end of the reporting period

Pursuant to the Share Sale Agreements dated 21 March 2022, the acquisition of the entire issued shares of BESB by the Company was completed on 6 September 2022. The Company allotted 382,499,999 new shares at an issue price of RM 0.2452 per share to satisfy the purchase consideration of the acquisition.

In conjunction with the Company's listing on the ACE Market of Bursa Securities which will be held on 26 October 2022, the Company issued its Prospectus for its initial public offering ("IPO") entailing the following:

Public issue of 67,500,000 new shares ("Issue Shares") at an issue price of RM 0.50 per share and shall be allocated in the following manner:

- 22,500,000 Issue Shares available for application by the Malaysian Public,
- 13,500,000 Issue Shares are reserved for the eligible Directors, employees and persons who have contributed to the success of the Group, and
- 31,500,000 Issue Shares are reserved for private placement to selected investors.

Upon completion of the IPO, the Company is expected to be admitted to the Official List of Bursa Securities and the Company's entire enlarged issue share capital of 450,000,000 shares shall be listed and quoted on the ACE Market of Bursa Securities on 26 October 2022.

Save as disclosed above, there were no other material events subsequent to the end of the current financial period under review that have not been reflected in this interim financial report.

A12. Changes in composition of the Group

There were no other material changes in the composition of the Group and for the current financial quarter under review.

A13. Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets in the Group since the end of the last reporting period as at 30 September 2022.

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

(Incorporated in Malaysia)

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)

A14. Related Party Transactions Disclosures

There were no related party transactions during the current financial quarter under review.

A15. Capital Commitments

	Unaudited	Audited
	As at	As at
	30.09.2022	31.03.2022
	RM'000	RM'000
Contracted but not provided for:		
Property, plant and equipment	<u>184</u>	<u>13</u>

The remaining of this page is intentionally left blank

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Performance

	<u>Current Year</u>	<u>Preceding Year</u>	<u>Current Year</u>	<u>Preceding Year</u>
	Quarter	Corresponding Quarter	Year-To-Date	Corresponding Year-To-Date
	30.09.2022	30.09.2021 ⁽¹⁾	30.09.2022	30.09.2021 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Revenue	48,598	N/A	95,033	N/A
Gross profit	8,618	N/A	16,521	N/A
Profit before interest and tax	6,341	N/A	12,089	N/A
Profit before tax	6,060	N/A	11,554	N/A
Profit after tax	4,649	N/A	8,904	N/A
Profit attributable to owners of the Company	4,649	N/A	8,904	N/A

Notes:-

- (1) No comparative figures for the preceding quarter are available as this is the Company's first interim financial report on its consolidated results for the second quarter ended 30 September 2022 being announced by the Company in compliance with the Listing Requirements of the Bursa Securities.
- (2) N/A – Not Applicable

In the current quarter ended 30 September 2022 and financial year-to-date, the Group reported revenue of RM48.60 million and RM95.03 million, and it is mainly attributed from the vehicle audio and visual products segment which accounted for RM38.27 million and RM75.00 million, representing 78.74% and 78.92% of the total revenue respectively. For the current quarter and financial year-to-date, the Group's revenue was entirely derived from customers in Malaysia which contributed for 100.00% of the Group's total revenue.

The Group recognised profit before tax of RM6.06 million for current quarter and RM11.55 million for financial year-to-date after deducting expenses which are mainly attributed to distribution and administrative expenses amounting to RM1.70 million for the current quarter and RM3.32 million for the financial year-to-date. The distribution expenses and administrative expenses mainly consists of staff costs, depreciation, maintenance fees for building and office equipment, insurance, professional fees, outward transport and utilities.

There are no comparative figures for the corresponding preceding quarter's results as this is the first interim financial report being announced by the Company in compliance with the Listing Requirements.

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

(Incorporated in Malaysia)

B2. Comparison with Immediate Preceding Quarter's Results

No comparative figures are presented for the immediate preceding quarter as this is the first interim financial report on the combined results announced by the Company.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B3. Prospects of the Group

Prospects of the Group are favourable taking into consideration the Group's competitive strengths, business strategies and the outlook of the automotive electronics industry.

As disclosed in Sections 7.17 and 7.18 of the Company's Prospectus dated 28 September 2022 in relation to its IPO ("**Prospectus**"), the Group plans to expand its research & development ("**R&D**") office space, storage space and ancillary facilities in order to better anticipate future demands and also to accommodate the increasing order volume. The expansion will be carried out in 2 phases. Phase 1 will focus on demolition of the existing canteen building and to be replaced with a 3-storey annexe building with an estimated built-up area of 2,736 sq m. Phase 2 will focus on renovation of the existing office floor.

In addition, the Group intends to upgrade its manufacturing capacities to adopt aspects of IR 4.0 by utilising automation, artificial intelligence (AI), internet of things (IoT) and real time data. Thus, the Group plans to invest in software and system development including smart warehousing and material handling system to better manage the movement of our inventories. The Group also plans to purchase additional machineries and equipment such as PCB router and robotic soldering machines in order to improve the quality, efficiency and productivity.

The fast-pace nature of the automotive electronics industry means that products are constantly being phased out and replaced either by newer models or newer technology. In order to remain competitive, the Group strive to provide timely and technically sophisticated products to its customers. As of March 2022, the Group has spent approximately RM10.4 million on R&D alone on Smart Device Link Over USB and Daihatsu New Global Architecture platforms. The Group intends to develop further technologies and market intelligence to assist its customers in anticipating future trends and demands of the market.

Independent Market Research from Providence Strategic Partners Sdn. Bhd. has projected the sales value of the manufacture of parts and components for motor vehicles will grow from RM32.3 billion in 2021 to RM39.9 billion in 2025 at a Compound Annual Growth Rate of 5.4%.

Based on the above, the Board of Directors of the Company ("**Board**") is optimistic about the future prospects of the Group.

B4. Variance of actual profits from forecast profits

The Group did not issue any profit forecast or profit guarantee in the current financial quarter under review.

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)****B5. Taxation**

	<u>Current Year</u>	<u>Preceding Year</u>	<u>Current Year</u>	<u>Preceding Year</u>
	Quarter	Corresponding Quarter	Year-To-Date	Corresponding Year-To-Date
	30.09.2022	30.09.2021 ⁽¹⁾	30.09.2022	30.09.2021 ⁽¹⁾
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current period	1,411	N/A	2,650	N/A
Effective tax rate (%)	23.28	N/A	22.94	N/A
Statutory tax rate(%)	24.00	N/A	24.00	N/A

Notes:-

- (1) No comparative figures for the preceding quarter are available as this is the Company's first interim financial report on its consolidated results for the second quarter ended 30 September 2022 being announced by the Company in compliance with the Listing Requirements.
- (2) N/A – Not Applicable

B6. Status of Corporate Proposals

In conjunction with the Company's listing on the ACE Market of Bursa Securities to be held on 26 October 2022, the Company has undertaken the following listing scheme:-

a) Acquisition of BESB

The acquisition of the entire issued shares of BESB by the Company which was completed on 6 September 2022. The Company allotted 382,499,999 new shares at an issue price of RM0.2452 per share to satisfy the purchase consideration of the acquisition.

b) Pre-IPO dividend

BESB has declared and paid an interim single-tier dividend amounting to RM2,000,000 on 30 June 2022 and another RM2,000,000 on 29 July 2022 for a total of RM4,000,000 for the financial year ending 31 March 2023 to Iskandar Holdings Sdn. Bhd., its previous sole shareholder by way of cash.

c) Listing exercise

On 28 September 2022, the Company issued its Prospectus and undertook an IPO comprising a public issue of 67,500,000 new ordinary shares in the Company and an offer for sale of 45,000,000 existing ordinary shares by existing shareholder of the Company at an IPO price of RM0.50 per share. The listing will take place on 26 October 2022.

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B7. Utilisation of proceeds from IPO

The gross proceeds of RM33.75 million from the IPO is intended to be utilised in the following manner:

	Details of utilisation of proceeds	Proposed utilisation RM'000	Percentage of utilisation %	Actual utilisation RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation upon listing ⁽¹⁾
(i)	R&D - new product development	7,000	20.7	-	7,000	Within 36 months
(ii)	Expansion of R&D office space, raw material storage and ancillary facilities	6,500	19.3	-	6,500	Within 36 months
(iii)	Purchase of new process equipment	3,000	8.9	-	3,000	Within 12 months
(iv)	Working capital requirement	3,850	11.4	-	3,850	Within 3 months
(v)	Repayment of bank borrowings	10,000	29.6	-	10,000	Within 3 months
(vi)	Estimated listing expenses	3,400	10.1	-	3,400	Within 1 month
		33,750	100.0	-	33,750	

Note:-

(1) From the date of listing of the Company.

B8. Group borrowings and debts securities

As at 30 September 2022	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
<u>Secured</u>			
Trade financing	-	5,249	5,249
Revolving credit	2,729	4,250	6,979
Term loan	14,310	1,247	15,557
Total	17,039	10,746	27,785

B9. Material Litigation

There was no material litigation by/against the Group as at 30 September 2022.

BETAMEK BERHAD

Registration No.: 202101041577 (1441877-P)

(Incorporated in Malaysia)

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**B10. Dividends**

For information purposes, BESB, a wholly owned subsidiary of the Company, declared an interim single-tier dividend of RM0.66 per ordinary share amounting to RM4,000,000 in respect of the financial year ending 31 March 2023. The first payment of said dividend amounting to RM2,000,000 was paid on 30 June 2022 and the second payment amounting to RM2,000,000 was made on 29 July 2022 to Iskandar Holdings Sdn. Bhd., being the previous sole shareholder of BESB. The whole amount of RM4,000,000 was funded by BESB's internally generated fund.

Save as disclosed above, there was no dividend that has been declared or recommended for payment by the Board during the financial period under review.

B11. Earnings Per Share ("EPS")

The basic EPS for the current quarter and financial year-to-date are computed as follows:

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>Current Year</u>	<u>Preceding Year</u>	<u>Current Year</u>	<u>Preceding Year</u>
	<u>Quarter</u>	<u>Corresponding Quarter</u>	<u>Year-To-Date</u>	<u>Corresponding Year-To-Date</u>
	<u>30.09.2022</u>	<u>30.09.2021⁽¹⁾</u>	<u>30.09.2022</u>	<u>30.09.2021⁽¹⁾</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Profit attributable to owners of the Company	4,649	N/A	8,904	N/A
Weighted average Number of ordinary shares in issue ('000)	382,500	N/A	382,500	N/A
Basic EPS (sen) ⁽²⁾	<u>1.22</u>	<u>N/A</u>	<u>2.33</u>	<u>N/A</u>

Notes:-

- (1) No comparative figures for the preceding quarter are available as this is the Company's first interim financial report on its consolidated results for the second quarter ended 30 September 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.
- (2) Basic EPS is calculated based on the Company's share capital on 382,500,000 ordinary shares after issuance of shares for the acquisition of BESB.
- (3) N/A – Not Applicable

B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)

B12. Notes to Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

Profit for the period was derived after taking into consideration of the following:-

	<u>Individual Quarter</u>		<u>Cumulative Period</u>	
	<u>Current Year</u>	<u>Preceding Year</u>	<u>Current Year</u>	<u>Preceding Year</u>
	<u>Quarter</u>	<u>Corresponding Quarter</u>	<u>Year-To-Date</u>	<u>Corresponding Year-To-Date</u>
	<u>30.09.2022</u>	<u>30.09.2021⁽¹⁾</u>	<u>30.09.2022</u>	<u>30.09.2021⁽¹⁾</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
After charging:				
Amortisation of intangible assets	317	N/A	581	N/A
Depreciation of property, plant and equipment	736	N/A	1,471	N/A
Fair value (gain)/loss on investment in quoted shares	(1)	N/A	30	N/A
Interest expense on:				
- Term loan	149	N/A	281	N/A
- Revolving credit	79	N/A	160	N/A
- Trade financing	71	N/A	117	N/A
(Gain)/Loss on foreign exchange:				
- Realised	248	N/A	169	N/A
- Unrealised	(2)	N/A	(2)	N/A
And crediting:				
Dividend income	(1)	N/A	(3)	N/A
Interest income	(18)	N/A	(23)	N/A

Notes:

- (1) No comparative figures for the preceding quarter are available as this is the Company's first interim financial report on its consolidated results for the second quarter ended 30 September 2022 being announced by the Company in compliance with the Listing Requirements of Bursa Securities.
- (2) N/A – Not Applicable

BY ORDER OF THE BOARD
BETAMEK BERHAD
20/10/2022