



**BETAMEK**  
**BETAMEK BERHAD**

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

**INTERIM FINANCIAL REPORT**  
**FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
AND OTHER COMPREHENSIVE INCOME <sup>(1)</sup>  
FOR THE PERIOD ENDED 31 DECEMBER 2023**

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>Current Year</b>	<b>Preceding Year</b>	<b>Current Year</b>	<b>Preceding Year</b>
	<b>Quarter</b>	<b>Corresponding</b>	<b>Year-To-Date</b>	<b>Year-To-Date</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	59,219	54,726	166,012	149,759
Cost of sales	(50,032)	(45,916)	(138,903)	(124,428)
<b>Gross profit ("GP")</b>	<b>9,187</b>	<b>8,810</b>	<b>27,109</b>	<b>25,331</b>
Other income	-	59	545	135
Administrative expenses	(2,193)	(5,037)	(6,374)	(8,309)
Selling and distribution expenses	(55)	(12)	(174)	(62)
Other operating expenses	(313)	(464)	(996)	(1,650)
<b>Operating profit</b>	<b>6,626</b>	<b>3,356</b>	<b>20,110</b>	<b>15,445</b>
Finance income	327	99	740	122
Finance costs	(11)	(265)	(42)	(823)
<b>Profit before taxation ("PBT")</b>	<b>6,942</b>	<b>3,190</b>	<b>20,808</b>	<b>14,744</b>
Taxation	B5 (1,897)	(1,535)	(5,303)	(4,185)
<b>Net profit/ Total comprehensive income for the period</b>	<b>5,045</b>	<b>1,655</b>	<b>15,505</b>	<b>10,559</b>
<b>Net profit/ Total comprehensive income for the period attributable to:</b>				
Owners of the Company	<u>5,045</u>	<u>1,655</u>	<u>15,505</u>	<u>10,559</u>
Basic earnings per share ("EPS") (sen) <sup>(2)</sup>	B11 <u>1.12</u>	<u>0.37</u>	<u>3.45</u>	<u>2.35</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 Group's Audited Financial Statements for the financial year ended 31 March 2023 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.
- (2) Basic EPS is calculated based on the Company's share capital of 450,000,000 ordinary shares after the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 26 October 2022.

**BETAMEK BERHAD**  
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*(Incorporated in Malaysia)*

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION <sup>(1)</sup>**  
**AS AT 31 DECEMBER 2023**

	<b>Unaudited</b> <b>As at 31.12.2023</b> <b>RM'000</b>	<b>Audited</b> <b>As at 31.03.2023</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	35,655	37,024
Right-of-use asset	452	204
Intangible assets	4,117	4,480
<b>Total non-current assets</b>	<b>40,224</b>	<b>41,708</b>
<b>Current assets</b>		
Inventories	50,081	53,736
Trade receivables	14,786	21,598
Other receivables, deposits and prepayments	18,024	3,719
Other investments	-	129
Cash and bank balances	63,750	54,967
<b>Total current assets</b>	<b>146,641</b>	<b>134,149</b>
<b>TOTAL ASSETS</b>	<b>186,865</b>	<b>175,857</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	127,029	127,029
Merger deficit	(85,789)	(85,789)
Retained earnings	106,455	95,450
<b>Total equity</b>	<b>147,695</b>	<b>136,690</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	9,883	10,863
Lease liability	246	123
Deferred tax liabilities	3,132	2,981
<b>Total non-current liabilities</b>	<b>13,261</b>	<b>13,967</b>
<b>Current liabilities</b>		
Trade payables	18,808	15,287
Other payables and accruals	5,591	6,800
Borrowings	1,317	2,408
Lease liability	65	27
Tax payable	128	678
<b>Total current liabilities</b>	<b>25,909</b>	<b>25,200</b>
<b>Total liabilities</b>	<b>39,170</b>	<b>39,167</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>186,865</b>	<b>175,857</b>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION <sup>(1)</sup>**  
**AS AT 31 DECEMBER 2023**

	<b>Unaudited</b> <b>As at 31.12.2023</b> <b>RM'000</b>	<b>Audited</b> <b>As at 31.03.2023</b> <b>RM'000</b>
Net assets per ordinary share attributable to owners of the Company (RM) <sup>(2)</sup>	<u>0.33</u>	<u>0.30</u>

**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 Group's Audited Financial Statements for the financial year ended 31 March 2023 as disclosed in the Annual Report 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 450,000,000 ordinary shares after the Company was listed on the ACE Market of Bursa Securities on 26 October 2022.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY <sup>(1)</sup>**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

	Attributable to owners of the parent			
	Non-Distributable		Distributable	
	Share Capital RM'000	Merger Deficit RM'000	Retained Earnings RM'000	Total Equity RM'000
<b><u>9 months ended 31 December 2023</u></b>				
<b>At 1 April 2023 (Audited)</b>	127,029	(85,789)	95,450	136,690
Dividend paid	-	-	(4,500)	(4,500)
Profit/ Total comprehensive income for the period	-	-	15,505	15,505
<b>At 31 December 2023 (Unaudited)</b>	<b>127,029</b>	<b>(85,789)</b>	<b>106,455</b>	<b>147,695</b>

	Attributable to owners of the parent			
	Non-Distributable		Distributable	
	Share Capital RM'000	Merger Deficit RM'000	Retained Earnings RM'000	Total Equity RM'000
<b><u>9 months ended 31 December 2022</u></b>				
<b>At 1 April 2022 (Audited)</b>	*(2)	-	(7)	(7)
Consideration for acquisition of subsidiary	93,789	(85,789)	85,441	93,441
Issuance of share	33,750	-	-	33,750
Share issuance expenses	(510)	-	-	(510)
Dividend paid	-	-	(4,000)	(4,000)
Profit/ Total comprehensive income for the period	-	-	10,559	10,559
<b>At 31 December 2022 (Unaudited)</b>	<b>127,029</b>	<b>(85,789)</b>	<b>91,993</b>	<b>133,233</b>

**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 Group's Audited Financial Statements for the financial year ended 31 March 2023 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

(2) \* Denotes less than RM1,000.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

	<b>Current</b>	<b>Preceding Year</b>
	<b>Year-To-Date</b>	<b>Corresponding</b>
	<b>31.12.2023</b>	<b>Year-To-Date</b>
	<b>RM'000</b>	<b>31.12.2022</b>
		<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
PBT	20,808	14,744
Adjustments for:-		
Amortisation of intangible assets	951	898
Depreciation of property, plant and equipment	2,055	2,215
Depreciation of right-of-use asset	53	-
Dividend income	(4)	(3)
Unrealised gain on foreign exchange	-	(73)
Fair value (gain) / loss on other investments	(29)	18
Loss on disposal of property, plant and equipment	96	-
Interest expenses	42	823
Interest income	(740)	(122)
<b>Operating profit before working capital changes</b>	<b>23,232</b>	<b>18,500</b>
<b>Changes in working capital:-</b>		
Inventories	3,655	19
Receivables	(7,493)	(1,784)
Payables	2,312	7,130
Trust receipts	226	-
<b>Cash generated from operations</b>	<b>21,932</b>	<b>23,865</b>
Income tax paid, net of refund	(5,702)	(3,018)
Interest received	740	122
Interest paid	(19)	(145)
<b>Net cash flows from operating activities</b>	<b>16,951</b>	<b>20,824</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received	4	3
Development expenditure	(588)	-
Liquidation of pledged fixed deposits	-	205
Purchase of property, plant and equipment	(987)	(1,207)
Purchase of right-of-use asset	(101)	-
Purchase of intangible asset	-	(22)
Proceeds from disposal of property, plant and equipment	204	-
Proceeds from disposal of quoted investment	158	-
<b>Net cash flows used in investing activities</b>	<b>(1,310)</b>	<b>(1,021)</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS <sup>(1)</sup>**  
**FOR THE PERIOD ENDED 31 DECEMBER 2023**

	<b>Current</b>	<b>Preceding Year</b>
	<b>Year-To-Date</b>	<b>Corresponding</b>
	<b>31.12.2023</b>	<b>Year-To-Date</b>
	<b>RM'000</b>	<b>31.12.2022</b>
		<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net proceeds from issuance of shares	-	33,240
Dividend paid (pre-IPO)	-	(4,000)
Dividend paid (post-IPO)	(4,500)	-
Drawdown of term loan	-	881
Drawdown of other borrowings	-	16,255
Interest paid	(23)	(678)
Repayment of term loans	(2,297)	(3,759)
Repayment of other borrowings	-	(29,855)
Net repayment of lease financing	(38)	-
<b>Net cash flows from financing activities</b>	<b>(6,858)</b>	<b>12,084</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>8,783</b>	<b>31,887</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	<b>54,967</b>	<b>15,676</b>
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b>63,750</b>	<b>47,563</b>
<b>Represented by:-</b>		
Deposits with financial institutions	49,200	-
Cash and bank balances	14,550	47,563
	<b>63,750</b>	<b>47,563</b>

**Notes:-**

- (1) The above Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 March 2023 as disclosed in the Annual Report and the accompanying explanatory notes attached to this interim financial report.

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**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING****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.

The interim financial statements should be read in conjunction with the Group’s Audited Financial Statements for the financial year ended 31 March 2023 as disclosed in the Annual Report. 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 2023.

**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 Group’s Audited Financial Statements for the financial year ended 31 March 2023 as disclosed in the Annual Report 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 periods beginning on or after
<i>Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback</i>	1 January 2024
<i>Amendments to MFRS 101 Presentation of Financial Statements: Non-current Liabilities with Covenants</i>	1 January 2024
<i>Amendments to MFRS 107 Statement of Cash Flows: Supplier Finance Arrangements</i>	1 January 2024
<i>Amendments to MFRS 7 Financial Instrument - Disclosures: Supplier Finance Arrangements</i>	1 January 2024
<i>Amendments to MFRS 121 The Effect of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025
<i>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</i>	Effective date yet to be confirmed

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

**A3. Auditors’ Report on Preceding Annual Financial Statements**

There was no qualification on the Audited Financial Statements of the Group for the financial year ended 31 March 2023.

**A4. Seasonal or Cyclical Factors**

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



**BETAMEK BERHAD**

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*(Incorporated in Malaysia)***A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)****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 31 December 2023.

**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**

There was no issuance, cancellation, repurchase, resale or repayment of debt and equity securities for the current financial quarter under review.

**A8. Dividend Paid**

	<b>Cumulative quarter</b>	
	<b>Current Year Year-To-Date <u>31.12.2023</u> RM'000</b>	<b>Preceding Year Year-To-Date <u>31.12.2022</u> RM'000</b>
In respect of the financial year ending 31 March 2024		
- Interim single-tier dividend of 1.0 sen per ordinary share	<u>4,500</u>	<u>-</u>

**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.

**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)**Revenue segmented by products

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b><u>Current Year</u></b>	<b><u>Preceding Year</u></b>	<b><u>Current Year</u></b>	<b><u>Preceding Year</u></b>
	<b>Quarter</b>	<b>Corresponding Quarter</b>	<b>Year-To-Date</b>	<b>Corresponding Year-To-Date</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Vehicle audio and video products	45,869	43,717	130,205	118,719
Vehicle accessories	13,350	11,009	35,807	31,040
	<b><u>59,219</u></b>	<b><u>54,726</u></b>	<b><u>166,012</u></b>	<b><u>149,759</u></b>

Revenue segmented by geographical market

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b><u>Current Year</u></b>	<b><u>Preceding Year</u></b>	<b><u>Current Year</u></b>	<b><u>Preceding Year</u></b>
	<b>Quarter</b>	<b>Corresponding Quarter</b>	<b>Year-To-Date</b>	<b>Corresponding Year-To-Date</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	59,219	54,726	166,012	149,759
	<b><u>59,219</u></b>	<b><u>54,726</u></b>	<b><u>166,012</u></b>	<b><u>149,759</u></b>

**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**

There were no other material events subsequent to the end of the current financial quarter under review.

**A12. Changes in composition of the Group**

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

**BETAMEK BERHAD**

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*(Incorporated in Malaysia)***A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134, INTERIM FINANCIAL REPORTING (CONTINUED)****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 31 December 2023.

**A14. Related Party Transactions Disclosures**

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

**A15. Capital Commitments**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>31.12.2023</b>	<b>31.03.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Contracted but not provided for:</b>		
Property, plant and equipment	<u>506</u>	<u>129</u>

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**BETAMEK BERHAD**

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*(Incorporated in Malaysia)***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	Year-To-Date	Corresponding
	31.12.2023	Quarter	31.12.2023	Year-To-Date
	RM'000	31.12.2022	RM'000	31.12.2022
		RM'000		RM'000
Revenue	59,219	54,726	166,012	149,759
GP	9,187	8,810	27,109	25,331
Profit before interest and tax	6,626	3,356	20,110	15,445
PBT	6,942	3,190	20,808	14,744
Profit after tax	5,045	1,655	15,505	10,559
Profit attributable to owners of the Company	5,045	1,655	15,505	10,559

In the current quarter ended 31 December 2023 and financial year-to-date, the Group reported revenue of RM59.22 million and RM166.01 million respectively. The Group's revenue was mainly attributed from the vehicle audio and visual products segment which accounted for RM45.87 million or 77.46% for the current quarter and RM130.21 million or 78.43% for the financial year-to-date. The Group's revenue was entirely derived from customers in Malaysia which contributed for 100% of the Group's total revenue.

The Group recognised PBT of RM6.94 million for the current quarter and RM20.81 million for financial year-to-date after deducting expenses which were mainly attributed to administrative and other operating expenses amounting to RM2.51 million for the current quarter and RM7.37 million for the financial year-to-date. The administrative expenses and other operating expenses mainly consisted of staff costs, depreciation, professional fees, licenses, utilities, loss on disposal of assets and amortisation of intangible assets.

**B2. Comparison with Immediate Preceding Quarter's Results**

	<u>Current Year</u>	<u>Current Year</u>
	Quarter	Preceding Quarter
	31.12.2023	30.09.2023
	RM'000	RM'000
Revenue	59,219	63,347
GP	9,187	9,960
PBT	6,942	7,555

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*(Incorporated in Malaysia)*

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

**B2. Comparison with Immediate Preceding Quarter's Results (Continued)**

The Group's revenue for the current quarter under review dropped slightly by RM4.13 million or 6.52% as compared to the immediate preceding quarter to RM59.22 million. The decrease resulted from the lower volume of sales to Perusahaan Otomobil Kedua Sdn Bhd ("**Perodua**") on some its car models. Majority of the revenue in the current quarter was contributed by the vehicle audio and video products at RM45.87 million (Preceding quarter: RM 50.70 million). The vehicle accessories segment meanwhile recorded an increase from RM12.64 million in the preceding quarter to RM13.35 million in the current quarter under review.

The GP margin for the current quarter remained stable at 15.51% as compared to 15.72% in the preceding quarter. The minimal drop in GP margin for the current quarter under review was mainly due to the prolong weaknesses of Malaysian Ringgit ("**MYR**") against United States Dollars ("**USD**") which remained consistently high in the range of MYR4.59 to MYR4.79 throughout the quarter.

The PBT margin also similarly remained stable at 11.72% for the current quarter under review as compared to 11.93% for the preceding quarter. The slight drop was attributable to the decrease of the GP margin as all other expenses remained similar to the preceding quarter.

**B3. Prospects of the Group**

On the back of a strong performance in the automotive industry, the Malaysian Automotive Association ("**MAA**") had on 16 January 2024, announced another record year in 2023 with sales at an all-time high of 799,731 units total industry volume ("**TIV**") which was 11% higher than the previous record set in 2022. MAA however expected the TIV to be moderated to 740,000 units for 2024 due to uncertain outlook on the global economy as a result of the ongoing geo-political tensions.

The International Monetary Fund meanwhile projected Malaysia's real gross domestic product (GDP) for 2024 to be at 4.3%, an increase from 4% expected to be recorded in 2023. This indicates that the general economic health will show improvement in 2024. Additionally, should Bank Negara Malaysia maintain its overnight policy rate at 3% throughout the year, the automotive industry could be expecting another strong performance in 2024.

With the lower TIV numbers forecasted by MAA, the Group remains cautious in facing prevailing uncertainties especially on the macro-economic factors which include the relative performance of MYR against the USD and other domestic and global economic environment.

The Group will continue to monitor the situation and take appropriate measures to safeguard its business and profitability. In views of the above, the Group is cautiously optimistic of its potential performance for the current and the succeeding financial year.

In terms of its future plans, the Group is currently implementing the following plans:-

- a) 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.

**BETAMEK BERHAD**

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*(Incorporated in Malaysia)***B. ADDITIONAL INFORMATION REQUIRED BY ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)****B3. Prospects of the Group (Continued)**

- b) 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 and also printed circuit boards (PCB) router and robotic soldering machines in order to improve the quality, efficiency and productivity. These software and robotic machines are expected to be up and running by the end this financial year.
- c) Through the MOU signed with Shenzhen Zhonghong Technology Co. Ltd., the Group expects to acquire and develop new technology, technical know-how and access to new resources and customer base which would improve the Group's future revenue growth.

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.

**B5. Taxation**

	<u>Current Year</u>	<u>Preceding</u> <u>Year</u>	<u>Current Year</u>	<u>Preceding</u> <u>Year</u>
	Quarter	Corresponding Quarter	Year-To-Date	Corresponding Year-To-Date
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Income tax expense				
- Current period	1,897	1,535	5,303	4,185
Effective tax rate (%)	27.33	48.12	25.49	28.38
Statutory tax rate(%)	<u>24.00</u>	<u>24.00</u>	<u>24.00</u>	<u>24.00</u>

The Group's effective tax rate for the current financial quarter under review and year-to-date is slightly above the statutory tax rate mainly due to expenses which are not deductible for tax purposes such as depreciation and amortisation.

**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)****B6. Status of Corporate Proposals**

Save for the disclosed below, there were no corporate proposals announced but not yet implemented as at the date of this interim financial report.

- (i) Update on the Status of Memorandum of Undertaking (“MOU”) entered into between Betamek Electronics (M) Sdn. Bhd. (“BESB”), a wholly-owned subsidiary of the Company and Shenzhen Zhonghong Technology Co. Ltd. (“Zhonghong”)

The Board had on 15 June 2023 announced that BESB had entered into a MOU with Zhonghong to develop and market innovative technology solutions for automotive industry and to create a joint entity that will leverage their respective strengths to maximize market penetration and profitability.

As at the date of this report, there has been no change since the last announcement made on 23 November 2023.

**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 proposed utilisation %	Actual utilisation RM'000	Balance to be utilised RM'000	Estimated timeframe for utilisation upon listing <sup>(1)</sup>
(i)	R&D - new product development	7,000	20.7	(2,224)	4,776	Within 36 months
(ii)	Expansion of R&D office space, raw material storage and ancillary facilities	6,500	19.3	(1,738)	4,762	Within 36 months
(iii)	Purchase of new process equipment <sup>(2)</sup>	3,000	8.9	(748)	2,252	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
		<b>33,750</b>	<b>100.0</b>	<b>(21,960)</b>	<b>11,790</b>	

**Notes:-**

- (1) From the date of listing of the Company.
- (2) The Group is of the view that the purchase of new process equipment may take until first quarter of 2024 to be fully utilised. The delayed in timeline is a result of unforeseen challenges including the constraints in equipment's long lead time and logistical issues which the Group required additional time to make the purchases.

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

**B8. Group borrowings and debts securities**

As at 31 December 2023	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
<u>Secured</u>			
Term loan	9,883	1,317	11,200
Finance lease	246	66	312
<b>Total</b>	<b>10,129</b>	<b>1,383</b>	<b>11,512</b>

**B9. Material Litigation**

There was no material litigation by/against the Group as at 31 December 2023.

**B10. Dividends**

The Board has declared a second interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ending 31 March 2024 with the entitlement date on 9 February 2024 and to be paid to shareholders on 23 February 2024.

The total dividends declared for the nine months ended 31 December 2023 is 3.0 sen per ordinary shares (FYE23 : 0.5 sen).

**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>
	Quarter	Corresponding Quarter	Year-To-Date	Corresponding Year-To-Date
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	RM'000	RM'000	RM'000	RM'000
Profit attributable to owners of the Company	5,045	1,655	15,505	10,559
Number of ordinary shares in issue ('000)	450,000	450,000	450,000	450,000
Basic EPS (sen) <sup>(1)</sup>	1.12	0.37	3.45	2.35

**Notes:-**

(1) Basic EPS is calculated based on the Company's share capital on 450,000,000 ordinary shares that was listed on the ACE Market of Bursa Securities.



**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)****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</u>	<u>Year-To-Date</u>	<u>Corresponding</u>
	<u>31.12.2023</u>	<u>31.12.2022</u>	<u>31.12.2023</u>	<u>31.12.2022</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>After charging:</b>				
Amortisation of intangible assets	317	317	951	898
Depreciation of property, plant and equipment	645	744	2,055	2,215
Depreciation of right-of-use asset	17	-	53	-
Fair value (gain)/loss on investment in quoted shares	3	(12)	(29)	18
Net (gain)/loss on disposal of property, plant and equipment	-	-	96	-
Interest expense on:				
- Term loan	7	160	23	441
- Revolving credit	-	77	-	237
- Trade financing	1	28	10	145
- Hire purchase	3	-	9	-
(Gain)/Loss on foreign exchange:				
- Realised	(292)	400	(125)	569
- Unrealised	-	(71)	-	(73)
<b>And crediting:</b>				
Dividend income	-	-	(4)	(3)
Interest income	(327)	(99)	(740)	(122)

**BY ORDER OF THE BOARD**  
**BETAMEK BERHAD**  
**24/01/2024**