



IPO STATISTICS

IPO Price (RM)	0.50
Fund Raised (RM million)	33.75 from new issue 22.50 from offer for sale <b>TOTAL: 56.25</b>
Enlarged issued share capital upon listing (million shares)	450.00
IPO Market Capitalisation (RM million)	225.00
Price Earnings Ratio (PER)	16.7x

Use of Proceeded (RM33.75 million from new issue)

Proceed Utilisation	RM million
R&D- new product development	7.00
Expansion of R&D office space, raw material storage and ancillary facilities	6.50
Purchase of new process equipment	3.00
Working capital	3.85
Repayment of bank borrowings	10.00
Estimated listing expenses	3.40

BUSINESS OVERVIEW

Business Activities

Betamek is principally involved in the provision of electronic manufacturing services (EMS) for the automotive markets predominantly in Malaysia, where the company undertakes design and development (D&D), procurement and manufacturing as well as after-sales services in respect of the assembly and production of fully assembled electronic products.

The company is involved in the D&D and manufacture of:

- Vehicle audio products and components comprising vehicle infotainment systems and audio video accessories (such as high-definition multimedia interface (HDMI) adapters and cables); and
- Vehicle accessories such as air conditioning control panels, Universal serial bus (USB) charges, mirror switches, switch clusters and power sockets

The Group has been working closely with PERODUA Group since 1994, to develop vehicle audio products and components for every vehicle model that has been launched. Through this symbiotic relationship, Betamek has established the following business arrangements with PERODUA Group:

- Joint R&D - discuss, design and develop solutions for PERODUA Group's vehicles
- Invitation to tender - being an approved suppliers and invited to submit tender proposals for the supply of vehicle electronics prior to the launch of a particular vehicle.

For its FY2022, 95% of its revenue was sourced from PERODUA Group

Research & Development (R&D)

Betamek's R&D efforts are aimed at supporting D&D of automotive electronic products, where:

- On an on-going basis, the Group develops new varieties of vehicle infotainment systems by improving the specifications such as Smart Device Link (SDL), telematics and e-call system, product design as well as recommending suitable materials;
- Sources innovative technologies and applies these technologies to its products;
- Continuously improves the efficiency and effectiveness of its production process and QC enhancement.

In addition, the Group also engages in joint R&D projects and studies with PERODUA Group and Daihatsu Motor Co Ltd (DMC) for new technologies and features, among other:

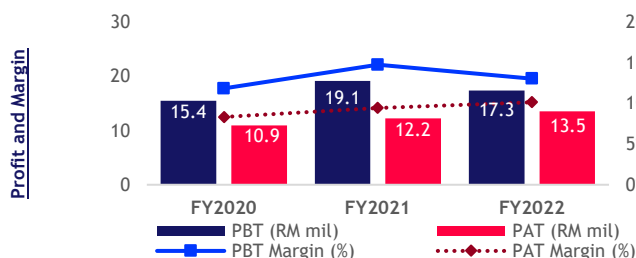
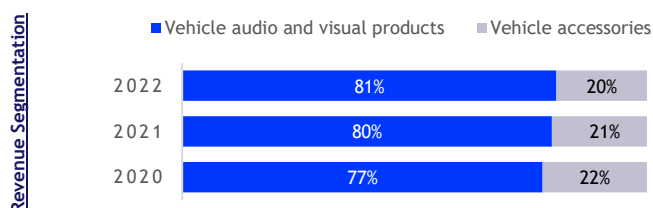
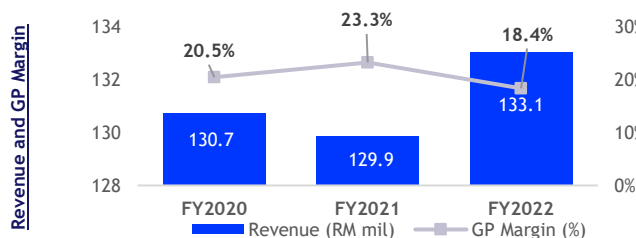
- Designs, validates, tests and fine-tunes engineering solutions and sample parts;
- Develops customised design of electronic parts; and
- Sources appropriate semiconductors, components and delivers the automotive electronics incorporating its engineering solutions and/or design

Betamek also collaborates with third party technology companies namely Shenzhen Zhonghong Technology Co Ltd and KPIT Technologies Pte Ltd to incorporate the latest and applicable technologies in its automotive electronic products. Following the collaboration, Betamek relaunched its vehicle entertainment system with its proprietary platform in 2021.

GROWTH STRATEGIES AND FUTURE PLANS

- Expand its product offerings through R&D activities through the following approaches:
  - Continue to improve its existing products through R&D activities to better meet its customers' evolving requirements and preference, as well as diversify its customer base. Other efforts include attending industry exhibitions and maintaining close communications with its customers, to keep abreast of the latest market intelligence and gain insights on the latest market trends and development.
  - Identify products segments that have growth potential, especially in relation to Advanced Driver Assistance Systems (ADAS), entertainment and connectivity, Internet of Things (IoT) and accessories of automobile.
- Enhance and upgrade its manufacturing facility as follow:
  - Expand R&D office space, raw material storage and ancillary facilities which entail the construction of a new 3-storey annexe building to upgrade its facilities in the Rawang factory.
  - Automation of manufacturing process to adopt aspects of Industrial Revolution 4.0 (IR4.0). This involves the use of automation, artificial intelligence (AI), IoT, real-time data, customised software and systems.
  - Purchase of machinery and equipment, namely X-ray inspection machine, ball grid array rework station, printed circuit boards (PCB) routers and robotic or automated soldering machines.

FINANCIAL PERFORMANCE & PEER ANALYSIS



Company	PAT Margin (%)	PER (x)
ATA IMS Berhad	Loss making	-
<b>Betamek Berhad</b>	<b>10.1</b>	<b>16.7</b>
V.S. Industry Berhad	6.0	21.7
EG Industries Berhad	1.3	17.4
MCE Holdings Berhad	Loss making	-

\* Selected peers listed on Bursa Malaysia as identified in the Independent Market Research Report. PAT margin based on prospectus. Trailing 12 month PER data from Bloomberg at time of research except for Betamek PER at IPO.

PROMOTERS & SUBSTANTIAL SHAREHOLDERS

Promoter/ Substantial Shareholder	Designation	Shareholding after IPO	
		Direct	Indirect
Iskandar Holdings Sdn Bhd	Promoter and substantial shareholder. Investment holding	72.0	-
Mirzan Bin Mahathir	Promoter and substantial shareholder. Managing Director	-	72.0

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