



# B E S H O M

THE BEST STARTS FROM HOME

**BESHOM HOLDINGS BERHAD**

Registration No. 202101001114 (1401412-A)

## 2025

BEYOND

# 50

**A Journey to Greater Heights**

ANNUAL REPORT 2025

## 1975



SEC 1

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## COVER RATIONALE *A Journey to Greater Heights*

For 50 years, Beshom / Hai-O has remained steadfast in its founding principles, achieving numerous extraordinary milestones. Our unwavering commitment to integrity, excellent product quality, and ethical practices has formed the foundation of our business. These core values will continue to guide the long-term development of our Group. Despite many changes over the decades, our commitment has never wavered.

For half a century, we have built upon our legacy while staying true to our original intention. As we journey on, we remain dedicated to upholding Hai-O's core values, paving the way for many more remarkable milestones.



# 5<sup>th</sup>

## ANNUAL GENERAL MEETING FOR BESHOM HOLDINGS BERHAD



**Date**  
25 September 2025  
(Thursday)



**Time**  
11.30 a.m



**Venue**  
Ballroom 1, Level 2,  
The Federal Hotel, Kuala Lumpur



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## CORPORATE PROFILE

### Our Corporate Journey

# Welcome to B E S H O M

Effectively following the conclusion of the internal reorganisation on 29 November 2021, the investment holding function and the operating business entities of the Group were officially segregated on 29 November 2021, where Beshom Holdings Berhad ("BESHOM"), the investment holding entity assumed the listing status of Hai-O Enterprise Bhd. ("HAI-O"). HAI-O and the other subsidiaries will continue to operate their existing businesses. BESHOM is a new home to the HAI-O's group of companies.

# B E S H O M

For Our People | 以人为本

For Our Livelihood | 安居乐业

For Our Future | 高瞻远瞩

For Our Legacy | 继往开来

Before BESHOM assumed the listing status, HAI-O was listed on the then Second Board of Kuala Lumpur Stock Exchange ("KLSE") in December 1996 and was successfully transferred to the Main Board of KLSE (now known as Main Market of Bursa Malaysia Securities Berhad) in 2007 reflecting the scale of the Group's achievement throughout the years.

We believe a clear demarcation of business activities will enable the respective business segments to monitor our operational risks more effectively. Our new corporate identity BESHOM, will allow the Group to achieve greater flexibility in management, reporting, and reorganisation of our businesses. The "HAI-O" brand name has been the Group's proud history and footprint in Malaysia and "HAI-O" brand name will remain as our key brand ambassador as a trusted traditional health food supplier.

## CORPORATE PROFILE

(continued)

### Our Business

From our origins as a retailer focusing on trading of Chinese medicated products since 1975, the Group has grown into one of the major suppliers of Chinese herbal products and medicated tonics to a large number of traditional Chinese medical halls and duty-free shops. Headquartered in Klang, Selangor, our businesses over the years have expanded to cover Multi-Level-Marketing ("MLM"), Wholesaling, Retailing and Manufacturing.



Retailer of Chinese medicated products since

1975

### What We Do

We market our products through our MLM, Wholesale and Retail networks. We carry more than 2,000 stock keeping units ("SKU") on a combined basis. Our business operations are supported by approximately 39,000 independent MLM distributors, over 2,000 wholesalers and retailers and 2 international certified manufacturing plants with certifications from ISO, HACCP, GMP, US FDA and one of them is also Halal certified by Jabatan Kemajuan Islam Malaysia (JAKIM). Today, HAI-O is one of the major suppliers of Chinese herbal products, medicated tonics, Chinese tea, cooking ingredients, health supplements, skincare, cosmetics, lifestyle and fashion merchandises.



Stock Keeping Units ("SKU")

>2000



Independent MLM Distributors

39,000



Wholesalers & Retailers

>2000



International certified manufacturing plants

2

### Geographical Presence

The Group operates primarily in Malaysia with a total of 85 business units, comprising 29 MLM branches, stockists and sales points across both Peninsular and East Malaysia as well as 1 branch in Brunei, and 56 retail chain stores and franchises, primarily located in the Klang Valley and with a foothold in all major states in Malaysia.



MLM branches, stockists and sales points

29



Retail chain stores and franchises

56



## GROUP 50-YEAR CORPORATE MILESTONES

1975



On May 1, 1975, Hai-O Enterprise Bhd. ("Hai-O") first opened its doors for business at Jalan Nanas, Klang. With a modest start-up capital of RM168,000, Hai-O began its journey as a retailer of Chinese patent medicines, herbs, and daily necessities, which formed the core of its early business.



1988



Hai-O Raya Bhd. was incorporated and launched its first retail outlet at Sun Kompleks (now known as Menara HAI-O) in Kuala Lumpur. Since then, the Hai-O retail network, including franchise outlets, has continued to expand and currently comprises more than 50 outlets nationwide.



1992

Hai-O ventured into MLM business with the establishment of Sahajidah Hai-O Marketing Sdn. Bhd. ("SHOM"). SHOM offers quality products and excellent business opportunities to prospective entrepreneurs.

Today, SHOM is one of the leading direct selling companies in Malaysia.



1993

SG Global Biotech Sdn. Bhd. ("SG Global") was established in 1993. It is the first Traditional Complementary Medicine (TCM) manufacturing plant awarded with Good Manufacturing Practice (GMP) Standards in Malaysia.

SG Global received the HACCP and the ISO 22000:2005 certification since 2012.



## GROUP 50-YEAR CORPORATE MILESTONES (continued)

### 1992

On December 4, 1992, the late Mr. Tan Kai Hee, the founder of Hai-O Group and the late Dato' Usman Awang, the National Laureate, jointly established Malaysia-China Friendship Association (PPMC) in support of the government's effort to strengthen bilateral relations between Malaysia and China.

The Group Managing Director, Mr. Tan Keng Kang, currently serves as the Secretary-General of PPMC.



Hai-O acquired Chop Aik Seng, a pioneer tea operator in Malaysia. "Aik Seng" is a time-honoured brand with over 80 years of history and has gained widespread market recognition in the Chinese tea industry.

### 1995

In October 1995, Hai-O acquired the ground to sixth floors of the commercial lot of the Sun Kompleks, spanning a total area of 86,721 square feet. The ground floor houses both the Hai-O chain store and the Peking Tongrentang retail TCM clinic. On the first floor, the My-Star Tea City & Activities Centre — a tea culture-themed lifestyle hub — was officially set-up in March 2015. The building was subsequently renamed as 'Menara Hai-O' in 2018.



### 1996 & 2007

Hai-O made history as the first traditional healthcare company to be listed on the Second Board of the Kuala Lumpur Stock Exchange ("KLSE") on December 6, 1996. The company was successfully transferred to the Main Board of KLSE (now known as Main Market of Bursa Malaysia Securities Berhad) on October 8, 2007.





## GROUP 50-YEAR CORPORATE MILESTONES

(continued)

### 1998

Wisma Hai-O - our corporate headquarters and business office was constructed in 1998. Wisma Hai-O was graciously inaugurated by the then Transport Minister, Tun Dr. Ling Liong Sik and Chinese Ambassador to Malaysia, H.E. Qian Jin Chang.



### 2009

Hai-O has officially launched the "Hai-O Foundation" to support the underprivileged, promote cultural activities and spearhead the Group's charitable activities. Hai-O introduced the "Hai-O Higher Educational Aid" program since 2014 with the aim of providing financial assistance to employees' children pursuing degree or postgraduate programmes at higher learning institutions.

Ai Hua Jiao Fund Raising Campaign – another CSR icon project initiated by Hai-O Foundation in collaboration with Sin Chew Daily since 2010. To-date, the Campaign has successfully raised RM152.7 million, allocated to 87 schools throughout Malaysia.



## GROUP 50-YEAR CORPORATE MILESTONES

(continued)

### 2007

Hai-O acquired 28 acres of land with 7 blocks of buildings at Jalan Kapar from BATA (M) Sdn. Bhd. for RM45 million. Part of the property is now housed for our MLM business headquarters and several blocks of buildings are rented out to generate rental income.



### 2007 - 2010

Hai-O was listed on Forbes Asia's "Best Under a Billion" list for 4 consecutive years (2007–2010), in recognition of the Company's outstanding performance and strong growth potential.



### 2010

Hai-O acquired a land measuring 118,422 sq ft with 2 single storey detached factory buildings and double storey office at Jalan Kapar, Klang for RM10.33 million. Currently, the property houses for our GMP manufacturing plant and warehouse.



### 2021

After 46 years, it is timely to undertake a reorganisation exercise, culminating in the transfer of the listing status from HAI-O to Beshom Holdings Berhad ("BESHOM"). BESHOM was built on a legacy of hard work and steadfast values since 1975, uploading our mission to enhance the well-being and quality of life for all.

**The Stock Name & Stock Code: BESHOM7668**





# CORPORATE INFORMATION

AS AT 4 AUGUST 2025

## BOARD OF DIRECTORS

### Ng Chek Yong

Chairman

Senior Independent Non-Executive Director

### Tan Keng Kang

Group Managing Director

Non-Independent

### Hew Von Kin

Group Executive Director

cum Group Chief Financial Officer

Non-Independent

### Professor Hajjah Ruhanas Binti Harun

Independent Non-Executive Director

### Foong Yein Fun

Independent Non-Executive Director

### Dato' Lee Teck Hua

Independent Non-Executive Director

## AUDIT COMMITTEE

### Dato' Lee Teck Hua

Chairman (Independent Non-Executive Director)

### Foong Yein Fun

Member (Independent Non-Executive Director)

### Professor Hajjah Ruhanas Binti Harun

Member (Independent Non-Executive Director)

## COMPANY SECRETARIES

### Cynthia Gloria Louis

(SSM PC No. 201908003061) (MAICSA 7008306)

### Chew Mei Ling

(SSM PC No. 201908003178) (MAICSA 7019175)

## AUDITORS

### KPMG PLT

(LLP0010081-LCA & AF 0758)

Chartered Accountants

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Stock Name / Code: BESHOM 7668

ISIN: MYL766800006

## REGISTERED OFFICE

Office Suite No.603 Block C,  
Pusat Dagangan Phileo Damansara 1,  
No.9, Jalan 16/11, Off Jalan Damansara,  
46350 Petaling Jaya,

Selangor Darul Ehsan, Malaysia.

Tel : 03-7890 0238

E-mail : general@ascendserv.com

## BUSINESS OFFICE

Wisma Hai-O, Lot 11995,  
Batu 2, Jalan Kapar, 41400 Klang,  
Selangor Darul Ehsan, Malaysia.

Tel: 03-3342 3322 Fax: 03-3342 8285

Website URL : www.beshom.com

E-mail : info@beshom.com

## SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd  
11<sup>th</sup> Floor, Menara Symphony,  
No.5 Jalan Prof. Khoo Kay Kim, Seksyen 13,  
46200 Petaling Jaya,

Selangor Darul Ehsan, Malaysia.

Tel : 03-7890 4700

Fax : 03-7890 4670

Email : BSR.Helpdesk@boardroomlimited.com

## PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad

Bank of China (Malaysia) Berhad

Public Bank Berhad

CIMB Bank Berhad

## ADVOCATES & SOLICITORS

Chooi & Company

Raja, Darryl & Loh

# GROUP CORPORATE STRUCTURE

of Main Operating Companies as at 4 August 2025

# B E S H O M

THE BEST STARTS FROM HOME

BESHOM HOLDINGS BERHAD



## WHOLESALE

- Hai-O Enterprise Bhd.
- Hai-O Medicine Sdn. Bhd.
- Kinds Resource Sdn. Bhd.
- Grand Brands (M) Sdn. Bhd.
- Chop Aik Seng Sdn. Bhd.



## MULTI-LEVEL MARKETING ("MLM")

- Sahajidah Hai-O Marketing Sdn. Bhd.



## RETAIL

- Hai-O Raya Bhd.
- Peking Tongrentang (M) Sdn. Bhd.



## MANUFACTURING

- SG Global Biotech Sdn. Bhd.
  - QIS Research Laboratory Sdn. Bhd.
- Yan Ou Holdings (M) Sdn. Bhd.
  - Yan Ou Marketing (Intl) Sdn. Bhd.



## OTHERS

- Hai-O Properties Sdn. Bhd.
- Hai-O Credit & Leasing Sdn. Bhd.
  - Sri Pangkor Credit & Leasing Sdn. Bhd.



## GROUP FINANCIAL HIGHLIGHTS

	2021 <sup>^</sup> (RM'000)	Financial Year Ended 30 April			
		2022 (RM'000)	2023 (RM'000)	2024 (RM'000)	2025 (RM'000)
Revenue	271,390	209,555	174,229	151,132	155,127
Gross profit	104,981	86,164	73,190	62,770	62,750
Gross margin	38.7%	41.1%	42.0%	41.5%	40.5%
Profit before tax	52,273	40,300	24,264	14,483	12,209
Profit after tax	38,921	28,927	16,775	10,979	8,323
Profit attributable to Owners of the Company	38,805	28,197	16,285	10,893	8,510
Net margin	14.3%	13.8%	9.6%	7.3%	5.4%
Total Assets	371,500	370,139	353,182	349,651	355,181
Total Liabilities	48,400	41,040	31,410	27,729	34,261
Share capital	157,256	312,978	312,978	312,978	312,978
Shareholders' equity	312,759	317,055	309,661	310,078	309,514

### Financial Indicators

Return on Shareholders' Equity	12.4%	8.9%	5.3%	3.5%	2.7%
Earnings per share (sen)#	13.39	9.46	5.43	3.63	2.84
Single Tier Dividend (sen)	9.0	8.0	5.0	3.0	4.0
Current ratio (times)	5.0	5.9	7.2	8.4	7.1
Net assets per share (sen)	108	106	103	103	103
Price earnings ratio (times)	16.13	17.01	21.75	25.07	25.70
Share Price as at the financial year end (RM)	2.16	1.61	1.18	0.91	0.73
Market Capitalisation as at the financial year end (RM'000)	648,643	483,166	354,122	273,094	217,575

#### Notes:

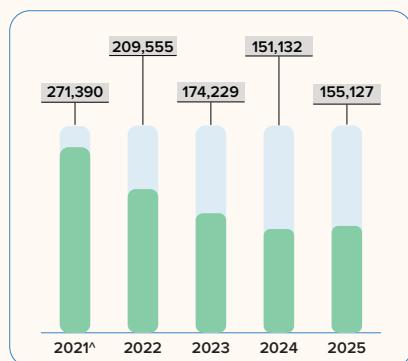
<sup>^</sup> FY2021 restated to include audited financial statements of Beshom Holdings Berhad for FY2021.

# Calculated based on weighted average number of shares in issue, net of treasury shares.

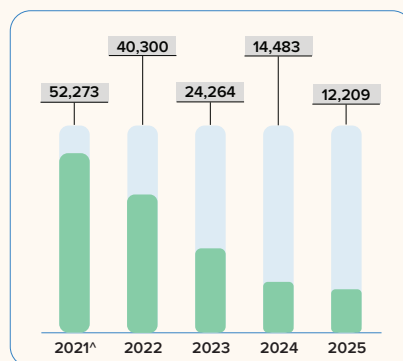
## GROUP FINANCIAL HIGHLIGHTS

(continued)

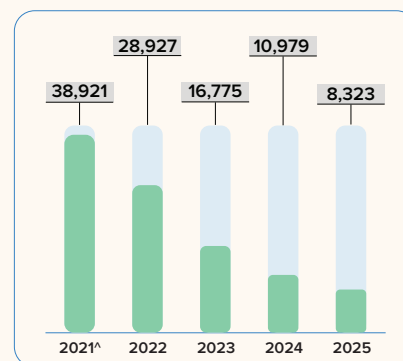
REVENUE (RM'000)



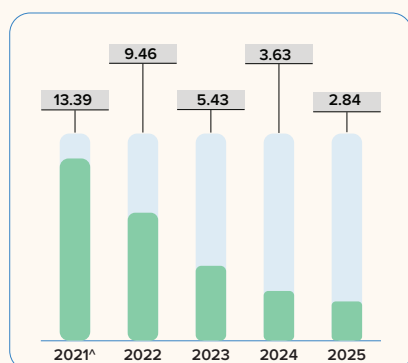
PROFIT BEFORE TAX (RM'000)



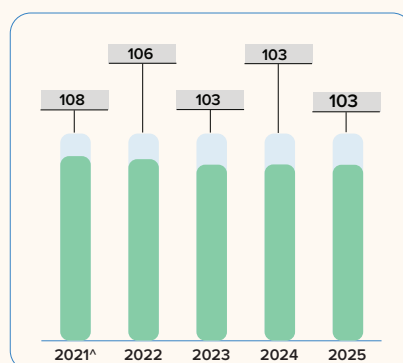
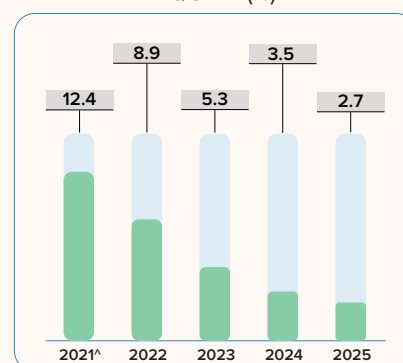
PROFIT AFTER TAX (RM'000)



EARNINGS PER SHARE (sen)



NET ASSETS PER SHARE (sen)

RETURN ON SHAREHOLDERS'  
EQUITY (%)**Note:**

<sup>^</sup> FY2021 restated to include audited financial statements of Beshom Holdings Berhad for FY2021.

Financial Year (FY)	Cash Dividends (RM'000)	Payout ratio
FY2016	28,972	79%
FY2017	41,629	70%
FY2018	58,176	80%
FY2019	37,745	80%
FY2020	29,013	90%
FY2021	26,584	68%
FY2022	24,008	83%
FY2023	15,005	89%
FY2024	9,001	82%
FY2025	11,979	144%
<b>10 years Cash Dividend (FY2016 - FY2025)</b>	<b>282,112</b>	<b>80%</b>



## BOARD OF DIRECTORS

**B E S H O M**  
THE BEST STARTS FROM HOME



### From left to right (Front):

**Tan Keng Kang**

Group Managing Director  
Non-Independent

**Hew Von Kin**

Group Executive Director cum Group Chief Financial Officer  
Non-Independent

**Ng Chek Yong**

Chairman  
Senior Independent Non-Executive Director

### From left to right (Back):

**Professor Hajjah Ruhanas Binti Harun**

Independent Non-Executive Director

**Dato' Lee Teck Hua**

Independent Non-Executive Director

**Foong Yein Fun**

Independent Non-Executive Director

## PROFILE OF THE BOARD OF DIRECTORS

### NG CHEK YONG

Chairman  
Senior Independent Non-Executive Director



68



Malaysian



Male

**Mr. Ng Chek Yong** completed his A Level at Cambridge Higher School Certificate, St. Patrick School, Kuching, Sarawak, Malaysia. Mr. Ng joined Chinese Media Industry in 1979 and has served the industry for more than 38 years until his retirement from Media profession in October 2017. He began his career as a reporter/ feature writer with See Hua Daily News in 1979. In 1988, he joined TO-DAY News Sabah as the Chief Reporter and then was recruited by Sin Chew Media Corporation Berhad (SCMC) as a reporter on 1 August 1988. He was appointed as a Director of SCMC from 2006 until his retirement. During 2012 up to October 2017, he served as Managing Director of SCMC, prior to his promotion, he was the CEO of Mulu Press Sdn. Bhd., a wholly owned subsidiary of SCMC from 2004 to 2012 and the Regional Editor of East Malaysia for Sin Chew Daily from 1997 to 2012.

Mr. Ng was the Executive Director of Media Chinese International Limited ("MCIL") from 1 March 2012 to 3 October 2017. MCIL was formed by

the merger of Ming Pao Enterprise (Hong Kong), SCMC and Nanyang Press Holdings ("NPH") dually listed on the Main Board of The Stock Exchange of Hong Kong and the Bursa Malaysia. He was the Chairman of the Group Executive Committee and a member of the Remuneration Committee during his executive directorship in MCIL. He was in-charge of the overall group operations of both SCMC and NPH in Malaysia and their overseas operations, including the media businesses in New York, Jakarta, Phnom Penh and Brunei Darussalam. Being in the Media Industry since the day he started his career, Mr. Ng is well versed in different means of mass communication and economic, cultural connectivity with the Chinese community. He has high level of awareness, familiarity and sensitivity to different views and life of the community, including the changes of habitual behaviour, ecosystem and trend. Mr. Ng is a literary veteran and also an active online analyst of politics, current affairs and market trend.

Mr Ng was appointed to the Board of BESHOM on 12 November 2021 as the Senior Independent Non-Executive Director following the establishment of new investment holding company of Hai-O Group of Companies in tandem with the transfer of listing status from Hai-O Enterprise Bhd. ("HAI-O") to BESHOM pursuant to the Group's internal reorganisation exercise. Mr. Ng was then appointed as the Chairman of BESHOM on 1 May 2022. He is also the Chairman of the ESOS Committee and a member of Sustainability Steering Committee. Mr. Ng is an Independent Non-Executive Director since he was appointed to HAI-O on 2 May 2019.

He has no family relationship with any other director or major shareholder of BESHOM.

He has not been convicted of any offence within the past five years. There was no public sanction or penalty imposed on him by any regulatory bodies during the financial year.

## PROFILE OF THE BOARD OF DIRECTORS

(continued)

### TAN KENG KANG

Group Managing Director  
Non-Independent



49



Malaysian



Male

**Mr. Tan Keng Kang** has attended the course in International Economics at Beijing University, China in 1997. He joined Hai-O Enterprise Berhad ("HAI-O") as an Operations Executive on 1 August 1998, mainly to support the operational activities of Hai-O's marketing arm.

On 1 May 2000, he was then promoted as a Sales Manager and Director of Chop Aik Seng Sdn. Bhd., a subsidiary of HAI-O dealing in tea and other beverages.

Mr. Tan was appointed to the Board of BESHOM on 12 November 2021 as Group Managing Director following the establishment of new investment holding company of Hai-O Group of Companies in tandem with the transfer of listing status from HAI-O to BESHOM

pursuant to the Group's internal reorganisation exercise. Mr. Tan is the Group Executive Director since he was appointed to HAI-O on 1 April 2012 and was appointed as Group Managing Director on 1 February 2016.

He is the Chairman of the Sustainability Steering Committee and a member of the ESOS Committee. He sits on the Board of Trustee of Yayasan Usman Awang, Tan Kah Kee Foundation, Hai-O Foundation and also a Director of Hai-O Enterprise Bhd. and Hai-O Raya Bhd. Currently, he also holds directorship in several private limited companies.

Mr. Tan is involved in the strategic planning at the Group level and manages the Group's operational

activities and oversees the business development of BESHOM Group.

Mr. Tan actively involved in various trade and non-trade associations. He is an Advisor to Puer Tea Trade Association, Malaysia-China Friendship Association (PPMC: Secretary - General), Tan Kah Kee Foundation (Vice President), China-Asean (Malaysia) Entrepreneurs' Association (Vice President), China Trade Promotion Association (Vice President) and also Vice President of Association of Belt and Road Malaysia.

He has not been convicted of any offence within the past five years. There was no public sanction or penalty imposed on him by any regulatory bodies during the financial year.

### HEW VON KIN

Group Executive Director cum Group Chief Financial Officer  
Non-Independent



63



Malaysian



Male

**Mr. Hew Von Kin** is the Group Chief Financial Officer of BESHOM Group and has been working with the Group for more than 30 years.

He is one of the key senior staff who is involved in the strategic planning and financial management of the Group. He has helped to grow and build the business over the years.

Mr. Hew is proficient in Finance & Accounting, Financial Investments, Investors Relations and Strategic Planning & Management. He has responsibly and effectively led his team to take on various corporate exercises, investment and acquisition projects for the Group.

He is also one of the key persons who develop and implement sustainability

strategies, oversee the risk management, succession planning, human capital development and promoting corporate responsibility related works for the Group.

Mr. Hew was appointed to the Board of BESHOM as Group Executive Director on 12 November 2021 following the establishment of new investment holding company of Hai-O Group of Companies in tandem with the transfer of listing status from Hai-O Enterprise Berhad to BESHOM pursuant to the Group's internal reorganisation exercise. He is the Chairman of the Risk Management Committee, a member of the Sustainability Steering Committee and ESOS Committee.

He is also the Group Executive Director of Hai-O Enterprise Bhd. since his

appointment on 1 February 2016 and sits on the Board of Trustees of Hai-O Foundation since 11 September 2014.

Mr. Hew is a member of the Chartered Institute of Management Accountants (CIMA).

He has no family relationship with any other director and major shareholder of BESHOM.

He has not been convicted of any offence within the past five years. There was no public sanction or penalty imposed on him by any regulatory bodies during the financial year.



## PROFILE OF THE BOARD OF DIRECTORS

(continued)

### PROFESSOR HAJJAH RUHANAS BINTI HARUN

Independent Non-Executive Director



74



Malaysian



Female

**Professor Ruhanas Harun** graduated with M.A from University of Sorbonne, Paris, post –graduate Diploma in Political Studies from Institut d’Etudes Politiques, Paris, a BA in International Relations and post graduate Diploma in Translation from the University of Malaya, Kuala Lumpur.

She is Professor at the Department of International Relations, Security and Law, Faculty of Defence Studies and Management, National Defence University of Malaysia (UPNM). She has taught extensively and held administrative posts at various universities in Malaysia and abroad. Amongst others, she has served as the Department Head of International and Strategic Studies, University of Malaya, the Department of International and Security Studies, Universiti Kebangsaan Malaysia (UKM), the Department of Strategic Studies, National Defence University of Malaysia, and was the Director of Centre for International and Strategic Studies, National Defence University of Malaysia. She is also a faculty member of the National Resilience College, Malaysian Armed Forces Defence College, and the Malaysian Armed Forces Staff College at PUSPAHANAS, Ministry

of Defence Malaysia. Ruhanas Harun lectures, researches and publishes in her areas of expertise which include foreign policy, national security, peace-building and regional integration.

Ruhanas Harun is currently Fellow at the Malaysian Institute of Defence and Security (MIDAS), Ministry of Defence Malaysia, and Honorary Professor and Associate Fellow at the National Institute of Ethnic Studies (KITA), Universiti Kebangsaan Malaysia, Bangi.

Apart from making her mark as an expert on Malaysia’s foreign policy and national security, Ruhanas Harun has also distinguished herself as Malaysia’s leading expert on Indo-China and Russia. Besides teaching and researching, she has translated books and articles from French into Malay. A qualified translator and a linguist, she speaks several languages including French, German and Vietnamese. She is also actively involved in community services and NGO, and is Vice President of an NGO, the Pertubuhan Perihatin Pelarian (Refugee Care Association). She has conducted significant research and published on migrants, foreign workers and refugee issues

in Malaysia. Her current interest also extends to international relationship and networking in governance and climate change issues.

Ruhanas Harun was appointed to the Board of BESHOM on 12 November 2021 as an Independent Non-Executive Director following the establishment of new investment holding company of Hai-O Group of Companies in tandem with the transfer of listing status from Hai-O Enterprise Bhd. (“HAI-O”) to BESHOM pursuant to the Group’s internal organisation exercise. Ruhanas Harun is an Independent Non-Executive Director since she was appointed to HAI-O on 2 July 2018. She is the Chairperson of the Nominating Committee, a member of Audit Committee and Remuneration Committee.

She has no family relationship with any other director of major shareholder of BESHOM.

She has not been convicted of any offence within the past five years. There was no public sanction or penalty imposed on her by any regulatory bodies during the financial year.

## PROFILE OF THE BOARD OF DIRECTORS

(continued)

### FOONG YEIN FUN

Independent Non-Executive Director



**Ms. Foong Yein Fun** was appointed to the Board of BESHOM on 1 March 2024 as an Independent Non-Executive Director. She is the Chairperson of the Remuneration Committee, and a member of Audit Committee, Nominating Committee and Risk Management Committee.

She began her career as an auditor at PricewaterhouseCoopers ("PWC") from 1985 to 1992, during which she also completed her accountancy articleship. She served as an Accounting Supervisor at Arthur Andersen for about a year before she joined AmlInvestment Bank's Corporate Finance Department in 1993. She remained with AmlInvestment Bank until November 2023 and her last held

position was Team Head / Senior Vice President of Corporate Finance. Presently, she works as a corporate advisor at a boutique finance management and advisory firm.

She has extensive experience in finance management and investment banking across diversified industries such as retail and distribution, manufacturing, plantations and logistics. Throughout her career as an investment banking adviser, she has been involved in a wide range of corporate finance advisory services and execution of corporate exercises. These include initial public offerings, mergers and acquisitions, major disposals, equity fundraising, corporate restructuring, general offers, and minority advice.

She is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA). Additionally, she is a member of the Institute of Corporate Directors Malaysia (ICDM) since June 2023.

She has no family relationship with any other director or major shareholder of BESHOM.

She has not been convicted of any offence within the past five years. There was no public sanction or penalty imposed on her by any regulatory bodies during the financial year.

### DATO' LEE TECK HUA

Independent Non-Executive Director



**Dato' Lee Teck Hua** graduated with Bachelors of Arts in Accounting and Finance from University of Strathclyde, Glasgow, United Kingdom in 1994 and completed his Association of Chartered Certified Accountants (ACCA) examination in 1996 from London. He is a Fellow member of the ACCA and members of both Malaysian Institute of Accountants (MIA) and Malaysian Institute of Certified Public Accountants (MICPA). He is also a certified member of Financial Planning Association of Malaysia.

Dato' Lee was attached with PricewaterhouseCoopers ("PWC") from 1997 to 2000 in both taxation and audit assurance divisions. He has been in public practice since then and he is currently the Senior Partner with LTTH PLT, a Chartered Accountants firm. He is also an Audit Oversight Board registered auditor under the purview of Securities Commission.

Dato' Lee has many years of experience in audit and finance, including statutory and special audit for acquisition and restructuring exercise for various industries. He is currently a Director of China Construction Bank (Malaysia) Berhad, and Globaltec Formation Berhad, both listed on Main Market of Bursa Securities. He is also a Director of Peoplelogy Berhad, a Company listed on ACE Market of Bursa Securities.

Dato's Lee was appointed to the Board of BESHOM on 19 July 2024 as an Independent Non-Executive Director. He is the Chairperson of the Audit Committee and a member of the Nominating Committee, Remuneration Committee and Risk Management Committee.

Dato' Lee actively involved in various non-Governmental organisations. He is the Vice Chairman of The Malaysia

Xiang Lian Charity Foundation and a Central Committee Member of The Federation of Chinese Association of Malaysia (Huazong). He is Deputy Secretary General of the Associated Eng Choon Societies of Malaysia, Vice President of Selangor Eng Choon Association, Executive Committee Member of China Jilin Province Overseas Friendship Association, and Committee Member of China Fujian Province Federation of Overseas Chinese.

He has no family relationship with any other director or major shareholder of BESHOM.

He has not been convicted of any offence within the past five years. There was no public sanction or penalty imposed on him by any regulatory bodies during the financial year.

#### Notes:

1. The details of the Directors' shareholdings in the Company and its subsidiaries are disclosed on page 158 of this Annual Report.
2. The details of the conflict of interest with the Company and its subsidiaries are disclosed on page 85 of this Annual Report.

## PROFILE OF THE KEY SENIOR MANAGEMENT

**B E S H O M**  
THE BEST STARTS FROM HOME



From left to right:

**Philip Teo Kheng Leong**  
General Manager

**Hew Von Kin**  
Group Executive Director cum  
Group Chief Financial Officer  
Non-Independent

**Tan Keng Kang**  
Group Managing Director  
Non-Independent

**Tham Yoke Lon**  
General Manager



## PROFILE OF THE KEY SENIOR MANAGEMENT

(continued)

### THAM YOKE LON

General Manager



56



Malaysian



Male

*Sahajidah Hai-O Marketing Sdn. Bhd.  
(Multi-Level Marketing segment)*

**Mr. Tham** graduated with a Bachelor of Arts (Mass Communication) from Universiti Kebangsaan Malaysia in 1995.

He joined Sahajidah Hai-O Marketing Sdn. Bhd., the Multi-Level Marketing segment of BESHOM as the Senior Marketing Manager on 1 February 2012. He was then appointed as the Assistant General Manager on 1 June 2014 and thereafter promoted as the General Manager on 1 January 2016.

Prior to joining BESHOM Group, he was attached with several private limited companies involved in the retailing and direct selling business. He is a member of the Direct Selling Association of Malaysia (DSAM).

He has no family relationship with any other director or major shareholder of the Company.

He has not been convicted of any offence within the past five years. There was no public sanction or penalty imposed on him by any regulatory bodies during the financial year.

### PHILIP TEO KHENG LEONG

General Manager



47



Malaysian



Male

*Hai-O Raya Bhd.  
(Retail segment)*

**Mr. Philip Teo** graduated with a Diploma in Hospitality Management from Stamford College in 1998 and Professional Certificate in Engineering (Computer / Telecommunication) from Informatics College, Malaysia in 2001.

He joined Hai-O Raya Bhd., the Retail segment of BESHOM as the Retail Operation Executive on 16 May 2005 and thereafter was promoted as the Retail Operations Manager and General Manager of Retail segment on 1 July 2011 and 1 July 2017 respectively.

Prior to joining BESHOM Group, he has gained working experience in administrative and operations of retail businesses and fast-food chain companies for more than 2 years.

He has no family relationship with any other director or major shareholder of the Company.

He has not been convicted of any offence within the past five years. There was no public sanction of penalty imposed on him by any regulatory bodies during the financial year.

## BRAND STORY

We believe in the importance of a good start, which underscores our motto of

*"The Best Starts From Home"*



### For Our People 以人为本

Making wellness and healthcare products more accessible has and will always be our goal.

我们为每个人提供便捷可信的健康保健产品, 这个承诺永不改变。

### For Our Livelihood 安居乐业

A platform to enhance the quality of life by giving support and opportunities.

我们精心设计一应俱全的平台, 为您提供支援, 替您创造机会, 让每一个人享受安居乐业的成果。



### For Our Future 高瞻远瞩

Improve the well-being of humankind through innovative healthcare and technology.

通过崭新的医疗保健科技, 改善人类健康, 勇于创新, 未来可期。

### For Our Legacy 继往开来

Building a world based on trust, values, integrity and sustainability for the future generations.

建立一个融合信任、价值、诚信和永续发展概念的企业, 继往开来, 承先启后、延续美好。



## CHAIRMAN'S STATEMENT



**NG CHEK YONG**  
Chairman

***“As we celebrate BESHOM Group's 50<sup>th</sup> anniversary in 2025, our commitment endures: “delivering sustainable growth and long-term value for generations” ”***

### Dear Shareholders,

For 50 years, the success of our Group is accredited to a trusted household name, known for delivering high quality and value for money products to homes across the country. Beshom Holdings Berhad (“BESHOM” or “Company”) and its subsidiaries (“BESHOM Group” or “Group”) is the bearer of the well-known brand “Hai-O”, and is recognised for bringing long-term value to our stakeholders. As we celebrate BESHOM Group's 50<sup>th</sup> anniversary in 2025, our commitment endures: “delivering sustainable growth and long-term value for generations”.

It is my pleasure to present our Annual Report for the financial year ended 30 April 2025 (“FY2025”) on behalf of my fellow team of Directors and to provide you with an overview of the Group's performance for the past financial year. In recent years, we have witnessed a series of economic disruptions, from rising interest rates and geopolitical uncertainties to the most recent tariffs shocks, all of which resulted in challenging trading conditions. Throughout 2024/2025, market conditions remained mixed. While central banks began shifting toward interest rate cuts

in response to the overall global economic slowdown, global growth remained uneven, and geopolitical uncertainty continued to be a reality we navigated daily. Despite these challenges, our Group's objective held firm - delivering sustainable value to our shareholders and the Group continued to record a profit for FY2025.

Domestically, several policy reforms were rolled out by the Government in 2024/2025. These included higher water tariff rates, adjustments to the Sales and Services Tax and the implementation of targeted subsidies for diesel. It has been a challenging year for BESHOM Group and for many businesses in Malaysia especially in the retail sector, as recessionary-like economic conditions creating a tough operating environment amid rising inflationary pressures. Lower consumer and business confidence impacted consumer spending and intensified competitive pricing pressure. Despite resilient top-line performance, the Group's profit for FY2025 saw a modest decline, as adjustments to the increased cost base required more time to take full effect.

### OVERVIEW OF FY2025 FINANCIAL PERFORMANCE

The financial performance of FY2025 was flat as compared to the financial year ended 30 April 2024 (“FY2024”). The Group's revenue increased marginally by RM4.0 million at RM155.1 million (FY2024: RM151.1 million) but recorded a profit before tax of RM12.2 million (FY2024: RM14.5 million), representing a drop of 15.7%. In addition to higher operating cost, the Group's profitability was also affected by the higher cost of sales, which impacted the gross profit of the Group. Gross profit margin decreased by 1% from 41.5% in FY2024 to 40.5% in FY2025. The higher effective tax rate for FY2025 further impacted the profit recorded for the year from RM10.9 million in FY2024 to RM8.3 million in FY2025. The lower effective tax rate in FY2024 was primarily due to over provision in the prior year.

Generally, the Group's major business segments in multi-level marketing (“MLM”), Wholesale and Retail contributed to the marginal increase in the Group's revenue for FY2025. However, in terms of profitability, Wholesale and Retail segments were affected by changes in product mix and high operating costs respectively. MLM segment was able to withstand profit pressures through proactive cost management initiatives.

Please refer to the section “Management Discussion and Analysis by our Group Managing Director” (“MD&A”) for the summary of operations, activities, detailed financial performance of the Group's major business segments. To gain a broader contextual appreciation of our business, the MD&A should be read together with the Sustainability Statement 2025 and Corporate Governance Statement as enclosed in this Annual Report.



CHAIRMAN'S  
STATEMENT

(continued)



Celebrating 50 years together – “A Journey to Greater Heights”

In terms of balance sheet strength, the equity attributable to equity holders of the parent as at 30 April 2025 was at RM309.5 million (FY2024: RM310.1 million), which is equivalent to a net assets (“NA”) per share of RM1.03 (FY2024: RM1.03). The NA of the Group was supported by total assets at RM355.2 million (FY2024: RM349.7 million), with total liabilities at RM34.3 million for FY2025 (FY2024: RM27.7 million). The shareholders’ equity of the Group has remained largely unchanged since financial year ended 2023 as BESHOM distributed most of the profits earned for the last 3 years in the form of cash dividend during the respective financial years after taking into account the Group’s working capital requirements.

In FY2025, the Group has leveraged on bank borrowings to finance a purchase of a shop lot for the Retail segment. Liquidity remained ample for FY2025 with cash and cash equivalents, and other investments of financial assets in unit trusts amounted to RM92.6 million as at 30 April 2025 (FY2024: RM103.7 million). Although there is a slight decrease in cash held as at 30 April 2025, the Board of Directors (“Board”) is of the view that the cash position of the Group remains adequate to capture new opportunities while sustaining the operations of the Group’s business.

**CONSISTENT DIVIDEND PAYMENT**

We remain committed to maintaining financial strength and flexibility but at the same time seek to return excess reserves to shareholders. The Company’s dividend policy of distributing dividends with a payout ratio of not less than 50% of the Group’s profit after taxation serves as a guiding reminder for the Group to achieve profitability for sustainable returns to shareholders. While navigating through this time of uncertainty, the Board continued to support dividend declaration and payment after careful assessment of capital sufficiency and cashflow required for operations.

For FY2025, a single tier interim dividend of 1.5 sen per share amounting to RM4,497,196 was declared. The first single tier

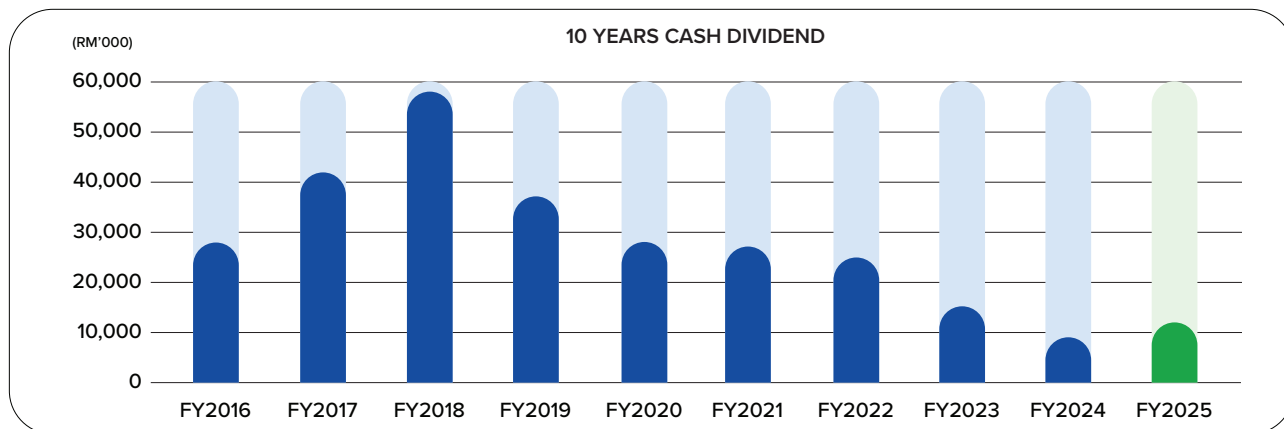
interim dividend was paid on 17 March 2025. Together with the proposed final single tier dividend of 1.5 sen per share and a special single tier dividend of 1.0 sen per share to be approved by our shareholders at the forthcoming Annual General Meeting (“AGM”), a total dividend of 4 sen was declared for FY2025, which is higher than the dividend declared for FY2024 of 3 sen. The special single tier dividend of 1.0 sen per share was proposed by the Board in celebration of BESHOM 50<sup>th</sup> Anniversary in 2025 to thank our shareholders for your loyalty and continuous support to the Group. The total dividends of 4 sen for FY2025 represents a dividend payout ratio of more than 140%.

**FUTURE FOCUS**

By embracing a culture of learning and adaptation, we strive to implement meaningful and impactful changes. In alignment with our strategic and capital allocation priorities, we continued to simplify the way we work to strengthen the discipline of cost optimisation. We aim to drive greater efficiency across our business to reset our cost base to a more sustainable level, while continuing to invest in our future growth engines, such as product expansion and widen product distribution networks effectively.

Statistically, the Malaysian economy registered commendable growth in 2024, along with moderate inflation. Despite challenges from the global macroeconomic environment, Malaysia’s economy performed well in 2024. The economy recorded a stronger growth, expanding by 5.1% (2023: 3.6%) on the back of robust domestic demand with strong investments, as well as a rebound in exports. Domestic inflation moderated in 2024 against a backdrop of easing global cost conditions and the absence of excessive demand pressures. Both headline and core inflation averaged 1.8% for the year (2023: 2.5% and 3% respectively). (Source: Bank Negara Malaysia (“BNM”) Annual Report 2024) Nonetheless, despite the improved economic backdrop, the industry in which we operate continued to face persistent challenges from factors including softening demand trends and cost pressures.

## CHAIRMAN'S STATEMENT (continued)



10 years Total Cash Dividend

**>RM280 million**



10 years Average Cash Dividend  
payout ratio

**80%**

Malaysia's economy remains on a strong footing and is projected to grow between 4%–4.8% in 2025. Domestic demand has been resilient and will continue to support growth going forward. Favourable labour market conditions, particularly in domestic-oriented sectors, and policy measures will continue to underpin private consumption. Headline inflation is projected to remain moderate, averaging between 1.5% and 2.3% in 2025. Inflationary pressure from global commodity prices is expected to remain limited, contributing to moderate domestic cost conditions. (Source: Press Statement by BNM dated 24 July 2025 titled "Malaysia's economy remains on a strong footing and is projected to grow between 4% – 4.8% in 2025")

As we look ahead, we know that challenging economic conditions will persist in the near term. Staying ahead means being decisive — strengthening our product offerings, expanding distribution platforms, deepening partnerships, and doubling down on areas where we have a clear edge,

while maintaining a rigorous approach to risk management amid heightened uncertainty. We are cognisant of the headwinds currently facing the business including impact of the expansion of SST, which led to some upward price pressures for certain categories of consumer goods and services and the continued softness in consumer spending. We will remain disciplined in our approach and will make changes as appropriate, to navigate these headwinds.

Broadly, to boost sales in the Wholesale and Retail Segments, the Group is reviewing and assessing the effectiveness of the current sales incentive scheme to motivate sales personnel and outlet supervisors. On-going efforts will be focused on product development for all the 3 business segments with the aim to expand product offerings and formulating a more effective product mix that complements sales across all channels through closer collaboration, interaction and sharing of customer insights.



A momentous occasion with our distributors, celebrating the promotion of Sales Managers (SM) and Senior Sales Managers (SSM).



CHAIRMAN'S  
STATEMENT

(continued)



*The fresh new look at our Retail outlet in Bandar Mahkota Cheras.*

Advertising and marketing which is an essential part of our business will be undertaken in a more structured manner with greater communication between business segments to achieve the desired outcomes while maintaining cost efficiency. As the bottom line of the Group is highly correlated to cost, cost management will remain a key focus for the next financial year. Our management team will closely monitor this area to ensure that we remain both proactive and responsive in maximising the deployment of our resources.

The Board and management are working at pace to implement various strategic business plans aims to enhance performance supported by strong collaboration and commitments at all levels. We are pleased to be building on strong foundations which we believe this will further strengthen resilience across all our business segments. Our journey has brought us a long way from where we began, and I am confident that with the right values and above all, the right team of people, we are well positioned for the future.

#### LEADERSHIP CHANGES

The Board and its committees, together with the senior management team, play a key role in delivering long-term returns to our shareholders. The effective execution of our strategy depends on high quality deliberations around the boardroom table, with active participation and meaningful contributions from all Directors.

On behalf of the Board, I would like to express our gratitude to Mr. Soon Eng Sing, who stepped down as an Independent Non-Executive Director with effect from 1 December 2024 after serving the Group for a term of 9 years, in line with the Board Charter. Along with Mr. Soon's resignation, he relinquished his roles as the Chairman of the Audit Committee and Remuneration Committee and as a member

of Nominating Committee. The Board now comprises 6 Directors, the majority (66.7%) of whom are Independent Non-Executive Directors who play crucial role in corporate governance in providing objective oversight and ensuring transparency and accountability.

#### SUSTAINABILITY AGENDA

Sustainability remains at top of our business agenda and we are collaborating closely with our stakeholders and setting sustainability targets across our business segments. I invite our shareholders to refer to the Sustainability Statement 2025 as part of this Annual Report for the Group's integrated sustainability and climate-related disclosures.

#### APPRECIATION AND ACKNOWLEDGEMENT

On behalf of the Board of Directors, we would like to recognise the hard work and commitment of our colleagues, who remain committed to supporting our business segments. I would also like to thank our customers, suppliers, and all our partners for their ongoing support throughout the year. Finally, a special word of thanks to our shareholders, as I know many of you have shown great loyalty to the Group for an extended period — not just during the past 12 months.

Thank you.

**NG CHEK YONG**  
Chairman

19 August 2025



# MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR

"In 2025, our Group celebrates its 50<sup>th</sup> anniversary, marking five decades of market presence in Malaysia. This milestone reaffirms our commitment to delivering high-quality, value-for-money products to our customers and creating sustainable value for our shareholders whose support will remain vital in the years ahead."

**Tan Keng Kang**  
Group Managing Director



This MD&A shares the operating and financial performance of the business of Beshom Holdings Berhad (“**BESHOM**” or “**Company**”) and its group of subsidiaries (“**BESHOM Group**” or “**Group**”) for the financial year ended 30 April 2025 (“FY2025”). The MD&A discusses the Group’s performance followed by detailed discussion of each segment’s performance and activities.

The information provided is in a summary form and does not purport to be complete as of the date of this Annual Report. Where appropriate, information is also provided in relation to activities that have occurred after FY2025. The MD&A is not intended to constitute and should not be relied upon as advice to shareholders or potential investors and does not consider the investment objectives, financial situation or needs of any investors. These should be considered with or without professional advice, when deciding if an investment is appropriate.

The MD&A may contain forward-looking statements or opinions including statements regarding our intent, beliefs or current expectations on the market conditions, and results of operations and financial conditions with respect to BESHOM Group’s business. Such statements are usually predictive in nature, may be based on assumptions made or

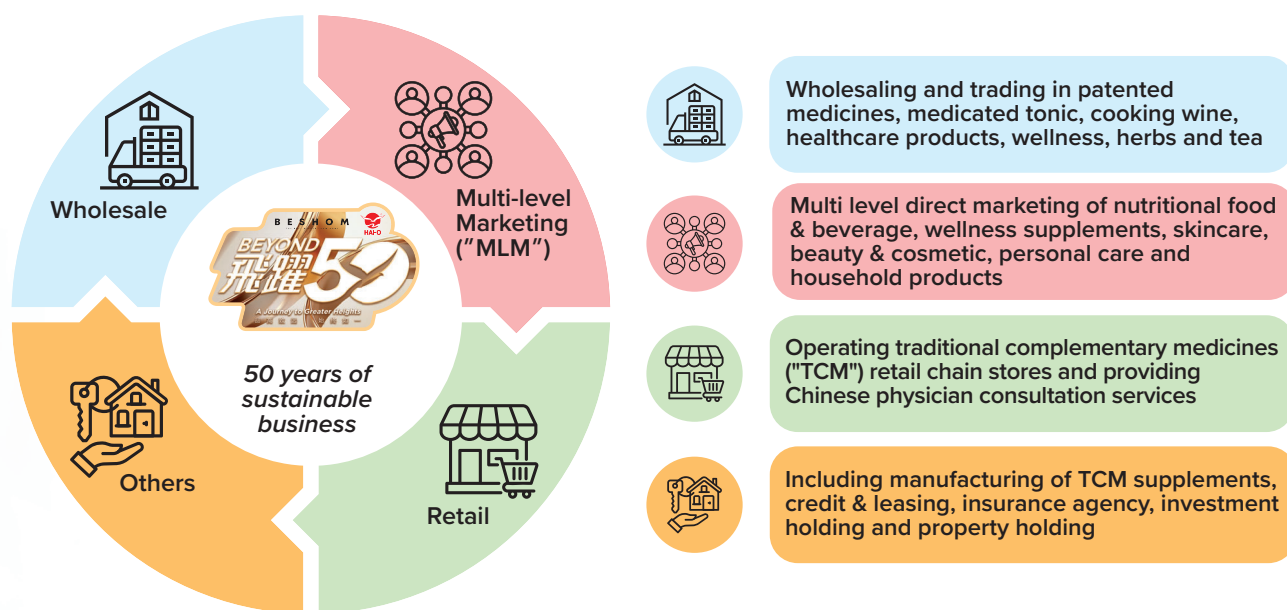
subject to unknown risks and uncertainties, which may cause actual results to differ materially from the results ultimately achieved. Readers are therefore cautioned and advised not to place undue reliance on any forward-looking statements.

For the FY2025, BESHOM Group’s business operations remained largely unchanged where our businesses segregated into 3 major business segments in Multi-Level Marketing (“**MLM**”), Wholesale and Retail. There are varying levels of integration between these segments, including sales and shared distributions services. Other businesses operated by the Group include manufacturing, credit & leasing, investment and property holding. Our “Hai-O” brand has built a deep connection with consumers as a trusted traditional health food supplier for 50 years. In 2025, our Group celebrates its 50<sup>th</sup> anniversary, marking five decades of market presence in Malaysia. This milestone reaffirms our commitment to delivering high-quality, value-for-money products to our customers and creating sustainable value to our shareholders whose support will remain vital in the years ahead.

FY2025 continued to be affected by elevated uncertainty amid heightened geopolitical tensions. The prolonged armed conflicts between Russia and Ukraine, as well as the

## MANAGEMENT DISCUSSION & ANALYSIS ("MD&A")

BY GROUP MANAGING DIRECTOR (continued)



Israel-Hamas war, which triggered the ongoing Red Sea crisis, further exacerbated the situation. These global developments, coupled with domestic policy adjustments such as higher utility tariff rates, Sales and Services Tax ("SST") amendments, and the implementation of targeted subsidies, have contributed to inflationary pressures, economic uncertainty, and subdued consumer sentiment. In this volatile macroeconomic and geopolitical environment, BESHOM remained especially vigilant in managing risks. Throughout the year, we managed price pressures and stay operationally agile to sustain sales and profitability. By leveraging our strong business fundamentals and exercising cost discipline and risk management, we navigated through these challenging times and concluded the financial year profitably.

### FINANCIAL REVIEW OF FY2025

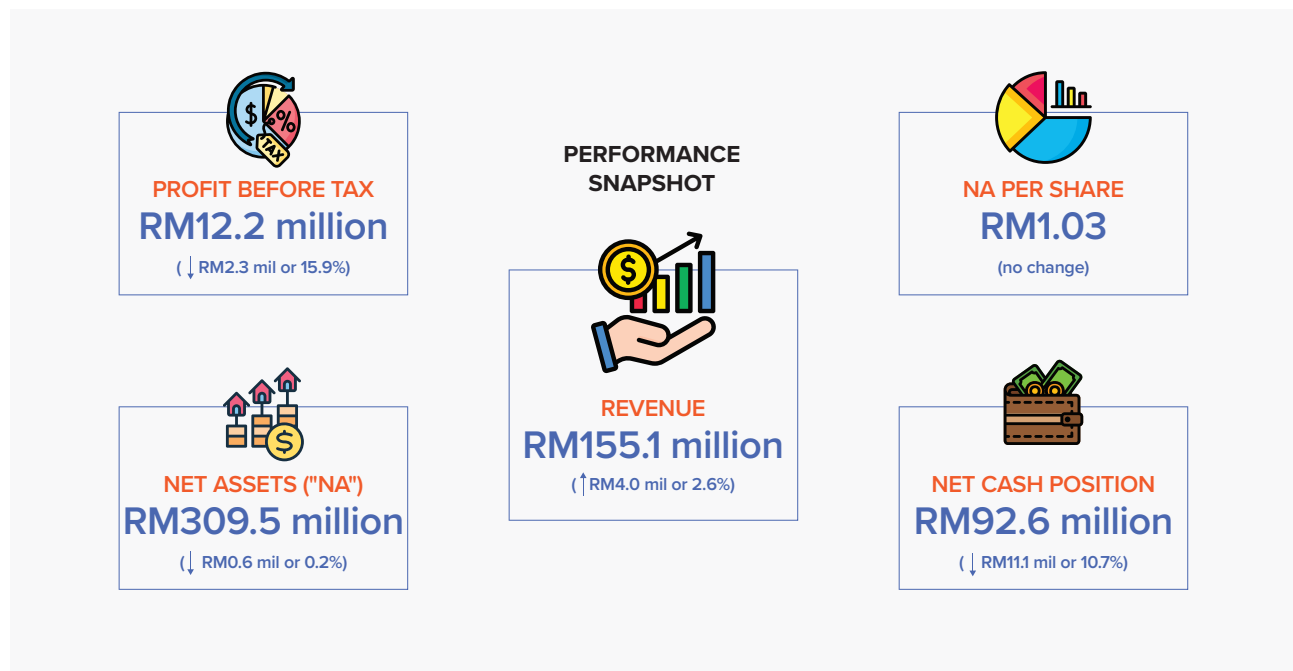
The geopolitical and macroeconomic headwinds continued to affect the businesses of the Group. Sector-specific challenges such as inflation and subdued consumer spending weighed on the Group's top-line performance and overall profits. Despite an uncertain macroeconomic backdrop, BESHOM delivered resilient financial performance for FY2025. All business segments recorded an

improvement in revenue bringing the total revenue of the Group to RM155.1 million (FY2024: RM151.1 million), an increase by approximately 2.6% as compared to the previous financial year. Our business segments in MLM, Wholesale and Retail each charted a modest increase in revenue of between 2% to 3.0%. Despite an improvement in revenue, our businesses were impacted by rising costs. The gross profit margin for FY2025 moderated from 41.5% in FY2024 to 40.5% in FY2025.

The impact of cost pressures extended beyond direct input costs, affecting other indirect operating expenses, particularly within the Retail segment. Although we proactively implemented various cost management initiatives and practiced cost discipline across all business levels, our businesses were affected by higher import cost and the increase in personnel and rental costs. We recorded profit before taxation ("PBT") of RM12.2 million for FY2025 which represents a reduction of 15.9% against previous year PBT of RM14.5 million. Profit of the year attributable to the owners' of the Company is RM8.5 million for FY2025 which reduced by 21.9% as compared to last financial year.

## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)



### STRONG BALANCE SHEET

Despite a modest results achieved for FY2025, we maintained a prudence approach to capital management. We have strong liquidity where our total current assets is RM189.7 million against a total current liabilities of RM26.6 million as at 30 April 2025. The consolidated net assets (NA) of the Company or the equity attributable to owners of the Company as at 30 April 2025 was at RM309.5 million (FY2024: RM310.1 million), supported by total assets of RM355.2 million (FY2024: RM349.7 million) and total liabilities of RM34.3 million (FY2024: RM27.7 million). The major component of the Group assets is in the form of cash and cash equivalents and other investments of financial assets in unit trusts amounted to RM92.6 million as at 30 April 2025 (FY2024: RM103.7 million), which is aligned to our business activities which are mostly transacted on a cash basis.

Borrowings remained low at RM4.9 million as compared to our assets and equity despite a term loan to finance a purchase of a shop lot for FY2025. The credit facilities available to the Group are to meet short-term working capital and trade purposes. We continue to enjoy significant financial flexibility as and when we need to tap on the debt market for any potential investment opportunity.

We have a 50-year track record as stewards of shareholders' capital. Over the past 5 decades, our Group grows progressively while striving our best to improve return on equity. This is clearly demonstrated by our high dividend payout ratio for the past years. Despite the industry wide challenges, for FY2025, BESHOM declared an interim dividend of 1.5 sen and proposed a final and special dividend of 1.5 sen and 1.0 sen respectively totalling 4 sen for the FY2025, representing more than 140% payout ratio. As long as our business and financial fundamentals permit, BESHOM Group remains committed to balance growth ambitions and provide sustainable returns to shareholders.

The Group's overall financial performance for FY2025 reflects our persistent efforts to deliver returns to our shareholders amid a tepid economic backdrop and cautious consumer spending. The rising cost of living continued to weigh on consumers, while global geopolitical uncertainties caused ripple effects on both business and financial performance.



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

### REVIEW OF OPERATIONS



#### MLM Segment

For FY2025, the MLM segment contributed about 35% and 36% of the total revenue and PBT respectively generated by the Group. Sahajidah Hai-O Marketing Sdn. Bhd. (“SHOM”) operates the businesses of multi-level direct marketing of nutritional food & beverages, wellness, skincare, beauty & cosmetic, personal care and household products. The products under the MLM segment are distributed to members via our wide online and offline distribution networks through 29 physical stores in the form of branches, stockists and sales points across Peninsular and East Malaysia, and 1 branch in Brunei. The MLM segment has also set-up a Members Portal dedicated to members serving as a platform for sales and a central hub for up-to-date information on the company, products, promotional activities, and compliance updates.

In FY2025, the MLM segment recorded a total revenue of RM53.5 million (FY2024: RM52.0 million) and PBT of RM4.4 million (FY2024: RM1.5 million). This sale performance was driven by various strategies implemented throughout the financial year. Along with the improvement in revenue, the MLM segment PBT improved by more than 190% as compared to FY2024, which was primarily contributed by the improved gross margin and ongoing cost management initiatives.

Recognising that subdued consumer spending is likely to persist in FY2025, the MLM segment has implemented various strategic initiatives, including **talent capability management, effective marketing campaigns, expansion of network, product mix enhancement and cost optimisation.**



#### REVENUE

**RM53.5 million**

Segment contribution : 35%



#### PROFIT BEFORE TAX

**RM4.4 million**

Segment contribution : 36%

#### Talent Capability Management

The financial and operational performance of the MLM segment for FY2025 is the result of the hard work from our management team and our respectable team of approximately 39,000 distributors as at end of FY2025, based across Malaysia. We remain humbled by the team's dedication to keep pace with the exceptional tough market. In FY2025 our investment in distributors focused on trainings initiatives aimed at retaining, developing, and enriching our distributors' network, following dynamic assessments carried out during the year. Acknowledging that our membership force is the backbone of the business, we remain committed to enhancing our distributors' capabilities as the MLM segment continues to grow in scale and maturity.



**Dynamic assessments** – The MLM segment started the year with a series of comprehensive assessments to evaluate the skills and quality of leaders and to address areas for improvement aimed at strengthening team relationships and effectiveness. The dynamic assessments were conducted in the form of workshops, offline and online trainings, capitalising on SHOM's internal resources and the expertise of CDMs who possess a deep understanding of our business culture, while also managing training costs. These workshops incorporated coaching, mentorship, and training activities aimed at fostering leadership development. The dynamic assessments were instrumental in evaluating leadership effectiveness and sales performance across our networks.

These assessments enabled us to identify teams that met or exceeded their targets, as well as those that faced challenges. The findings highlighted specific areas for improvement, including refining leadership styles and addressing motivational needs. This allowed us to tailor our support more effectively to help distributors overcome obstacles and drive stronger sales performance moving forward.

## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)



*Distributors actively engaged at the CDM Conference 2025 with inspiring motivational training.*

In addition to harnessing internal capabilities, we also collaborated with external professionals, including certified trainers and subject matter experts, to conduct specialised workshops and symposiums throughout the year. These sessions enriched our training ecosystem by offering fresh insights, expert guidance, and holistic development opportunities. This combination of internal leadership and external expertise helped ensure our distributor network remained agile, well-equipped, and future-ready in a rapidly evolving market.

**Structured rewards and incentives system** – Alongside the dynamic assessments, we continued to enhance the MLM segment's reward and incentive systems to maintain market competitiveness, aiming to retain and motivate distributors to pursue sales proactively. We introduced Founder's Legacy Diamond Award 2025 for Diamond level rank and Million Dollar Achiever Board Award 2025 for highest ranking distributors to foster performance

and group success. The Founder's Legacy Diamond Award 2025 focused on empowering our second-line leaders i.e. the Diamond Sales Managers (DSM) and Double Diamond Managers (DDM) to stimulate market growth and accelerate their development. This campaign served as a strategic pathway to groom and elevate the distributors towards achieving our highest leadership ranking, the Crown Diamond Manager (CDM), ensuring leadership continuity and long-term business sustainability.



*The Incentive Trip Achievers to Bali, Indonesia, following their success in meeting the sales target.*

The MLM segment continued to adopt travel incentive programs to drive sales, and bonus travel points were accorded for packages for the individual groups and leaders respectively. For travel incentives targets and packages specifically designed for special purposes, the teams successfully achieved their goals and earned incentive trips to Hanoi, Bali and Tokyo during FY2025.



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

**Talent retention** – For FY2025, we achieved a total membership base of 39,000, which comprised 11,600 new members. This achievement was partly supported by the attractive membership fee of only RM10, making it more accessible for new and returning members. To further enhance value to our members, members were also given exclusive privileges to purchase selected food and beverage (F&B), wellness, beauty, skincare, and personal care products at attractive prices through our purchase-with-purchase (PWP) program — a move that encouraged product trial and experience. In addition, to create a positive first impression for new joiners, we streamlined the membership onboarding process, particularly by making the registration procedures more welcoming during events, roadshows, exhibitions and ground activation activities.

**Members / Distributors development** – As the years before, members / distributors development remained an on-going effort for our team, covering topics involving products knowledge, up-to-date ethics and compliance practices, and skill set training. For effectiveness of the development

program, we appointed dedicated managers to review and enhance training structures, segregating the training programs into 2 main categories: basic and leadership. As part of our continuous effort to strengthen product knowledge and sales competency, we conducted a series of 360 Thera Body Shaping Consultant (BSC) Workshops across Central, Northern, East Coast and East Malaysia. Hands-on tools such as mannequins and testing sets were used to enhance learning and allow real-time product experience. The workshops also served as a platform to promote the 360 Thera Starter Package, featuring the complete product series. In addition to these workshops, we also run weekly 360 Thera Insights Zoominars to continuously upskill our distributors. These sessions covered topics from the product knowledge to leadership development and business success stories, aimed at strengthening distributor’s knowledge, and to promote motivation and engagement.

While distributors development program usually focuses on enhancing the capabilities of the existing members, it also helped in recruiting high quality distributors. This was achieved through our Business Opportunities Programs at stockist and branches that would sharpen existing members acumen in business opportunities while attracting high-quality prospective members to join our MLM networks during product introduction workshops and promotional activities.



*Distributors actively participating in the BSC Workshops across Central, Northern, East Coast, and East Malaysia.*



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

### Effective marketing campaigns

In FY2025, our marketing activities were executed through nationwide initiatives designed to enhance brand visibility, support distributor engagement, and increase consumer outreach. Participation in key events such as Jom Heboh, the International Islamic Trade & Tourism Expo, and Absolut Bazaar Raya provided platforms to showcase our products to a wider group of audiences. In addition, workshops and themed programs—including Beauty Day, BSC sessions, and the Infinence Skin Series were carried out to strengthen product understanding and customer interaction while building brand affinity and drive product experience. The MLM marketing campaigns planned for the year were complemented by tactical promotions including Women’s Day Flash Sales, the B-XTRA 5.0 Revamp Campaign, and the Awesome Raya Campaign.



*Participated in exhibitions locally and abroad, including the Brunei Consumer Fair and MIHAS.*

### Expansion of network

One of the key growth opportunities for the MLM segment lies in expanding our global presence. Over time, supported by our localisation strategy, we endeavour to increase our business contribution from emerging markets. Expansion of international footprint was done through participation in exhibitions held locally and abroad, these includes participation in 2 Brunei Consumer Fairs and MIHAS (“Malaysia International Halal Showcase”) Exhibition. Through the market intelligence collected during these fairs, we successfully expanded our reach to Pakistan and Philippines. We will continue to develop more products with a local identity to cater for overseas markets.

During FY2025, we have successfully expanded our payment network to include the Buy Now Pay Later option through partnership with Atome. Currently, only a few big-ticket items such as the 360 Thera products, AiryVentz, Bio Velocity Sleep Mate and Bio-Evolve come with the Atome instalment payment option. This strategic expansion of payment option has gained traction among the members with more than 800 transactions recorded with sales value of approximately RM1.0 mil transacted via this payment option. We will consider to expand the payment options to more products in the future.

### Enhancement of Product Mix

Enhancement of product mix and development was driven by 2 primary objectives — to increase product visibility and to reignite consumer interest in our existing products through innovative upgrades. A total of 11 new stock keeping units (SKU) were introduced during the year, including Thera Socks, 360 Pro-Shake Protein Drink, Nurich Garlic Enteric Coated Tablet and SHOM Peanut Bar Crunch.

In the skincare & cosmetic range of products, several new SKUs were launched under the brands Cozuma and Infinence, such as Cozuma LushVelvet Lipstick, True Matte Blush Stick, Shape Shifter Contour Stick, Cozuma Natural Skin Tint and the Infinence Radiance Ritual Collection — comprising Deep Hydration Elixir, Aqua Repair Masque, and Radiance Renew Essence. These introductions served both as replacements and extensions to our existing range of cosmetics and skincare series, aligning with our strategy to offer a more complete and functional routine. Notably, the enhancement of the Infinence skincare lineup now enables us to present a comprehensive basic skincare regime to consumers, capturing purchases for the entire basic skincare routine and further strengthening our competitive edge in the skincare category.

## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)



### Cost Optimisation

The reopening of economies post-COVID-19 crisis saw a recovery in demand, resulting in significant inflationary pressures globally and locally. Although the MLM segment closed the financial year with marginal increase in revenue for FY2025, the scale of improvement in profitability in the MLM segment was more encouraging. While price adjustment for 5 products has helped to improve profitability, nonetheless, the better-than-expected profit level achieved by the MLM segment is primarily contributed by the continuing cost management initiatives undertaken during the year. Cost optimisation efforts were undertaken at all levels operationally, including reduction in personnel cost, improvement in inventory and logistics management, and product cost control through reduction in packaging cost and sourcing for suppliers which offer lower cost of supply. In terms of cost rationalisation from marketing and promotion activities, cost savings were achieved through sharing of costs with business partners for events and exhibitions.

The reduction in personnel cost is the most significant savings achieved by the MLM segment where employees are repurposed to take on different functions within the Group. Concurrently, the initiatives for inventory management and logistics management saw positive impacts through reducing stock holding and maintaining a healthy stock balance. Inventory management also benefited us to avoid unexpected rise in logistics expenses through better order planning. As we had experienced a substantial increase in transportation cost in the past during peak seasons, we worked on advance planning for promotional activities and systemised delivery schedule to reduce costly air freight especially for shipments to East Malaysia. We also made free delivery adjustments for eligibility in term of minimum orders and order dates, where we continue to support our distributors to share delivery charges with delivery fees capped at RM10 for qualifying purchases made after the 26th of each month, eliminating unconditional free delivery incentive during the year.

## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)



### Wholesale Segment

It has been a challenging year for the Wholesale segment. The Wholesale segment contributed about 38% and 34% of the total Group’s revenue and PBT respectively for FY2025.

The Wholesale segment focuses on wholesaling and trading in Chinese medicated tonic and cooking wine, healthcare & nutrition products, general & value herbs, tea & others. For FY2025, the Wholesale segment recorded revenue of RM59.4 million (FY2024: RM58.3 million) and a PBT of RM4.1 million (FY2024: RM8.5 million). Despite the Wholesale segment managed to maintain the revenue level as recorded in the prior financial year, the segment PBT dropped by approximately 51.8%. The results of the Wholesale segment were primarily affected by changes in sales mix and higher costs incurred for import purchases and marketing & branding activities.

The Wholesale segment navigated the evolving market terrain and shifting consumer spending patterns during the financial year with strong commitment. Strategic plans were implemented to drive growth and address ongoing challenges, particularly the rising operating costs and margin squeeze from higher cost of import purchases and changes in product mix. During the year, several factors have contributed to the performance setback under the Wholesale segment, including the drop in sale contribution from the duty-free distribution channel and the lower sales recorded for higher margin products such as medicated tonic and vintage tea. Along with the Group’s 50<sup>th</sup> Anniversary celebration, the Wholesale segment incurred higher advertising and promotional expenses in FY2025 to support branding activities and customers appreciation events.



#### REVENUE

**RM59.4 million**

Segment contribution : 38%



#### PROFIT BEFORE TAX

**RM4.1 million**

Segment contribution : 34%

The strategies implemented by the Wholesale segment can be grouped into 3 main components, i.e. strategy to drive **revenue growth, cost optimisation and entrenched digital adoption**. Among the strategies implemented, focus was largely on driving revenue growth where various activities including reinforcing brand visibility through sales events, products focus and development, and network expansion that were undertaken throughout the year.



### Revenue growth initiatives

#### Reinforcement of brand visibility

One of our main approaches to revenue growth is organising sales events throughout the year to reinforce brand visibility. Over 15 events were held during the year, varying in scale and format to meet different objectives. 2 major events took place at the event venue in Genting Highlands, namely the Pagoda Festive Night and the Hai-O Appreciation Night. These are customer engagement events to strengthen communication and brand awareness in preparation for future expansion of product portfolio. For the Hai-O Appreciation Night, we cooperated with business partners of medicated tonics to foster co-brand cooperation and to promote cross selling opportunities. We are confident that these events will extend customer recognition of our products and brands, creating positive associations and perceptions of the brands’ quality and overall experience.



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)



*Pagoda Festive Night—celebrating with our customers while building stronger relationships and brand awareness.*

Smaller scale activities with deeper social ties were also organised, such as on-ground roadshows and exhibitions which were held in collaboration with events organised by business partners. These included the Miss Asia and Mr Asia Competition 2024, the 10th International Conference on Traditional Complementary Medicines at National Institute of Health, the 21st Anniversary Celebration of Klang Youzhi Club as well as an annual dinner held by Tan & Pantai Klang Association in Klang, Selangor.

Besides, ticket-based events were organised as platforms for product experiences. 3 such events were held during the year, allowing customers to enjoy their food paired with a variety of Japanese whiskies. The customers could also buy or place orders for the whiskies they enjoyed during the events.



*The rebranding and launch of a new Osami Plum Wine flavor at Hai-O Appreciation Night in March 2025.*

### Product focus and development

Product focus and development was actively pursued as a key component of the revenue growth strategy. We started this action plan by identifying our top 40 products to track and monitor its product movements and stock levels. 10 market surveys were conducted to seek feedback on market trends, pricing and product range. Following these market surveys, we rebranded and re-packaged some products including the Lingzhi Chiew, Yang Sheng Chiew, Wincarnis, Hua Diao, Osami and 5 Inno Reno house brand products.

## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

In term of product development, our focus was on the development of fast-moving consumer goods (FMCG) which targeted on health food products such as the Kinds Welgrains-- Hericium Erinaceus, Iron Yam powder; Chinese Yam-Coix Seed-Euryale Ferox Seed powder; Five Black Soybean Milk powder, and Esenz Fruit Essence (Red Goji Berry and Black Goji Berry). Complementing our health food products, we also rolled out various health beverages including the Kinds Premix Cham and Ice Lemon Tea, Yu Yuan Tang Monk Fruit & Chrysanthemum, Misai Kucing Burdock Tea and Jiagulan Ginseng Tea.

### Market expansion through resources integration

In addition to promotional activities, and product enhancement, the Wholesale segment had reassessed internal processes to promote revenue growth. This initiative was achieved through resource integration among subsidiaries within the Group such as product development with our manufacturing arm - SG Global Biotech Sdn. Bhd. and joint product promotion campaign with our retail operator, Hai-O Raya Bhd.. These initiatives yielded positive impact, especially on our hamper sales where we achieved better hamper forecast to minimise stock variance and product returns. As a result, together with Hai-O Raya Bhd., we achieved an encouraging sale increase for Chinese New Year (“CNY”) hamper sale of RM1.8 million, representing an increase by 50% as compared to the previous financial year. With proactive strategic plans in place, the main subsidiary under the Wholesale segment – Hai-O Enterprise Bhd. also successfully expanded its customer base to more than 50 new customers which included a significant sales contribution for a newly introduced wellness products of over RM9.0 million in FY2025.

### Entrenched digital adoption

Recognising the secular shift toward digitalisation in business operations, resources were allocated to further entrench digital adoption within the Wholesale segment’s business and operational processes. This involves developing social media strategies, creating engaging content, managing online branding visibility, and deepening customers adoption. Promotional videos were uploaded on a regular basis on our official website and other social media platforms to create continuous engagement with customers. Various festive promotions, online exclusive free gift campaigns, and contest activities were featured across our multiple online channels. Key Opinion Leaders (KOLs) were engaged to synchronise with these activities to amplify their impact and drive business growth.



One of our ticketed events showcasing the experience of Japanese whiskies.



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

We have started to adopt QR codes on our product packaging in stages, where QR codes have been incorporated for new product packaging and will be added to our existing products packaging progressively to bridge the gap between offline and online marketing efforts and to provide relevant product information to our customers. Our warehouse system using barcode system were being implemented in full swing during the year. This new system will enhance stock management including traceability and minimise stock variance, shorten processing time and improve logistics planning. To facilitate staff's familiarity of this new warehouse system, we developed a structured training plan after assessing their training needs. We provide ongoing support for our warehouse and logistic staff including gathering feedback for continuous improvement.

### Cost optimisation

The action plans for cost optimisation were largely leveraging on digital adoption under the Wholesale segment. With our upgraded SAP ordering system, 99% of our sales are now performed through the SAP ordering portal, minimising paperwork and reducing human resources for paperwork processing. The online ordering portal streamlines order management, and improves efficiency in term of accuracy, hence saving time and resources. Through the SAP ordering system, we also minimise the use of paper ordering forms and hard copy invoices. We have moved towards utilising e-catalogue more regularly instead of printed catalogue to provide products information to our customers. Our ordering tablets are updated monthly to reflect new product launching and provide up-to-date pricing information, expected stock availability, and detailed product information. In addition, the Group reorganised its resources with the upgraded warehouse management system, which improves inventory control to optimise storage utilisation. As a result, excess storage space was freed up and subsequently rented out, generating additional rental income for the Group.





## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)



### Retail Segment

The Retail segment contributed approximately 23% of the total Group's revenue but recorded a segmental loss for FY2025. The retail business of the Group is operated under Hai-O Raya Bhd. through its 56 retail chain stores and franchises in major states across Malaysia. Our brick-and-mortar stores are primarily located in Klang Valley (43%), followed by Southern Region (29%) and Northern Region (21%). We also have 1 retail store in East Coast and 3 physical stores in East Malaysia. During the financial year, we added 2 retail stores in Klang Valley and Southern Region. Customers can access our retail portfolio through a wide range of business networks including official website and 3rd party platforms.

The Retail segment recorded a segment revenue of RM35.5 million (FY2024: RM34.7 million), which represents an approximately 2.3% improvement. However, due to higher operating costs, the Retail segment posted a loss of RM0.4 million as compared to a profit before tax of RM0.5 million in the past financial year. The higher operating costs were attributable to an increase in personnel expenses, particularly employees' overtime expenses following the implementation of the higher minimum wage during the year and in line with the general increase in wage levels across the retail industry. Additionally, profitability of retail segment was further affected by rental costs which had increased by approximately 5% as compared to previous financial year and the higher sales commission charged by 3rd party marketplace such as Shopee and Lazada. Higher advertising and promotion expenses were incurred for the CNY Sale campaigns, but in return we posted good sale records for our CNY hampers.



### REVENUE

**RM35.5 million**

Segment contribution : 23%



### LOSS BEFORE TAX

**RM0.4 million**

Segment contribution : Nil



Since the COVID-19 crisis, the Retail segment has experienced prolonged changes that have greatly altered conventional buying patterns and created new consumer behaviours. These shifts have had a wide range of impacts on lifestyles and accelerated the adoption of digital technologies that support the new normal. The role of physical stores is anticipated to evolve through integration with the online purchasing process, as the trend toward a seamless merging of online and offline models continues. The Retail segment was also impacted by economic factors with subdued consumer spending and rising cost of operations in many areas, from salaries to rental, transportation to product costs. All of which have adversely impacted the profitability of the Retail segment. Although the Retail segment posted a loss for the financial year under review, we are confident that we can turnaround the situation with pre-emptive cost management measures in the future.



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

In response to the challenging business environment, the Retail segment has implemented the following strategic initiatives:



### ADVERTISING AND PROMOTION

1. In-store carnivals and roadshows
2. 5 key promotion campaigns mix



### VALUE-ADDED SERVICES

1. Free TCM consultation campaigns
2. Informative health talks



### PRODUCT

1. Rebrand, brand refresh and redesign
2. New product launching



### PEOPLE

1. Retail sales kits for key products
2. New house brands incentive framework

**Advertising and promotion** – As part of the efforts to increase foot traffic in our retail stores, we focused on offering a series of promotions and sales campaigns aimed for short-term win and building medium-term momentum. We identified 3 outlets in Teluk Intan, Batu Pahat and Kuantan to participate in the in-store carnivals and roadshows which could be implemented quickly and yield immediate results. The Retail segment not only met the sale performance set but doubled the sales target during these in-store carnivals and roadshows. 5 key promotion campaigns were carried out to increase or sustain footfall to our physical retail stores. These included the Cordyceps Promotion, Member Privilege Sale, Stock Clearance Sale, Year End Sale and CNY Sale. Among these promotional campaigns, the CNY Sale Campaign was carried out with the support of a 3rd party branding consultant, through which a series of promotional activities and events were rolled out 2 months ahead leading up to CNY. As part of the campaign, we participated in roadshows at various prime locations,

including TRX Shopping Mall, One Utama Shopping Mall, Urban Fresh @ Setia City Mall, Gama Supermarket in Penang and Sutera Mall in Johor. Cross-segment collaboration with the Wholesale segment intensified the sales drive, and contributed to an increase in CNY hamper sales by the retail segment. Hai-O Raya Bhd. recorded approximately 12% increase in CNY hamper sales to RM3.3 million or more than 13,000 units in FY2025.

We remain committed to putting our customers first and have made steady progress over the years to serve them better. The Hai-O Friendship loyalty programme continues to strengthen, with an increase of 15% growth in members for FY2025. This was the outcome of 2 strategic initiatives, the members' referral program and exclusive members events with business alliances and partners. We began harnessing our customer data collected through our loyalty programme, to refine our product assortment and revamp our house brands and digital strategies.



Good response from customers at our in-store carnivals and roadshows.



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

E-commerce growth has been a multi-sector trend for several years, especially in the retail industry, and its growth trajectory has continued despite the reopening of the economy following the COVID-19 pandemic. Today, online shopping has become seamlessly embedded in people's daily lives supporting a push toward faster, on-demand access to goods and services. We continue to leverage on online platforms to build brand awareness, engage with audiences, and drive business results. We believe by strengthening our digital marketing efforts, optimising our online presence, and fostering customer engagement, we can further boost footfall to our retail stores. For FY2025, we aired more than 120 videos, motion graphic contents and short Reels through our official websites and official e-stores and 3rd party platforms. Our active presence through 3rd party marketplace such as Lazada and Shopee was underpinned by sales growth, with more than 1,500 transactions contributing to an increase of approximately RM700,000 sales generated from e-commerce platforms.

**Product** – Rebranding and brand refresh initiatives were strategically undertaken to revitalise our existing brand's identity, aiming to modernise the image and feel while preserving the fundamental product values associated with each brand. As part of our rebranding efforts, we redesigned and repackaged a few shortlisted signature products such as the Hai-O Yen Min Chew and Zan Almond Walnut Cereal Powders during the year. The rebranding exercises involves refining visual elements, colour palette, typography, as well as adjusting messaging to better resonate with the current market trend.

From the product expansion front, we increased our product offerings by adding 2 new products to the market, i.e. the Diabetea and Tian Xian Ye. These products are entirely new product lines, with the potential to be developed into specialised range of products to meet specific customer needs in the future.



Going beyond standard offerings with free TCM consultation services and AI health check during roadshow.

The introduction of these 2 products took a cue from the market trend that more customers are willing to spend on products which address health issue such as diabetes. These products are supplements that may be beneficial and formulated to support better health management and mitigate health risks. We received encouraging market response of these 2 products. On a combined basis, these 2 products recorded nearly RM1 million in sales for the FY2025 since their introduction.



**Value added services** – Complementing the rolled out of Tian Xian Ye, we organised 5 online health talks and 1 physical session, aimed at sharing the complexities and insights of various health conditions while promoting how Tian Xian Ye may supplement patients who are undergoing medical treatment. To make our TCM consultation services more accessible to our customers, we added 2 retail outlets with TCM Practitioner services under our belt. Customers can now access our TCM services at our retail outlets in Alam Damai and Johor Bahru, bringing the total number of outlets offering these services to 9 outlets. In addition, we also organised free TCM consultation campaigns and health screening services for customers during the opening of the Puchong outlet and at the events held by our business partners, such as the campaign held by Paramount Property at Berkeley Uptown.

These are retail initiatives going beyond the standard offerings and providing additional value to our valued customers. These services are intended to make our core products more attractive, without any cost to our customers.



## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

**People** – Learning and development was also a key focus during the year with the introduction of Retail Sales Kit for some of the signature products of the Retail segment, including MingZhu Bai Feng Wan, Cordyceps Capsules, Zhen G Health Tonic and Honbo Series of Products. Our sales kits are collection of materials that contained among others, product ingredients, benefits of products, and how well the products align with a customer's specific needs, preferences and circumstances. The sale kits were created to help our outlets' personnel to effectively communicate with potential customers, address their needs, and close sales. It is a comprehensive package designed to help our staff to present a consistent message and showcase the benefits of our products.

To motivate and reward our sales teams to achieve specific goals and improve sales performance for our house brand products, Hai-O Raya Bhd. established a new house brand incentives framework to align individual efforts with overall company objectives to drive sales for our high margin house brand products. During the year, we continued our practice of conducting 2 essential training sessions -- Basic Occupational First Aid and Workplace Safety and Health Awareness to facilitate fun engagement between employees and at the same time, promote on-the-job safety awareness.



### Other Operating Activities

The Group's remaining 4% of the total revenue for FY2025 was contributed by the Group's other operating activities in investment in properties and manufacturing of traditional Chinese medicines and food supplements. Other operating activities recorded a total revenue of RM6.7 million (FY2024: RM6.1 million) and PBT of RM4.1 million (FY2024: RM4.0 million) which represent an increase of 9.8% and 2.5% respectively. The increase was largely due to higher rental income received from our investment properties for the financial year with the performance of the manufacturing activities stayed largely unchanged as compared to the prior financial year.

### OUTLOOK FOR THE NEXT FINANCIAL YEAR

*The Government's continued focus to optimise expenditure through subsidy rationalisation is an important step in strengthening Malaysia's fiscal position. Beyond fiscal discipline, initiatives to strengthen industrial policy and climate resilience underscore Malaysia's ability to continue reforming and reinventing itself and will further lift Malaysia's future growth potential.*

*Looking ahead, the global economic and financial environment is subject to considerable uncertainties. These mainly reflect unfolding geopolitical developments surrounding both trade and non-trade restrictions. As a small and open economy, Malaysia is not insulated from these global developments.*

*In 2025, like many other economies, the Malaysian economy is expected to face challenges arising from global developments. This is against a backdrop of uncertainties surrounding tariffs and other policies from major economies, as well as geopolitical conflicts. Our resilient domestic demand, however, will serve as an important buffer against these external shocks.*

*(Source: Bank Negara Malaysia Annual Report 2024)*

*Since the announcement of Malaysia's 2025 GDP growth forecast in Bank Negara Malaysia's Economic Monetary Review in March 2025, the global economic landscape has changed considerably. The global growth outlook is affected by shifting trade policies and uncertainties surrounding tariff developments, as well as geopolitical tensions. As a small open economy, Malaysia's growth prospects will be shaped by these developments. It is to Malaysia's advantage that our economy is facing these external headwinds from a position of strength. The latest indicators, including advanced estimates for the second quarter growth, continue to point towards sustained strength in economic activity. Domestic demand has been resilient and will continue to support growth going forward. Favourable labour market conditions, particularly in domestic-oriented sectors, and policy measures will continue to underpin private consumption. Meanwhile, expansion in investment activity will be sustained by progress in multi-year infrastructure projects, continued high realisation of approved investments and catalytic initiatives under the national development plans.*

## MANAGEMENT DISCUSSION & ANALYSIS (“MD&A”)

BY GROUP MANAGING DIRECTOR (continued)

*The Malaysian economy remains on a strong footing and is projected to expand between 4% and 4.8% in 2025. Headline inflation is expected to average between 1.5% – 2.3% in 2025 amid moderate demand and cost conditions.*

*(Source: Press Statement by Bank Negara Malaysia dated 24 July 2025 titled “Malaysia's economy remains on a strong footing and is projected to grow between 4%–4.8% in 2025”)*

We navigated FY2025 with satisfactory performance given the challenging macroeconomic backdrop and subdued retail environment. We remain confident in our ability to drive sustainable growth and deliver long term shareholder returns in the years ahead. Tapping into our 50-year market presence and branding strength, we are confident that we will continue to drive sales growth.

In the year ahead, cost management will be a forefront objective to improve profitability as we recognise that cost management is essential for financial stability and overall organisational success. Ongoing negotiations with business partners and product suppliers are already in place to share the costs of advertising and promotional campaigns, while simultaneously increasing cross-selling opportunities for our products. We will drive a more transparent and collaborative approach in negotiations with suppliers to achieve better pricing outcomes and enhance margins across our businesses. On product development, the focus will be on product extension to the existing product lines for deeper entrenchment in the already established market that we built, and to bring new products to the market to meet customer needs and to stay competitive and adapt to changing market demands.

In terms of network expansion, our plan is to optimise our existing infrastructure, by adding new components, and leveraging technology to improve reach, and responsiveness. We plan to scale up distribution of more products with business partners such as convenient chain stores and plan network expansion to increase brand visibility. Internally, we are at an advance stage of conducting some final details to initiate entrepreneurship project to provide career building opportunities for graduates and youth, which include mentorship and practical tips for starting a self-employed business. As our MLM distributors, sales team and retail staff are the key figures to drive sales growth, we will continue to review and refine various incentive plans to motivate the sales force and enhance productivity, along with the phase-based career advancement program for our retail employees.

As we look ahead, we recognise that challenging economic conditions are likely to persist in the near term. The Group is cognisant of the uncertainties caused by the US trade tariffs and its potential impact on the broader economy. In response, we will drive greater efficiency across our business to reset our cost base to a more sustainable level, while remain vigilant in managing our businesses and operations.

### APPRECIATION

I would like to express my appreciation to our shareholders, our valued business partners, and to a wider community for your continued support. Most of all, my thanks go to our dedicated team of employees, who are key to the performance we made for FY2025.

To my fellow members of the Board, thank you for your continued guidance and support.

### TAN KENG KANG

*Group Managing Director*

19 August 2025

## SUSTAINABILITY SUMMARY REPORT

The BESHOM Group creates value for its stakeholders, including shareholders and investors, employees, customers and consumers, supply chain partners and business associates, society and community, and the natural environment. For us, doing business sustainably means to create positive values and minimise negative impacts for our stakeholders.

In this regard, our business objectives and strategies incorporate sustainability considerations, including economic, environmental, social, and governance aspects, striving to achieve a balance among stakeholder values as well as business performance in the short, medium, and long term. These are also considerations we make in driving the Group towards its Vision and through its Mission.



### MISSION

We are committed to promoting healthcare culture and improving human's well-being.



### VISION

We aim to become the premier healthcare company in Malaysia, thereby bringing the greatest value and pride to our customers, business partners, employees and shareholders.

The Group's management of sustainability matters is governed through the Board-approved Sustainability Policy, which is further aligned with our Corporate values. Guided by these policies addressing Economy, Governance, Product, People, and Planet, we demonstrate a strong commitment to protecting and developing our people, delivering social and environmental responsibilities, and building a sustainable business.

In addition to ensuring our operations and processes are developed incorporating practices from compliance standards to better international practices relating to environmental, social, and governance aspects, we also integrate the management of sustainability matters in our risk management process to enable effective management of sustainability-related risks and opportunities.

### We are committed to delivering our CORPORATE VALUES

**S**

Social  
Responsibility

**E**

Excellent  
Services

**A**

Attitude

**G**

Growing

**U**

Unity

**L**

Loyalty

**L**

Learning



## SUSTAINABILITY SUMMARY REPORT

(continued)

### BESHOM's Sustainability Policy

### SDG reference

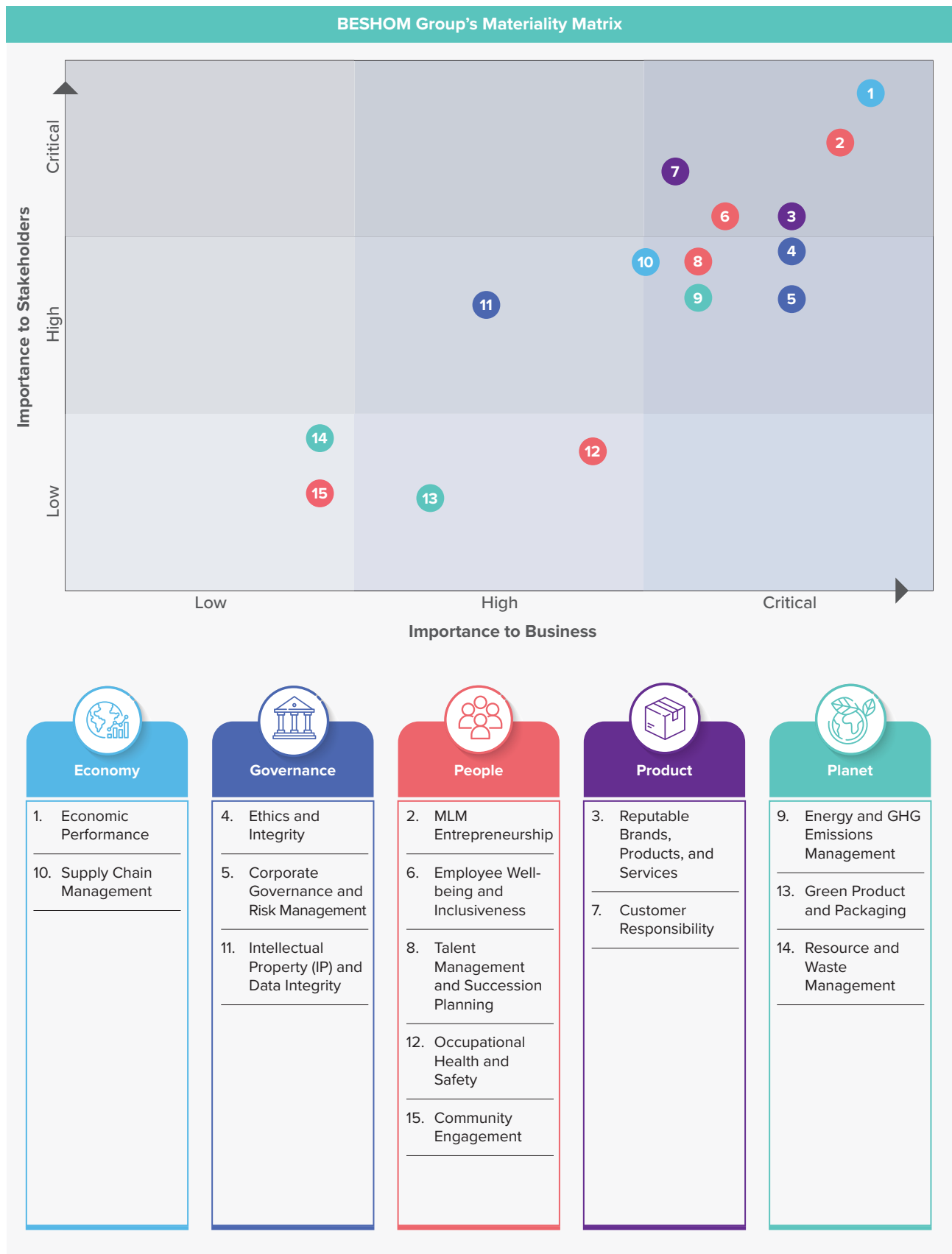
<b>Economy</b> 	<p>We shall create business and employment opportunities, recruit local talent, embed sustainability in our procurement practices and throughout our value chain, provide a skill development and business collaboration platform for distributors, and instil the “Hai-O My Choice for Life” team spirit.</p>	 
<b>Governance</b> 	<p>We shall prioritise compliance throughout our value chain, adhere to laws, regulations and internal conduct and policies, manage material sustainability matters, and embed integrity and transparency into our corporate culture.</p>	
<b>People</b> 	<p>For our employees, we shall ensure a safe and conducive workplace, provide fair remuneration, foster talent development and performance management system, provide regular training and development programmes, encourage employees' involvement in Kelab Muhibbah Hai-O and provide recognition for high-performing and loyal employees, teams, and franchisees.</p> <p>For the community, we shall strive to bring a positive impact, encourage quality education, support vulnerable communities, and continuously spread health awareness and community harmony.</p>	    
<b>Product</b> 	<p>We shall promote products that improve community well-being, provide high-quality and safe products and services, apply, and maintain standards and certifications, improve customers/ distributors' satisfaction, and establish sustainable and transparent lines of communication between BESHOM and our customers.</p>	  
<b>Planet</b> 	<p>We shall educate the practice of 4R (Reduce, Reuse, Recycle, Replace), reduce and replace less environmentally friendly materials in product packaging, promote green initiatives, and introduce products that contain eco-friendly ingredients that are less harmful to the environment as well as human health.</p> <p>We also acknowledge our roles in the global joint efforts towards combating climate change and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels. We shall take necessary efforts to account for and report our greenhouse gas (“GHG”) emissions and to formulate appropriate strategies to mitigate our GHG impacts.</p>	  

The Group identifies, assesses, prioritises, and manages sustainability matters by adopting a materiality assessment process. During the financial year under review, BESHOM Group conducted a review of its materiality assessment and noted that the materiality ratings for the MSMs “Green Product and Packaging” and “Resource and Waste Management” have increased, while the other sustainability matters maintained their ratings. These changes reflect the growing awareness among our business operations regarding environmental sustainability.

## SUSTAINABILITY SUMMARY REPORT

(continued)




The Group's FY2025 materiality matrix is presented as follows.



## SUSTAINABILITY SUMMARY REPORT

(continued)

The next section of this Report discusses our 15 MSMs, with reference to BESHOM's key sustainability focus areas, relevant stakeholders, GRI disclosures, and relevant SDGs.

Key Sustainability Focus Areas	Material Sustainability Matters	Materiality Ranking	Description
 Economy	Economic Performance	1	Good economic growth will enable BESHOM to have adequate capital to maintain its licence to operate, comply with new regulations and standards as well as prepare for potential risks and changes in the future.
	Supply Chain Management	10	We aim to build long-term, mutually beneficial relationships with all third parties along our value chain. A good supply chain management supports operational efficiency, cost optimisation, risk management, and also strengthens our commercial positioning.
 Governance	Corporate Governance and Risk Management	5	BESHOM focuses on establishing a sound governance structure to maintain a fair and orderly market, a high level of investor confidence and to manage risks.
	Ethics and Integrity	4	Ethics, bribery, and corruption risk has been identified as one of the principal risks that could threaten our strategy, performance, and reputation. Building trust can only be achieved through an ethical approach and we place significant emphasis on adopting the right behaviours.
	Intellectual Property ("IP") and Data Integrity	11	Data integrity and intellectual property, including data privacy and cybersecurity, are increasingly important to maintain the relevance of the Group's businesses and safeguard the interests of stakeholders.
 People	MLM Entrepreneurship	2	We continuously invest in our Multi-Level Marketing business, which is one of our main economic contributors, to create job opportunities and a platform for entrepreneurship excellence.
	Employee Well-being and Inclusiveness	6	We nurture employees by providing fair remuneration and comprehensive benefits packages to assure job security for employees who are vital to BESHOM. We also embrace diversity and inclusiveness and do not discriminate in our employment practices.
	Talent Management and Succession Planning	8	<p>BESHOM's employment focuses on attracting and retaining the right talents to support the Group's long-term human capital sustainability. We make persistent efforts to equip employees with the right skills to keep them abreast of the latest knowledge and techniques, and training programmes are aimed at enhancing the skills, capabilities, and knowledge required for decision-making and creative thinking.</p> <p>It is paramount that we develop successors and identify next-in-lines to ensure a smooth transition in our operational structure. We oversee and follow up on the competency development of employees from their first day at work to help them in their career development.</p>






## SUSTAINABILITY SUMMARY REPORT

(continued)

Relevant Stakeholder Groups	Relevant GRI Disclosures	Relevant SDGs
<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Employees</li> <li>Local Communities</li> </ul>	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Market Presence</li> <li>Indirect Economic Impacts</li> <li>Procurement Practices</li> </ul>	
<ul style="list-style-type: none"> <li>Vendors and Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Child Labour</li> <li>Forced or Compulsory Labour</li> </ul>	 
<ul style="list-style-type: none"> <li>Certification, Standards, and Regulatory Bodies</li> <li>Employees</li> </ul>	Non-GRI Disclosure	
<ul style="list-style-type: none"> <li>Certification, Standards, and Regulatory Bodies</li> <li>Shareholders and Investors</li> <li>Employees</li> <li>Vendors and Suppliers</li> <li>Distributors</li> </ul>	<ul style="list-style-type: none"> <li>Anti-corruption</li> <li>Non-discrimination</li> <li>Freedom of Association and Collective Bargaining</li> <li>Child Labour</li> <li>Forced or Compulsory Labour</li> <li>Public Policy</li> </ul>	
<ul style="list-style-type: none"> <li>Customers</li> <li>Distributors</li> <li>Vendors &amp; Suppliers</li> <li>Certification, Standards, and Regulatory Bodies</li> </ul>	<ul style="list-style-type: none"> <li>Customer Privacy</li> </ul>	
<ul style="list-style-type: none"> <li>Distributors</li> </ul>	Non-GRI Disclosure	 
<ul style="list-style-type: none"> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Market Presence</li> <li>Employment</li> <li>Occupational Health and Safety</li> <li>Diversity and Equal Opportunity</li> </ul>	 
<ul style="list-style-type: none"> <li>Employees</li> <li>Shareholders and Investors</li> </ul>	<ul style="list-style-type: none"> <li>Training and Education</li> </ul>	  

## SUSTAINABILITY SUMMARY REPORT

(continued)

Key Sustainability Focus Areas	Material Sustainability Matters	Materiality Ranking	Description
 People	Occupational Health and Safety	12	We operate in accordance with the principles of occupational health and workplace safety to ensure a suitable and sustainable workplace environment.
	Community Engagement	15	BESHOM focuses on supporting and promoting the development of communities as a way to demonstrate social responsibility and create engagement with the community and wider society to achieve sustainable advancement.
 Product	Reputable Brands, Products, and Services	3	<p>BESHOM takes pride in its good branding and marketing strategies. We strengthen our corporate brand image by focusing on creative ideas that will build brand awareness while meeting customers' needs. We strive to contribute to a healthier community with innovative and safe products which our customers can trust and rely on. We listen to the individuals who use our products to better understand how they interact with our products and to identify how we can improve our products and services.</p> <p>Our commitment to "promoting healthcare culture and improving human's well-being" entails the provision of safe and quality products. Our healthcare products that improve consumers' well-being are safe and of the highest quality and comply with the statutory requirements and relevant standards. Our products are certified and are regularly audited by external experts, regulatory authorities, and external consultants. Furthermore, we consistently stay proactive to ensure that our manufacturing processes are undertaken in a safe and efficient manner.</p>
	Customer Responsibility	7	BESHOM aims to produce our products with sustainable raw ingredients and environmental packaging to reduce the negative impact towards our customers and the planet. We also ensure our products are advertising and marketing responsibility as the health and safety of our consumers is our main focus.
 Planet	Green Product and Packaging	13	BESHOM works towards offering green products by avoiding harmful materials, sourcing raw materials with lower environmental impact and utilising sustainable packaging materials.
	Energy and GHG Emissions Management	9	BESHOM strives to use resources and energy in an efficient and environmentally friendly manner to help alleviate global climate change. We strive to manage GHG emissions through emission reduction initiatives and pursuing emission-efficient operations.
	Resource and Waste Management	14	We aim to reduce waste across the Group while also stepping up efforts to reuse and recycle.

## SUSTAINABILITY SUMMARY REPORT

(continued)

Relevant Stakeholder Groups	Relevant GRI Disclosures	Relevant SDGs
<ul style="list-style-type: none"> <li>Employees</li> <li>Certification, Standards, and Regulatory Bodies</li> </ul>	<ul style="list-style-type: none"> <li>Occupational Health and Safety</li> </ul>	
<ul style="list-style-type: none"> <li>Local Communities</li> </ul>	<ul style="list-style-type: none"> <li>Indirect Economic Impacts</li> </ul>	 
<ul style="list-style-type: none"> <li>Shareholders and Investors</li> <li>Media</li> <li>Customers</li> <li>Distributors</li> <li>Certification, Standards, and Regulatory Bodies</li> </ul>	<ul style="list-style-type: none"> <li>Customer Health and Safety</li> </ul>	  
<ul style="list-style-type: none"> <li>Customers</li> <li>Certification, Standards, and Regulatory Bodies</li> <li>Distributors</li> </ul>	<ul style="list-style-type: none"> <li>Marketing and Labelling</li> </ul>	
<ul style="list-style-type: none"> <li>Certification, Standards, and Regulatory Bodies</li> <li>Customers</li> </ul>	Non-GRI Disclosure	
<ul style="list-style-type: none"> <li>Certification, Standards, and Regulatory Bodies</li> <li>Employees</li> </ul>	<ul style="list-style-type: none"> <li>Energy</li> <li>Emissions</li> </ul>	  
<ul style="list-style-type: none"> <li>Certification, Standards, and Regulatory Bodies</li> <li>Employees</li> <li>Vendors and Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Water and Effluents</li> <li>Waste</li> </ul>	




















## SUSTAINABILITY SUMMARY REPORT

(continued)









The Group established a set of 14 key performance indicators (“KPIs”) to measure its overall sustainability performance, benchmarked against annual targets approved by the Board.

The Board is pleased to disclose that the Group has achieved 13 out of 14 KPIs set for FY2025, which were designed to assess performance across the Socioeconomic, Governance, and Environmental pillars. A summary of the Group’s progress towards the FY2025 sustainability KPIs, along with the updated sustainability KPIs established for FY2026, is presented as follows:

<div> <div>Legend:</div> <div>   slightly behind target </div> <div>   on track </div> <div>   exceed target </div> </div>					
Sustainability category	FY2025 Targets	FY2025 Performance	Progress	FY2026 Targets	Supporting the SDGs
Socioeconomic	at least 15% of the sales from MLM and Retail segments made via e-commerce platform	11%		at least 11% of the sales from MLM and Retail segments made via e-commerce platform	n/a
	facilitate at least 5 cross-over projects with business alliances to cater for market needs and synergy reach	7 cross-over projects/ events		facilitate at least 5 cross-over projects with business alliances to cater for market needs and synergy reach	n/a
	zero incidents of product recall	Zero incidents of product recall recorded		zero incidents of product recall	
	at least 75% of employees meet the minimum training hours required	98% of employees met the minimum training hours required		at least 85% of employees meet the minimum training hours required	
	maintaining a Gender Wage Parity Index of 1:0.91 among employees	1:0.95 achieved		maintaining a Gender Wage Parity Index of 1:0.95 among employees	
	achieving zero cases of work-related injuries	Zero cases of work-related injuries		achieving zero cases of work-related injuries	
	sponsorship, fund-raising, or similar programmes that benefit more than 6,000 students and teachers	Achieved 6,146 which consists of 5,810 students and 336 teachers for sponsorship and fund-raising programmes		sponsorship, fund-raising, or similar programmes that benefit more than 6,500 students and teachers	 
	resolving 100% of product complaints received	100% resolved		resolving 100% of product complaints received	n/a

## SUSTAINABILITY SUMMARY REPORT






(continued)

Sustainability category	FY2025 Targets	FY2025 Performance	Progress	FY2026 Targets	Supporting the SDGs
Governance	achieving 100% training completion rate for management-level employees on mandatory topics	100% completion	★ ★ ★	achieving 100% training completion rate for management-level employees on mandatory topics	
	zero complaints on breaches of customer privacy	Zero complaints recorded	★ ★ ★	zero complaints on breaches of customer privacy	
	zero food safety incidents	Zero food incidents recorded	★ ★ ★	zero food safety incidents	
Environment	at least half of rebranded products or new products during the year incorporate elements of environmentally friendly packaging	7 out of 10 rebranded products or new products during the year incorporate elements of environmentally friendly packaging	★ ★ ★	at least half of rebranded products or new products during the year incorporate elements of environmentally friendly packaging	
	up to 15% of total energy usage (kWh) of the Group is from the renewable energy generated from the 3 properties with solar panel systems	21% of total energy usage from the renewable energy	★ ★ ★	up to 20% of total energy usage (kWh) of the Group is from the renewable energy generated and consumed from the 3 properties with solar panel systems	 
	to use LED lighting systems for all new outlets or newly refurbished outlets	LED installed for all new and newly refurbished outlets	★ ★ ★	to use LED lighting systems for all new outlets or newly refurbished outlets	 

## SUSTAINABILITY SUMMARY REPORT

(continued)

Other FY2025 key sustainability performance of the Group, reported in the context of the 5 Key Sustainability Focus Areas of BESHOM's sustainability policy, namely **Economy, Governance, People, Product, and Planet**, is summarised as follows.

 <b>Our Economy</b>	<b>Profit Before Tax</b> <b>RM12.2</b> million	<b>Total Revenue</b> <b>RM155.1</b> million	<b>Total Assets</b> <b>RM355.2</b> million	<b>45%</b> local trade procurement
	Ratio of average entry-level non-executive wage to minimum wage <sup>1</sup> <b>1.5 : 1 (East Malaysia)</b> <b>1.4 : 1 (West Malaysia)</b>	Internship Programme for <b>9</b> students	Gender Wage Parity Index of <b>1 : 0.95</b> (male-to-female)	<b>Supplier/ Business Associates</b> environmental and social impact assessment
 <b>Our Governance</b>	<b>Anti-Bribery Policy</b>	<b>Code of Business Ethics</b> for Suppliers and Business Associates	<b>Responsible Sourcing Policy</b>	<b>SHOM's Business Handbook</b> is made available in English, Bahasa Malaysia, and Chinese
	<b>2</b> GMP-certified TCM Manufacturing Plants	<b>ISO 9001:2015-certified</b> MLM and Manufacturing	<b>No breaches</b> relating to customer data or privacy	
 <b>Our People</b>	<b>454</b> employees	<b>39,000</b> MLM Distributors	<b>Community engagement activities</b> Ai Hua Jiao Fund Raising Campaign, Higher Educational Aid, Excellent Academic Awards	
	<b>37%</b> male <b>63%</b> female Employee diversity	<b>27</b> training hours per employee	<b>0 cases</b> of work-related injuries	
 <b>Our Product</b>	Guidelines to govern <b>responsible marketing</b>	Compliant: <b>MAL, Food Label, KKLIU</b>	<b>0 cases</b> of product recall	<b>&gt;150</b> products with HALAL certifications
				<b>100%</b> of product complaints resolved
 <b>Our Planet</b>	<b>8.13 kWh/ ft<sup>2</sup></b> Total electricity usage intensity (per square foot) <sup>2</sup>		<b>1,009,466 kWh of renewable energy</b> generated from the Solar Panel Project	
	Electronic communication with stakeholders		Efforts to reduce packaging and use of paper and plastic materials	

<sup>1</sup> The minimum wage of RM1,500 was used from May 2024 to Jan 2025 and RM1,700 was used from Feb 2025 to April 2025.

<sup>2</sup> Covering the Group 4 main buildings at Wisma Hai-O, Lot 1388 (A) and (B), Wawasan Hai-O, and Menara Hai-O.



Detailed discussions on the sustainability matters, initiatives, and performance are reported in our Sustainability Statement FY2025, which is available on our Company website at [www.beshom.com](http://www.beshom.com).



# AUDIT COMMITTEE REPORT

THE AUDIT COMMITTEE (“THE COMMITTEE” / “AC”) ASSISTS OUR BOARD OF DIRECTORS (“THE BOARD”) IN FULFILLING ITS OVERSIGHT RESPONSIBILITIES. THE AC IS COMMITTED TO ITS ROLE IN ENSURING THE INTEGRITY OF THE GROUP’S FINANCIAL REPORTING PROCESS AND MONITORING THE MANAGEMENT OF RISK AND SYSTEM OF INTERNAL CONTROLS, EXTERNAL AND INTERNAL AUDIT PROCESSES, AND SUCH OTHER MATTERS THAT MAY BE SPECIFICALLY DELEGATED TO THE AC BY OUR BOARD.

## COMPOSITION

The AC is appointed by the Board from amongst its members, and presently comprises three (3) Directors, all of whom are Independent Non-Executive Directors, who satisfy the test of independence under the Main Market Listing Requirements (“MMLR”) of Bursa Securities. A majority of the AC members possess the requisite qualifications as stipulated under Paragraph 15.09(1)(c) of the MMLR of Bursa Securities.

The Chairperson of AC is elected from amongst the members and is an independent director. In respect to this, the Company complies with Paragraph 15.10 of the MMLR.

Should there be a vacancy in the AC resulting in the non-compliance of Paragraphs 15.09(1) and 15.10 of the MMLR, the Company must fill the vacancy within three (3) months.

The AC comprises the following Directors: -

NAME	DESIGNATION	DIRECTORSHIP	NO. OF MEETINGS ATTENDED IN FY2025
Dato’ Lee Teck Hua (appointed as a member on 19 July 2024 and redesignated as Chairperson on 20 December 2024)	Chairperson	Independent Non-Executive Director	4/4
Foong Yein Fun	Member	Independent Non-Executive Director	5/5
Professor Hajjah Ruhanas Binti Harun (appointed as a member on 25 June 2024)	Member	Independent Non-Executive Director	2/4
Soon Eng Sing (ceased to be a director and member on 1 December 2024)	Chairperson	Independent Non-Executive Director	3/3

## TERMS OF REFERENCE

The terms of reference including composition, authority, responsibilities, meetings and specific duties of the AC are disclosed and published on the Company’s website at [www.beshom.com](http://www.beshom.com) under the Investor Relations - Corporate Governance section.

## ATTENDANCE OF MEETINGS

A total of five (5) Committee meetings were held during the financial year ended 30 April 2025 with 88% attendance rate. The attendance of each Committee members is detailed in the table above.

The quorum for a meeting shall be made up of a majority of the members present who shall be Independent Directors. The Company Secretary is the secretary of the AC. The Group Managing Director, Group Executive Director who is also the Group Chief Financial Officer, representatives from Accounts, Finance, and Operation Management, Group Internal Audit Department (“Group IAD”), and representatives from the External Auditors have been invited to attend the meeting during the financial year. Minutes of each AC Meeting were circulated to the members and tabled for confirmation at the following AC meeting and subsequently presented to the Board for notation.

## AUDIT COMMITTEE REPORT

(continued)

### ATTENDANCE OF MEETINGS (CONTINUED)

During the financial year ended 30 April 2025, the AC Chairperson presented to the Board the AC's recommendations to approve the annual financial statements and quarterly financial reports. The Chairperson also briefed the Board on the summary of key matters raised by the External Auditors and Internal Auditors highlighted during the audit, including financial reporting issues, significant judgements and estimates made by Management and how these matters were addressed.

For each of the significant matters highlighted by the External Auditors, the Committee had considered the rationale and judgements provided by Management and discussed the same with the External Auditors to ensure that the accounting policies applied were appropriate and were in line with the requirements of the prevailing accounting standards.

The Group Internal Audit team and co-sourced Internal Auditors attended the AC meetings to present the internal audit review reports on the risk assessment and system of internal controls together with the recommendations thereon. The Head of the respective Business Units and their team were invited to attend the AC meetings to facilitate deliberations as well as to provide clarification and explanation on audit issues, particularly on specific control lapses and issues arising from the relevant audit reports.

### REPORTING OF BREACHES TO THE BURSA MALAYSIA SECURITIES BERHAD

If any matter reported by the AC to the Board of the Company has not been satisfactorily resolved resulting in a breach of the MMLR, the AC shall promptly report such matter to Bursa Securities.

### SUMMARY OF WORK DURING THE FINANCIAL YEAR ENDED 30 APRIL 2025

The AC carried out its duties in accordance with its Terms of Reference.

During the financial year ended 30 April 2025 and up to the date of this Report, the work carried out by the AC in discharging its duties and responsibilities included: -

1. Reviewed and discussed with Management on changes in accounting policies, going concern assumptions and significant matters highlighted including financial reporting issues, significant judgements made by Management and steps taken to address the matters during the review of:
  - i. the unaudited quarterly financial results before recommending to the Board for approval; and
  - ii. the audited financial statements for the financial year ended 30 April 2025 before recommending to the Board for approval.
2. Reviewed and discussed with the External Auditors, KPMG PLT, on the scope of their audit work, the results of their examination, the auditors' report, management letters in relation to the audit and accounting issues arising from the audit and compliance with new accounting standards and regulatory requirements, as well as the assistance given by employees of the Company to the External Auditors;
3. Reviewed and approved the annual audit plan of the Company and the Group proposed by the External Auditors, KPMG PLT for the financial year ended 30 April 2025. The audit plan covered among others, its engagement team, audit materiality, key audit matters, other significant audit matters and audit methodology;
4. Reviewed and assessed the audit fees and the nature of non-audit services and the related fee level compared to the external audit fees of the Company and the Group. The AC also reviewed and assessed the proposed non-assurance services to be performed by the affiliated firm with the external auditors, KPMG PLT, in line with the requirements of the Malaysian Institute of Accountants (MIA) By-Law and the International Ethics Standards Board of Accountants (IESBA) and recommended to the Board the adoption of the non-assurance services policy for approval, prior to the engagement of the services;
5. Reviewed and assessed the performance and independence of the External Auditors, KPMG PLT, taking into account the quality and timeliness of the report furnished, the sufficiency of resources allocated in the conduct of the audit, the level of understanding demonstrated on the Group's business and communication on new and applicable accounting practices and auditing standards and its impact on the Company and the Group financial statements. The AC, in carrying out the performance assessment of KPMG PLT, also considered the 2024 KPMG Transparency Report in terms of KPMG's governance and leadership structure, as well as the measures undertaken by the firm to uphold audit quality and manage risks. The AC was satisfied with the outcome of the performance assessment and independence of the External Auditors for FY2025 and recommended to the Board for the re-appointment of KPMG PLT as External Auditors for the financial year ending 30 April 2026 and the fees proposed;

## AUDIT COMMITTEE REPORT (continued)

### SUMMARY OF WORK DURING THE FINANCIAL YEAR ENDED 30 APRIL 2025 (CONTINUED)

6. Held two (2) private sessions with the External Auditors and one (1) private session with the Group Internal Audit team along with the co-sourced Internal Auditors without Management's presence to discuss matters of interest, including among others, (i) the issues encountered, co-operation and assistance given by employees of the Company to the External Auditors and Group Internal Auditors during the course of audit; (ii) sharing of information and the proficiency and adequacy of resources in financial reporting function and (iii) sharing of information and feedback amongst the External Auditors and Internal Auditors;
7. Reviewed and assessed the staff force requirement of the Group Internal Audit Department ("IAD");
8. Reviewed, appraised and assessed the performance of the Group IAD and the co-sourced Internal Auditors. The self-assessment forms completed by the Group IAD and the co-sourced Internal Auditors were circulated to the AC for their evaluation;
9. Deliberated and approved the Internal Audit Plan for the financial year to ensure adequate scope and comprehensive coverage of audit and that audit resources were sufficient to enable the Group IAD to discharge its functions effectively;
10. Reviewed the progress of the Internal Audit Plan on a quarterly basis to ensure the adequacy and effectiveness of the internal audit activities, the availability of adequate resources and the scope of audit;
11. Reviewed the quarterly internal audit findings status reports and deliberated on the management and corrective actions and the time taken by Management to ensure that the control deficiencies are addressed and resolved promptly;
12. Deliberated and reviewed the risk management and internal control systems, processes, procedures or activities undertaken by the External Auditors, the Internal Auditors and Management and the outcome therefrom to ensure that all high and critical risk areas were being addressed;
13. Reviewed related party transactions ("RPT"), recurrent related party transactions ("RRPT") and conflict of interest situations that may arise, arose or persist within the Company or the Group including any transactions, procedures or code of conduct that may raise concerns or questions on Management's integrity and measures proposed and taken to resolve, eliminate or mitigate such conflicts. The Group has put in place a set of policies and procedures to be adhered to in the event of RPT, RRPT, and conflict of interest situations. The AC has reviewed the RPT, RRPT, conflict of interest and potential conflict of interest matters at the meeting held on 24 June 2025;
14. Reviewed the AC Report and the Statement on Risk Management and Internal Control before recommending to the Board for approval for inclusion in the FY2025 Annual Report.

### HOW THE AUDIT COMMITTEE DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR ENDED 30 APRIL 2025

#### 1. Financial Reporting

The AC reviewed with Management and deliberated on the quarterly consolidated financial statements and the annual financial statements of the Company and the Group prior to the approval by the Board, focusing primarily on:

- changes or implementation of major accounting policies;
- significant matters highlighted by Management, including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions, and how these matters were addressed;
- compliance with accounting standards and other legal or regulatory requirements to ensure that the financial statements gave a true and fair view of the state of affairs;
- financial results and cash flows of the Company and the Group; and
- compliance with the Malaysian Financial Reporting Standards and the provisions of the Companies Act 2016 as well as the MMLR.

## AUDIT COMMITTEE REPORT

(continued)

### HOW THE AUDIT COMMITTEE DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR ENDED 30 APRIL 2025 (CONTINUED)

#### 1. Financial Reporting (Continued)

New financial reporting standards and amendments that came into effect during the financial year were discussed with the External Auditors at the AC meetings. The adoption of these new standards and amendments did not have any significant impact on the financial results for the current or prior years and are not likely to materially affect future periods.

The AC also reviewed and, where applicable, commented on the representation letters by Management to the External Auditors in relation to the audited financial statements.

In accordance with International Standards on Auditing, key audit matters which in the opinion of the External Auditors were of significance in their audit of the annual financial statements were brought to the attention of the AC and highlighted these in their audit report.

#### 2. External Auditors

The AC also reviewed and discussed with the External Auditors the annual audit plan to set out the proposed scope of work before commencement of the audit of the financial statements of the Company and the Group.

The proposed audit fees for the External Auditors in respect of their audit of the financial statements of the Company and its unlisted subsidiaries were analysed and reviewed by the AC before recommendation to the Board for approval. Non-audit fees and non-audit related costs payable to the External Auditors for non-audit services rendered by the External Auditors during the financial year were also reviewed and considered in ascertaining the suitability and independence of the External Auditors.

The AC conducted its annual assessment based on among others, the External Auditors' independence, sufficiency of resources allocated in the conduct of the audit, level of understanding demonstrated of the Group's business and performance before recommending the re-appointment of the External Auditors to the Board of Directors for tabling to the shareholders for approval at the forthcoming AGM.

The AC met three (3) times with the External Auditors during the financial year ended 30 April 2025 at the AC meetings held on 24 June 2024, 23 July 2024 and 27 March 2025. The AC had two (2) private meetings with the External Auditors without the presence of the Management at the meetings held on 24 June 2024 and 27 March 2025 respectively.

#### 3. Internal Audit

The AC reviewed and approved the Annual Internal Audit Plan for the financial year ended 30 April 2025 for the Company and the Group presented by the Group IAD, co-sourced Internal Auditors, Resolve IR Sdn. Bhd. ("RESOLVE") and authorised the deployment of necessary resources to address risk areas identified.

The AC reviewed and deliberated on the internal audit reports issued in respect of the Group's entities and/ or operations every quarter. The audits covered various operations, systems, processes and functions across the Company and the Group. Some weaknesses in internal control were identified for the year under review but these were not deemed significant and have not materially impacted the business or operations of the Group.

The internal audit reports also included follow-up on corrective measures to ensure that Management had addressed the weaknesses identified in a satisfactory manner and the AC had been updated on the progress accordingly.

During the financial year ended 30 April 2025, the AC met five (5) times with the Group Internal Audit team at the AC meetings held on 24 June 2024, 23 July 2024, 26 September 2024, 19 December 2024 and 27 March 2025 and met four (4) times with the co-sourced internal auditors at the AC meetings held on 24 June 2024, 26 September 2024, 19 December 2024 and 27 March 2025. In addition, the AC had one (1) private meeting with the Group Internal Audit team and co-sourced Internal Auditors without the presence of the Management at the AC meeting held on 19 December 2024.

A total of thirteen (13) audit reports were furnished to the AC for review and deliberation, of which nine (9) reports were presented by the Group IAD and four (4) reports were presented by co-sourced Internal Auditors, RESOLVE. The Group IAD and RESOLVE had reviewed and conducted audits and assessed the adequacy and integrity of the internal control systems in accordance with the audit plan as approved by the AC. The results of the audit conducted, as well as key control issues and recommendations were highlighted to the AC upon completion of each audit session for discussion and assessment.



## AUDIT COMMITTEE REPORT (continued)

### HOW THE AUDIT COMMITTEE DISCHARGED AND MET ITS RESPONSIBILITIES DURING THE FINANCIAL YEAR ENDED 30 APRIL 2025 (CONTINUED)

#### 3. Internal Audit (Continued)

With regard to the internal control framework, the Group IAD adopted the COSO framework and principles as a methodology to assess the system of effective internal controls. The Group IAD conducted the audit with reference to the guidelines of The International Professional Practice Framework, International Standards for the Professional Practice of Internal Auditing, and following the guidance of The Institute of Internal Auditors' Code of Ethics as well as the Group's and the Company's policies. The Group IAD is currently supported by two (2) Senior Executives, with an average of 10 years working experience in the internal audit field.

In discharging its duties, the AC is also supported by a co-sourced independent professional services provider, RESOLVE, who report directly to the AC. The work of RESOLVE is guided by the International Professional Practice Framework.

RESOLVE is led by Mr Choo Seng Choon, who is a Certified Internal Auditor and a Chartered Member of the Institute of Internal Auditors with more than 25 years of professional experience in internal audit, risk management, corporate governance, performance and business management, IPOs, taxation, due diligence and corporate finance. He is also a Fellow Member of the Association of Chartered Certified Accountant (UK), a Chartered Accountant of the Malaysian Institute of Accountants, and a Certified Public Accountant of the Malaysian Institute of Certified Public Accountants.

In arriving at its professional judgement, the Group IAD as well as RESOLVE had completed sufficient and appropriate audit procedures and was supported by evidence to accurately report the conclusions reached and contained in the audit report. Despite guiding by different framework or methodology in conducting the audit process, the conclusions were consistently reported based on a comparison of the actual situation at the time of the audit with the assessment criteria, best practice and generally accepted standard of practices.

#### 4. Related Party Transactions ("RPT"), Recurrent Related Party Transaction ("RRPT") and Conflict of Interest ("COI")

RPT of the Company and the Group which exceeded the pre-determined thresholds as set out in the Group's Internal Policy were reviewed by the AC to ensure that these transactions were fair, reasonable, on normal commercial terms, not detrimental to the interests of the minority shareholders and in the best interest of the Company and the Group before recommending the same to the Board for approval.

The AC reviewed the RRPT of a revenue or trading nature which were necessary for the day-to-day operations of the Company and the Group to ensure that the transactions were in the ordinary course of business and on terms not more favourable to the related parties than those generally available to the public or non-related third parties, whether there were any compelling business reasons for the Company to enter into the RPT or RRPT and the nature of alternative transactions and whether the RPT or RRPT would impair the independence of the related party, if is an independent director.

During the financial year ended 30 April 2025, there were no RPT or RRPT that triggered the disclosure threshold under the MMLR and required approval by shareholders at general meeting. The transactions, or any one-off transaction entered into between the Group and the related parties, directors or key senior management that may trigger a conflict of interest and/or potential conflict of interest, were properly disclosed in accordance with Bursa's Listing Requirements. These transactions were conducted in the normal course of business in accordance with the Group's purchasing policy and were within arm's length parameters pursuant to the Company's Code of Ethics.

### SUMMARY OF WORK OF THE GROUP INTERNAL AUDIT DEPARTMENT

The Company has established a Group IAD to carry out the internal audit function for the Group. The primary role of the Group IAD is to undertake regular and systematic review of the systems of internal controls so as to provide sufficient assurance that the Group has in place a sound risk management, internal control and governance system. The Group IAD maintains its impartiality, proficiency and due professional care when executing its plans and reports directly to the AC.

The Company is assisted by an in-house internal audit team as well as a co-sourced internal auditor, RESOLVE, to carry out the internal audit function for the Group. The engagement of co-sourced internal auditors is to complement the in-house internal audit department and to enhance the internal audit function of the Group. RESOLVE possesses the required specialized skill set with a high degree of professionalism and is trained in many areas, which would help to enhance the quality of internal audit practices of the Group.

## AUDIT COMMITTEE REPORT

(continued)

### SUMMARY OF WORK OF THE GROUP INTERNAL AUDIT DEPARTMENT (CONTINUED)

The Group's risk-based internal audit plan was drawn up taking into consideration the potential high-risk areas identified through the risk register maintained by the Management, which was prepared based on the risk level and control assessment review conducted by the Group IAD and RESOLVE, discussions with Management and in consultation with the AC.

The summary of the internal audit works included:

- Reviewed and updated the annual audit plan for deliberation and approval by the AC;
- Performed operational audits on the Group's business units according to the annual audit plan to ascertain a proper system of risk management and adequacy of the internal control systems. Key control issues and recommendations for improvement were highlighted to enable the AC to execute its oversight function;
- Results of the internal audit reviews were reported to the AC on a quarterly basis;
- Performed follow-up reviews to ensure that audit recommendations and action plans were implemented by Management;
- Reviewed RPT/ RRPT and conflicts of interest situations that may arise, arose within the Company and the Group; and
- Verified the energy and emissions data of the Group for FY2025 as disclosed in the Sustainability Statement.

During the financial year ended 30 April 2025, the Group IAD reviewed and conducted nine (9) audits assignments and assessed the adequacy of the internal control systems on business operations for the Wholesale, Multi-Level Marketing, Retail and Manufacturing segments including the Procurement Trade & Non-Trade and License Management, Warehouse & Inventory Management, e-Commerce Management, Bribery Risk of Business Partner, Product Development Management and Good Distribution Practice Compliance. The co-sourced internal auditors, RESOLVE, conducted four (4) high level risk and control assessment review on the Inventory Management and Logistics and Distribution for Hai-O Enterprise Bhd., Marketing, Members Bonus/ Commission and Customer Service Management for Sahajidah Hai-O Marketing Sdn. Bhd., Sales and Collection and Inventory Management for Hai-O Raya Bhd. and Facilities Management and Product Pricing and Costing for SG Global Biotech Sdn. Bhd..

The Group IAD also performed Risk Management and RPT/ RRPT and conflict of Interest reviews during the financial year.

In addition, audit reviews were made at the request of the AC and senior management on specific areas of concern as a follow-up in relation to high-risk areas identified during the course of business. All internal audit reviews were reported to the AC on a quarterly basis.

The Group IAD and co-sourced internal auditors, RESOLVE while maintaining their role to carry out audit programmes at the various business units for its main subsidiaries, had also followed up to review the status of Management actions carried out based on audit recommendations.

The operation cost incurred for the internal audit function of the Group in respect of the financial year ended 30 April 2025 amounted to RM253,030.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**THE BOARD IS PLEASED TO PRESENT TO OUR SHAREHOLDERS THE CORPORATE GOVERNANCE (“CG”) OVERVIEW STATEMENT OF THE COMPANY AND THE GROUP. THIS CG OVERVIEW STATEMENT SHOULD BE READ IN CONJUNCTION WITH THE CG REPORT, WHICH IS AVAILABLE ON THE COMPANY’S WEBSITE AT [www.beshom.com](http://www.beshom.com). THE CG REPORT PROVIDES DETAILS ON HOW THE GROUP HAS APPLIED EACH PRACTICE AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (“MCCG”) DURING THE FINANCIAL YEAR ENDED 30 APRIL 2025 AND UP TO THE DATE OF THIS REPORT.**

The Board recognises the importance of the MCCG and is committed towards achieving a high standard of corporate governance practices, values and ethical business conducts. Corporate governance practices shall be the fundamental aspect of the Group’s business dealings and culture.

The CG Overview Statement reports on how the Group has applied the following three principles, its key focus areas and future priorities with references to the principles and practices of the MCCG, having considered the Group’s structure, business environment and industry practices:

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

The Board is satisfied that the practices set out in the MCCG have, in all material aspects, been applied to achieve their intended outcomes which are found to be suitable and appropriate to the Group as set out in this Statement and the CG Report. The departure and non-adoption under the MCCG, the explanation for the departure, the Company’s intended actions and timeframe to address the departure are disclosed in the CG Report.

### RESOURCES ON BESHOM’S WEBSITE

The following documents referred to within this Statement are available on our Company’s website at [www.beshom.com](http://www.beshom.com).

- CG Report
- Board Charter
- Terms of References for Board Committees
- Code of Ethics for Company Directors
- Directors’ Fit and Proper Policy
- Anti-Bribery Policy
- Whistle-Blowing Policy
- Summary of the minutes of general meetings, including Question and Answer session

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

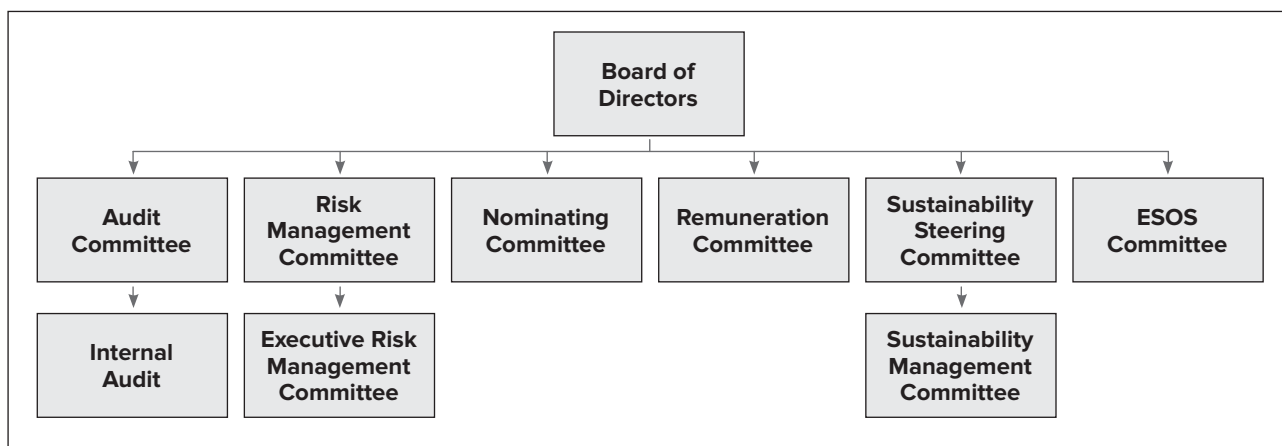
#### Part I - Board Responsibilities

##### Intended Outcome 1.0

Every company is headed by a board, which assumes the responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

#### The Board

The reporting structure of the Company, where the power of the Board is delegated to the relevant Board Committees and the Management of the Company, is depicted below:



The Board is collectively responsible for the proper stewardship of the Group's business in achieving the objectives and long-term goals of the Company. The functions, roles and responsibilities of the Board are set out in the Board Charter.

The Board recognises the key role it plays in charting the strategic direction of the Group and has assumed the responsibilities in discharging its fiduciary and leadership functions. Matters that require prior review and approval by the Board are set out in the agenda of the annual meeting calendar. Pursuant to Clauses 129 and 134 of the Company's Constitution, questions arising at any Board meetings or decisions of the Board shall be decided by a majority of votes of the Directors present, each Director having one (1) vote. In the case of an equality of votes, the Chairman shall have a second or casting vote provided always that the Chairman of a meeting at which only two (2) directors are present or at which only two (2) Directors are competent to vote on the questions at issue shall not have a second or casting vote, or alternatively, circular resolutions must be signed by a majority of the Directors. Minutes of Board meetings are circulated to the Management and Directors for comments to ensure that the discussions of the meetings are accurately captured before tabling to the Board for confirmation.

To ensure the effective discharge of its functions and responsibilities, the Board delegates powers of the Board to the Board Committees, namely the Audit Committee, Nominating Committee, Remuneration Committee, Risk Management Committee, Sustainability Steering Committee and ESOS Committee to oversee the Group's affairs in accordance with their respective Terms of Reference. All proceedings, matters arising, deliberations in terms of the issues discussed, and recommendations made by the Board Committees at their respective meetings are recorded in the minutes by the Company Secretaries, confirmed by the Board Committees, signed by the Chairman of the respective Committees, and reported to the Board. Upon invitation, Management representatives are present at the Board Committees' meetings to provide additional insight on matters to be discussed during the said Committee meetings, if required.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Board Activities in the Financial Year Ended 30 April 2025 and Future Priorities

The following is a summary of key matters addressed by the Board either directly or via its respective Board Committees in FY2025 and up to the date of this Report: -

FOCUS AREA	ACTIVITIES
Strategic Plans and Sustainability	<ul style="list-style-type: none"> <li>Reviewed and approved the Group's business plans, strategies and Budget for FY2025.</li> <li>Assessed Management's performance to determine whether the business is being properly managed.</li> <li>Reviewed the KPIs of the Group Managing Director, Group Executive Director and Senior Management. The KPIs comprise both qualitative and quantitative measurements, including the key sustainability matters of the 3 main business segments.</li> <li>Reviewed the Sustainability strategies and policies and approved the Group's materiality assessment review performed by the Sustainability Steering Committee and Management.</li> <li>Reviewed and discussed business and project proposals of the Group.</li> <li>Reviewed and approved strategic investment proposal of the Group.</li> <li>Together with Management, continued to assess the impact of the general economic slowdown, the escalating market and operational cost pressures, and heightened competition on the Group's business performance, and reviewed strategies to manage risks while exploring opportunities across the business divisions.</li> </ul>
Governance and Financial Reporting	<ul style="list-style-type: none"> <li>Reviewed the composition and skills of the Board and Board Committees, as well as the performance and effectiveness of the Board, Board Committees and individual Directors through the annual assessments exercise, which encompassed the Directors' fit &amp; proper policy, diversity policy and tenure of Independent Directors policy.</li> <li>Noted and approved the changes in the composition of the Board.</li> <li>Reviewed and approved the reconstitution of the Audit Committee (AC), Risk Management Committee (RMC), Remuneration Committee (RC), Nominating Committee (NC) and Sustainability Steering Committee (SSC) and to fill the casual vacancy of AC within three (3) months.</li> <li>Reviewed the Register of Related Party/ Recurrent Related Party Transactions, Conflict of Interest/ Potential Conflict of Interest situations and shares purchased pursuant to the share-buy-back mandate.</li> <li>Reviewed and approved the annual report, quarterly results and audited financial statements.</li> <li>Reviewed the solvency position of the Company and approved dividend payments.</li> <li>Received regular updates, such as emerging changes to regulations, Bursa Main Market Listing Requirements, and updates/ guidance from the relevant authorities.</li> </ul>
Risk Management and Internal Control	<ul style="list-style-type: none"> <li>Reviewed principal business risks and ensured the implementation of mitigating measures and internal controls.</li> <li>Assessed the effectiveness of internal controls in respect of the Anti-Bribery Framework and to determine areas for improvement.</li> <li>Reviewed internal audit findings and Management responses.</li> <li>Reviewed and approved the Statement on Risk Management and Internal Control for inclusion in the Annual Report.</li> <li>Reviewed the report of the External Auditors.</li> </ul>

#### Looking ahead to Financial Year Ending 30 April 2026: -

In the current financial year, the Board will: -

- Focus on strategies to ensure that the Group's business remains resilient and sustainable over the medium to long term. The strategic plan of the Group includes strategies on economic, environmental and social considerations that underpin sustainability;
- Drive a culture that prioritises compliance, internal control, risk management practices and sustainability governance to build a strong and resilient organisation;
- Review, discuss and evaluate strategic project proposals of the Group; and
- Together with Management, continue to assess and manage the impact of ongoing market weaknesses, uncertainties arising from global developments, trade tensions, geopolitical conflicts and any emerging challenges that may impact the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Succession Planning

The Board recognises that succession planning is an ongoing process designed to ensure that the Group identifies and develops a talent pool of personnel through mentoring, training and job rotation for high level management positions that become vacant due to retirement, resignation, death or disability and new business opportunities.

#### Intended Outcome 2.0

There is a demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

#### Chairman and Chief Executive Officer (CEO)

The position of Chairman and CEO are held by different individuals. There is also a clear distinction of responsibilities between the Chairman and the Group Managing Director to maintain a balance of authority and accountability.

The Chairmanship is held by Mr. Ng Chek Yong, who is also the Senior Independent Non-Executive Director. The Chairman provides overall leadership to the Board. He is primarily responsible for the orderly conduct and function of the Board to ensure that contributions by Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion. His duties include providing leadership to the Board, ensuring that the Board carries out its responsibilities in the best interest of the Group and that all the key issues are discussed in a timely manner. The Chairman is also tasked to facilitate active discussion and participation by all Directors and ensure that sufficient time is allocated for the discussion of all relevant issues at Board meetings.

Mr. Tan Keng Kang, the Group Managing Director has also assumed the role as CEO of the Group. He is principally responsible for implementing and executing corporate strategies, policies and decisions adopted by the Board and overseeing the overall Group's business operations.

Pursuant to the MCGG, where the CEO or executive directors form part of the Board, the Non-Executive Directors are encouraged to meet among themselves at least annually to discuss among others strategic, governance and operational issues. During FY2025, the private session among the Non-Executive Directors was held on 23 July 2024.

The roles and responsibilities of Board members, Committees and Management are clearly defined in the Board Charter.

#### Company Secretary

The Company Secretaries are members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). They are competent in carrying out their work and play supporting and advisory roles to the Board. They ensure adherence and compliance to the procedures and regulatory requirements from time to time. They also ensure that meetings are properly convened and deliberations at meetings are accurately captured and minuted.

#### Board Charter

To enhance accountability, the Board Charter which clearly sets out the roles, functions, composition, operation and processes of the Board was developed and replaced with the Directors' Handbook, which was established in 2010.

The Board Charter spells out the governance structure, authority and reserved matters for the Board whilst that for the respective Board Committees are spelt out in their respective terms of reference which are available on the Company's website at [www.beshom.com](http://www.beshom.com) under the Investor Relations section. The Board Charter and the Terms of Reference of the relevant Board Committees were updated and enhanced in August 2023 among others, to include the amendments pursuant to the Main Market Listing Requirements ("MMLR") on conflict of interest ("COI") and other amendments. The scope of the Audit Committee's review of COI situations expands to include those that arose, may arise or persist and the measures taken to resolve, eliminate, or mitigate the COI.

The Board Charter will be periodically reviewed and updated to consider the needs of the Company as well as new rules, regulations and laws that may impact the discharge of the Board's duties and responsibilities.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### Access to Information and advice

The Board is provided with the meeting schedule at the start of each calendar year to enable the Directors to plan ahead and allocate time to attend the respective meetings.

Notice of meetings set out the agenda and accompanied by the relevant meeting materials are given to the Directors in advance within a reasonable period to enable the Directors to review, seek additional information or clarification of the subject matters to be deliberated at the Board and Board Committees meetings.

The Chairman of the respective Board Committees will brief the Board on salient matters deliberated at the respective Committee meetings.

The Board meets at least once every three (3) months. During the financial year ended 30 April 2025, the Board met five (5) times with a 97% attendance rate. Senior Management staff were invited to attend the Board meetings to provide the Board with operational, management and financial details.

The following table is the attendance at the Board and Board Committees meetings held during FY2025:

Directors	Number of Meetings Held in FY2025					
	Board	AC	RC	NC	RMC	SSC
<b>Executive Directors</b>						
Tan Keng Kang	5/5	-	-	-	-	1/1
Hew Von Kin	5/5	-	-	-	2/2	1/1
<b>Non-Executive Directors</b>						
Ng Chek Yong	5/5	-	-	-	-	1/1
Professor Hajjah Ruhanas Binti Harun	4/5	2/4	2/2	3/3	-	-
Foong Yein Fun	5/5	5/5	-	-	2/2	-
Dato' Lee Teck Hua (appointed on 19 July 2024)	4/4	4/4	-	-	1/1	-
Soon Eng Sing (resigned on 1 December 2024)	3/3	3/3	1/1	2/2	-	-

The Board has unrestricted access to all staff for any information pertaining to the Group's affairs and may also seek independent professional advice at the expense of the Company as they deem necessary in furtherance of their duties. Any Director who wishes to seek independent professional advice in the course of discharging his/her duties may raise the request during Board meetings or convey the request through the Senior Management or Company Secretaries for consideration of the Board at a Board meeting to be held.

In addition, the Board is also briefed and updated on the latest amendments to the relevant regulatory requirements from time to time by the Company Secretaries during Board meetings.

### Intended Outcome 3.0

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Code of Ethics and Whistle-Blowing Policy

The Board is committed to maintain a corporate culture which engenders ethical conduct. The Directors observe the Company Directors' Code of Ethics established by the Companies Commission of Malaysia ("CCM") which can be viewed from CCM's website at [www.ssm.com.my](http://www.ssm.com.my) and the Company's website at [www.beshom.com](http://www.beshom.com). The Code of Ethics provides guidance to the Directors of the Company in performing their duties as it aims to establish a standard of ethical behaviour based on trustworthiness and values as well as uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administration of a company.

The Board is also guided by the new Guidelines on Conduct of Directors of Listed Issuers and Their Subsidiaries ("Guidelines") issued by the Securities Commission ("SC") on 30 July 2020 and the revised Guidelines dated 12 April 2021 ("revised Guidelines") in discharging their fiduciary duties. The Guidelines set out guidance on the duties and responsibilities of boards in the company's group structures and requirements for establishing a group-wide framework to enable, among others, oversight of the group performance and the implementation of corporate governance policies. The revised Guidelines serve as a guide for BESHOM and its subsidiaries and their directors in establishing a group governance framework. It highlights salient features of the group governance framework such as setting the tone for leadership, alignment of strategies and establishing policies and procedures of the group. The Guidelines are available at the SC's website at [www.sc.com.my](http://www.sc.com.my).

The Group has also established an internal policy which is formalised through the Company's Code of Ethics and Business Conduct ("Business Code"). The employees of the Group are required to adhere to the principles and practices outlined in the Business Code in performing their duties and responsibilities. The areas covered include the following: -

• Whistle-Blowing Policy	• Anti-Bribery & Anti-Corruption
• Related Party Transactions, Recurrent Related Party Transactions, Conflict of Interest	• Health & Safety and Environment
• Company Property and Intellectual Property	• Purchasing & Financial Code of Ethics
• Dealing with Company shares / Insider Trading	• Gift & Entertainment

The Internal Business Code is available on our internal portal which is accessible by all directors and employees.

The Company has adopted a Whistle-Blowing Policy which is disseminated to employees on the Company's internal portal. The Whistle-Blowing Policy which states the appropriate communication and feedback channels to facilitate whistleblowing can also be accessed at the Company's website at [www.beshom.com](http://www.beshom.com).

The Whistle-Blowing Policy is reviewed by the Company periodically or at least once in three years.

#### Anti-Bribery & Anti-Corruption

BESHOM Group has a zero-tolerance approach to bribery. BESHOM Group takes the upholding of its anti-bribery stance across the Group's business seriously. It expects the same from stakeholders, both internal and external to the Group's businesses, extending to all the Group's business dealings and transactions in all countries in which it operates. All suppliers and business associates must adhere to BESHOM Group's Anti-Bribery Policy.

#### Directors' Fit and Proper Policy

The Board has put in place Directors' Fit and Proper Policy (FPP) to ensure that any person to be appointed or elected/re-elected as a Director of the Group shall possess the necessary quality and character as well as integrity, competency, and commitment to enable the discharge of the responsibilities required of the appointed position in the most effective manner. The Directors' FPP is accessible on our website and is also incorporated in the Board Charter.

#### Intended Outcome 4.0

The Company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long term strategy and success.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Sustainability Governance Framework

BESHOM has in place a Sustainability Governance Framework to guide and manage sustainability-related matters as part of its existing corporate governance structure. The sustainability strategies emphasized the 5 key Sustainability Focus Areas, namely “Economy, Governance, People, Product and Planet” under the sustainability pillars “Environment, Social, and Governance”.

The Board of BESHOM is ultimately responsible to ensure that sustainability is incorporated in the strategic directions of the Group, including approving and overseeing the implementation of the Group’s Sustainability Strategy and Policy.

The Board is supported by the Sustainability Steering Committee (SSC), which is chaired by the Group Managing Director. Members of the SSC comprise the Group Executive Director cum CFO and the Chairman of the Company. The role of the SSC includes developing sustainability strategies, goals, and performance indicators and recommending them for the Board’s approval. The SSC also reviews the Group’s stakeholder management process and overall management of sustainability matters carried out by the Sustainability Management Committee and the Sustainability Task Force.

Name	Directorship	Attendance in FY2025
		No. of meeting
<b>Chairperson:</b> Tan Keng Kang	Group Managing Director	1/1
<b>Members:</b> Hew Von Kin	Group Executive Director cum Group Chief Financial Officer	1/1
Ng Chek Yong (appointed as a member on 25 June 2024)	Chairman, Senior Independent Non-Executive Director	1/1

#### Sustainability Governance Structure

<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>Endorses the Group’s sustainability strategy and commitment statement</li> <li>Approves the Sustainability Report and its contents</li> </ul>
<b>Sustainability Steering Committee (SSC)</b>	<ul style="list-style-type: none"> <li>Proposes the sustainability strategy to the Board</li> <li>Reviews the material sustainability matters identified and prioritised by the SMC</li> <li>Engages the departments involved in the SMC and oversees the progress of sustainability initiatives and projects that are in place across different departments</li> </ul>
<b>Sustainability Management Committee (SMC)</b>	<ul style="list-style-type: none"> <li>Undertakes sustainability initiatives aligned with the Group’s sustainability strategy</li> <li>Records and manages data that reflect the Group’s year-on-year performance against economic, environmental, and social parameters</li> <li>Identifies and prioritises the material sustainability matters that are relevant to the Group and the stakeholders</li> </ul>
<b>Sustainability Task Force (STF) and Employees</b>	<ul style="list-style-type: none"> <li>Executes sustainability initiatives and collects sustainability data</li> <li>Executes internal controls to manage sustainability matters</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Sustainability Governance Framework (Continued)

We remain committed to building a sustainable business that delivers long-term value to our stakeholders. We will continue to manage the Group's businesses with careful consideration of the environmental, social, economic and governance factors, in paving the way towards a more sustainable future.

As the interest and needs of each stakeholder vary, we adopt a process to assess and facilitate effective and efficient stakeholder engagement. Amongst others, the assessment considers the nature of their relationships with our business and how these relationships impact BESHOM and our stakeholders, and vice versa.

During the FY2025, we continued our engagement with suppliers and business associates through a Sustainability Survey to better understand the possible sustainability issues related to our group's supply chain and have better knowledge of how suppliers addressed the issues on social, environmental and the governance aspects. We embrace open and honest communication, aiming to foster mutual understanding and align interests of all parties.

#### Sustainability Strategies and Key Performance Indicators

We integrate and align our sustainability process with the Group's strategic management, including ensuring sustainability strategies are aligned with our business strategies and identifying specific key performance indicators ("KPIs") for Management to drive sustainability performance and to instill a sense of ownership and shared responsibility across the organization.

In FY2025, the evaluation of the Group Managing Director and Group Executive Director included an assessment of the performance and effectiveness in managing sustainability matters, particularly those related to the business operations of the 3 main business segments, i.e. MLM, Wholesale and Retail segments and other material sustainability matters on group-wide basis.

With the ever-growing emphasis on sustainability as well as the increased expectations for the Group to act responsibly, the Board will continue to engage with subject matter experts, both internal and external and attend relevant trainings to ensure that the Board has the knowledge to support the Company in enhancing its sustainability focus and formulating sustainability strategy.

Recognising the recent changes to the MMLR, we are taking necessary steps to enhance our internal processes, including data collection processes, to support the MMLR's disclosure requirements. Aware of the urgency to address climate-related impacts on our businesses, we are making additional efforts to measure and understand our exposure to climate-related risks and opportunities. During the FY2025, the Group organised a training session for relevant management and executives to acquire necessary knowledge to prepare sustainability statement in accordance with IFRS Sustainability Disclosures Standards, IFRS S1 General Requirements for Disclosure of Sustainability - related Financial Information and IFRS S2 Climate-related Disclosures. The training provided management with better understanding for implementation of appropriate actions and encourages group-wide involvement from all business divisions and cross-functional team to manage the identified sustainability and climate-risks and opportunities.

#### Part II – Board Composition

##### Intended Outcome 5.0

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Currently, the Board comprises members from diverse backgrounds which provide the Group with diverse views and a wealth of expertise, advice and experience. The profiles of the Directors are provided on pages 13 to 16.

Our Board has six (6) members, comprising two (2) Executive Directors and four (4) Independent Non-Executive Directors. This complies with Paragraph 15.02 of the MMLR which requires at least one-third (1/3) of the board to be Independent Directors as well as Practice 5.2 of the MCCG that requires at least half of the board comprises independent directors. In the event of any vacancy in the Board of Directors resulting in non-compliance with Para 15.02(3) of the MMLR, the Company must fill the vacancy within 3 months. Currently, 66.7% of our directors are independent while the female representation is 33.3% with two (2) women directors.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### Part II – Board Composition (Continued)

The Board recognises the importance of independence and objectivity in the decision-making process. The Independent Non-Executive Directors do not participate in the day-to-day management of the Group. They play a significant role in providing unbiased and independent views, advices and decisions while taking into account the interest of relevant stakeholders including minority shareholders of the Company.

#### Tenure of Independent Director

The Board is aware of the good practice that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and that an Independent Director may continue to serve the Board if the Independent Director is redesignated as a Non-Independent Non-Executive Director upon completion of nine (9) years tenure. The Board has, vide its meeting held in July 2022, adopted the 9-year policy for the tenure of Independent Directors to serve on the Board.

As at 30 April 2025, none of the Independent Directors has served for a cumulative term exceeding 9 years.

#### Intended Outcome 6.0

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

#### Nominating Committee

The Board has delegated to the Nominating Committee (“NC”) the responsibility to establish, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors, including the assessment on the effectiveness of the Board as a whole, the performance of each individual Director and the Board Committees, including tenure of each independent director, the term of office, and performance of the Audit Committee, Risk Management Committee, Remuneration Committee and its members on an annual basis. All assessments and evaluations carried out by the NC in the discharge of all its functions are properly documented.

The Terms of Reference of NC was last updated on 3 August 2023. The NC comprises exclusively of Independent Non-Executive Directors. The members are as follows: -

Name	Directorship	Attendance in FY2025
		No. of meeting
<b>Chairperson:</b> Professor Hajjah Ruhanas Binti Harun	Independent Non-Executive Director	3/3
<b>Members:</b> Foong Yein Fun (appointed as a member on 20 December 2024)	Independent Non-Executive Director	-
Dato’ Lee Teck Hua (appointed as a member on 20 December 2024)	Independent Non-Executive Director	-
Soon Eng Sing (ceased to be a director and member on 1 December 2024)	Independent Non-Executive Director	2/2

The Terms of Reference of the NC is available on our website at [www.beshom.com](http://www.beshom.com).

The NC meets at least once a year with additional meetings to be convened, if necessary. During the financial year under review, the NC met three (3) times with a 100% attendance rate.

The NC has developed criteria for the annual assessment of the Independent Directors. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Group and his/her involvement in any significant transaction with the Group according to the criteria set in the Main Market Listing Requirements (“MMLR”) of Bursa Securities.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Nominating Committee (Continued)

As an annual practice, all the Independent Non-Executive Directors have provided their annual confirmations of independence to the Board based on the Company's criteria of assessing independence in line with the definition of "independent directors" prescribed by the MMLR.

On 20 December 2024, the Board approved the proposed reconstitution of the Audit Committee (AC), Risk Management Committee (RMC), Remuneration Committee (RC), Nominating Committee (NC) and Sustainability Steering Committee (SSC) and to fill in the casual vacancy of AC within three (3) months following the resignation of Mr. Soon Eng Sing as an Independent Non-Executive Director upon expiry of his 9-year tenure with the Company on 1 December 2024. The proposed reconstitution aligns with the Company's objective of ensuring balanced participation of all Board members across each committee.

The Board had assessed and concluded that all the Independent Non-Executive Directors of the Company, namely, Ng Chek Yong, Professor Hajjah Ruhana Binti Harun, Foong Yein Fun and Dato' Lee Teck Hua have demonstrated independence in their conduct and behaviour which are essential indicators, and that each of them is independent of the Company's management and free from any business or other relationships which could interfere with the exercise of their independent judgement or the ability to act in the best interest of the Company.

The NC also assesses the training needs of Directors for continuous education purpose, evaluates expected time commitment of the Directors and establishes protocols for the Board to accept new directorships.

#### Board Nomination and Election Process of Directors

The NC is responsible for recommending candidates to the Board to fill a vacancy arising from resignation, retirement or other reasons, or if there is a need to appoint additional directors with the required skill or profession to the Board to close the competency gap in the Board as identified by the NC. Upon receipt of the proposal, the NC is responsible for conducting an assessment and evaluation of the proposed candidate. Upon completion of the assessment and evaluation of the proposed candidate, the NC would make its recommendation to the Board. The selection and appointment process for new director(s) is as follows: -

Selection & Appointment Process for New Director						
1. Analyse and identify needs of the Board	2. Source Candidate	3. Conduct interaction with candidate	4. Nominate candidate to the Board	5. Board approval	6. Appointment process	7. Orientation Program for new director

#### Board Diversity Policy

The Group does not practice discrimination in any form, whether based on age, gender, ethnicity or religion, throughout the organisation. This includes the selection of Board members and Key Senior Management.

The Board recognises that the mix of the Board members in terms of age, ethnicity and gender can provide diverse perspectives, experience and expertise required to achieve an effective Board.

The Board has considered the Board Diversity and agreed that it is of utmost importance that the Board comprises the best qualified individuals who possess the requisite knowledge, experience, independence, foresight and good judgement to ensure that the Board functions effectively and is able to discharge its duties in the best interests of the Company and shareholders.

The Nominating Committee is responsible for reviewing and assessing the composition and performance of the Board as well as identifying appropriately qualified persons to be a member of the Board. In designing the composition of the Board, the Nominating Committee will consider the benefits of diversity from several aspects including age, ethnicity, gender, physical / mental ability and other characteristics as stated in the FPP or to fill the gap of the directors' skill matrix.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Board Diversity Policy (Continued)

The NC keeps the Board's balance of skills, knowledge, experience and the length of service of each board member under constant review. The NC takes into consideration the use of independent sources in identifying suitably qualified candidates should there be a need to appoint additional or new director(s). The NC will conduct proper screening and selection of candidates prior to the appointment of any new director.

The assessment relating to the reappointment of directors was reviewed by the NC and recommended to the Board for approval on 25 July 2025. Based on the results of the evaluation conducted on their fitness and propriety in line with the FPP, performance and calibre and the annual assessment and evaluation of the Board for the financial year ended 30 April 2025, the Board had recommended the re-election of directors pursuant to Clause 119 of the Company's Constitution to the shareholders for approval at the 5<sup>th</sup> AGM.

#### Directors' Training

The Board acknowledges that continuous education is essential for its members to gain insight into the state of economy, technological advances, regulatory updates and management strategies.

The following are the training programmes, seminars, workshops and briefings attended by Directors during the financial year ended 30 April 2025: -

No.	Topics	NCY	TKK	HVK	Hajjah Ruhanas	FYF	Dato' LTH
1.	2 Days: Bursa Malaysia Mandatory Accreditation Programme (MAP)					✓	
2.	CyberSecMY Conference 2024				✓		
3.	Fast-Track Course - Expand into China Market	✓					
4.	Harnessing Digital Disruption: Strategies for Economic Transformation in Malaysia	✓			✓		
5.	Director Orientation Program					✓	✓
6.	China's Aggressive Stimulus Policy: Is this a turning point?			✓			
7.	Mentor, Support, Inspire- Sincere Collaboration Unlocks Unlimited Potential		✓	✓			
8.	Bursa Malaysia Mandatory Accreditation Program Part II: Leading for impact (LIP)	✓	✓	✓	✓	✓	✓
9.	TRANSFORM 2025: Empower, Evolve, Excel in the New Age of AI			✓			
10.	Generative AI Essentials for Business Leaders & Technical Teams	✓					
11.	IBM's CXO Dialogue   Future Forward: AI & Tech Trends to Watch in 2025	✓					
12.	AI Essentials for Business Leaders	✓	✓	✓			
13.	Anti-Bribery & Anti-Corruption Training						✓
14.	Case Study Based Webinar: IFRS Sustainability Disclosure Standards: IFRS S1 & S2						✓
15.	Forum Ekonomi Malaysia 2025			✓			
16.	Risk and Compliance Summit 2025			✓			

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Directors' Training (Continued)

No.	Topics	NCY	TKK	HVK	Hajjah Ruhanas	FYF	Dato' LTH
17.	Cyber Security Awareness Briefing		✓	✓			
18.	2025 Budget Seminar						✓
19.	Flagship Event: Tax Conference 2025			✓			
20.	Case Study-Based MFRS Webinar: Know the Difference between IAS1 & the New IFRS/MFRS18 Presentation & Disclosure in Financial Statements						✓
21.	Corporate Compliance: Dissecting the Recent Amendments to the PDPA 2010 and Companies Act 2016			✓			
22.	Implications of Trump 2.0				✓		
23.	Malaysian Tax Conference 2025						✓
24.	Management of climate-related risks and opportunities using the IFRS Sustainability Disclosures Standards			✓			
25.	Safety & Health Awareness Briefing		✓	✓			

#### Notes:

- (i) Abbreviation for NCY (Ng Chek Yong), TKK (Tan Keng Kang), HVK (Hew Von Kin), Hajjah Ruhanas (Hajjah Ruhanas Binti Harun), FYF (Foong Yein Fun) and Dato' LTH (Dato' Lee Teck Hua); and
- (ii) The list excluded Soon Eng Sing, who resigned from the Board upon expiry of his 9-year tenure with the Company on 1 December 2024.

#### Intended Outcome 6.0

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

The Directors are encouraged to participate in other relevant training programmes to further enhance their knowledge and skills in discharging their responsibilities more effectively.

#### Evaluation and Assessment

The process of assessing the Directors is an on-going responsibility of the entire Board. The Board has put in place a formal evaluation process to annually assess the effectiveness of the Board as a whole and the Board Committees, as well as the contribution and performance of each individual Director, including the Independent Non-Executive Directors.

The criteria used, among others, for the annual assessment of individual Directors include an assessment of their roles, duties, responsibilities, competency, expertise and contribution. For the Board and Board Committees, the criteria used include, among others, composition, structure, accountability, responsibilities, adequacy of information and processes. In general, the assessment covers: -

- Individual board member's understanding of the Company's mission and strategic plan;
- Board members' understanding and knowledge of the Group's business and performance and application of good governance principles to create sustainable shareholder's value;
- Board's independence in the process of decision making;
- In the case of Independent Non-Executive Directors, the directors' ability to discharge such responsibilities or functions as expected from Independent Non-Executive Directors and whether the directors have any conflict of interest or potential conflict of interest with the Company and/or its subsidiaries.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Evaluation and Assessment (Continued)

In line with Guidance 6.1 of the MCCG, the questionnaires on the annual assessment of the effectiveness of the Board and individual directors also included, among others, the evaluation of their:

- willingness and ability to critically challenge and ask the right questions;
- character and integrity in dealing with potential conflicts of interest situation, if any;
- commitment to serve the Company; and
- confidence to stand up for a point of view.

In respect of the assessment for the financial year ended 30 April 2025 which was internally facilitated together with the external Company Secretary, the Board was satisfied that the Board and Board Committees have discharged their duties and responsibilities effectively and the contribution and performance of each individual Director is satisfactory. The Board was also satisfied that the Board's composition in terms of size, the balance between Executive, Non-Executive and Independent Directors and the mix of skills was adequate.

#### Part III – Remuneration

##### Intended Outcome 7.0

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

##### Intended Outcome 8.0

Stakeholders are able to assess whether the remuneration of directors and senior management commensurate with their individual performance, taking into consideration the company's performance.

#### Remuneration Committee

The Remuneration Committee ("RC") is principally responsible for setting the policy framework and making recommendations to the Board on remuneration packages and benefits extended to the Executive Directors and key Senior Management.

The remuneration packages of the Executive Directors and key Senior Management have been structured to attract and retain Directors and key Senior Management of the right calibre to manage the Group effectively. The recommendation of remuneration of the Executive Directors and key Senior Management is measured by, amongst others, the Directors' contribution, commitment, responsibilities and expertise, while rewards are linked to the Company's and individual's performance which comprise financial, non-financial and operational targets. The Executive Directors abstained from deliberation on their own remuneration at Board meetings.

In the case of Non-Executive Directors, the remuneration philosophy is to establish a remuneration structure that commensurate with the seniority, experience, contribution, level of responsibilities and representation in Board Committees by a particular Non-Executive Director. The remuneration and benefits payable to the Non-Executive Directors would be tabled to the shareholders for approval at the forthcoming 5<sup>th</sup> AGM. The Directors who are also the shareholders shall abstain from voting at the forthcoming 5<sup>th</sup> AGM on resolutions pertaining to their Directors' fees and benefits.

The Terms of Reference of the RC which includes the Remuneration Policies was updated in May 2022 and is available on the Company's website at [www.beshom.com](http://www.beshom.com).

Presently, the RC comprises wholly Non-Executive Directors, all of whom are Independent.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Remuneration Committee (Continued)

Name	Directorship	Attendance in FY2025
		No. of meeting
<b>Chairperson:</b> Foong Yein Fun (appointed as a member and Chairperson on 20 December 2024)	Independent Non-Executive Director	-
Soon Eng Sing (ceased to be a director and member on 1 December 2024)	Independent Non-Executive Director	1/1
<b>Members:</b> Professor Hajjah Ruhanas Binti Harun	Independent Non-Executive Director	2/2
Dato' Lee Teck Hua (appointed as a member on 20 December 2024)	Independent Non-Executive Director	-

During the financial year ended 30 April 2025, the RC held two (2) meetings with a 100% attendance rate. The RC has reviewed the remuneration packages of the Executive Directors and key Senior Management staff based on Key Performance Indicators and performance appraisals carried out by the Group Managing Director before recommending to the Board for its consideration and approval. The respective Directors abstained from deliberating and voting on their own remuneration at the Board of Directors' Meetings.

The Directors' fees, both Executive and Non-Executive, would be tabled to the shareholders for approval at the forthcoming 5<sup>th</sup> AGM.

#### Directors' Remuneration

The details of the remuneration of Directors for the financial year ended 30 April 2025 are as follows:

Company	Directors' fee (RM)	Salaries, Allowances, Bonuses, Incentives <sup>N1</sup> (RM)	Benefits in-Kind <sup>N2</sup> (RM)	Other Emoluments <sup>N3</sup> (RM)	Total (RM)
<b>Executive Directors</b>					
Tan Keng Kang	20,000	425,000	-	51,695	496,695
Hew Von Kin	20,000	393,000	-	15,950	428,950
Sub-Total	40,000	818,000	-	67,645	925,645
<b>Non-Executive Directors</b>					
Ng Chek Yong	20,000	125,000	-	5,630	150,630
Hajjah Ruhanas Binti Harun	20,000	68,750	-	3,143	91,893
Foong Yein Fun	20,000	71,500	-	8,959	100,459
Dato' Lee Teck Hua (appointed on 17 July 2024)	15,671	57,147	-	7,032	79,850
Soon Eng Sing (resigned on 1 December 2024)	11,667	64,000	-	7,435	83,102
Sub-Total	87,338	386,397	-	32,199	505,934
<b>Grand Total</b>	127,338	1,204,397	-	99,844	1,431,579

<sup>N1</sup> Allowances comprised monthly fixed allowance, meeting allowance and other allowances.

<sup>N2</sup> Benefits-in-Kind comprised provision of Company's motor vehicle and others.

<sup>N3</sup> Other Emoluments comprised of contribution for Employer's Provident Fund, Social Security Welfare and Employment Insurance Scheme.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### Directors' Remuneration (Continued)

Group	Directors' fee (RM)	Salaries, Allowances, Bonuses, Incentives <sup>N1</sup> (RM)	Benefits in-Kind <sup>N2</sup> (RM)	Other Emoluments <sup>N3</sup> (RM)	Total (RM)
<b>Executive Directors</b>					
Tan Keng Kang	45,000	1,079,000	8,800	131,350	1,264,150
Hew Von Kin	29,000	886,000	13,326	35,949	964,275
Sub-Total	74,000	1,965,000	22,126	167,299	2,228,425
<b>Non-Executive Directors</b>					
Ng Chek Yong	20,000	125,000	-	5,630	150,630
Hajjah Ruhanas Binti Harun	20,000	68,750	-	3,143	91,893
Foong Yein Fun	20,000	71,500	-	8,959	100,459
Dato' Lee Teck Hua (appointed on 17 July 2024)	15,671	57,147	-	7,032	79,850
Soon Eng Sing (resigned on 1 December 2024)	11,667	64,000	-	7,435	83,102
Sub-Total	87,338	386,397	-	32,199	505,934
<b>Grand Total</b>	161,338	2,351,397	22,126	199,498	2,734,359

<sup>N1</sup> Allowances comprised monthly fixed allowance, meeting allowance and other allowances.

<sup>N2</sup> Benefits-in-Kind comprised provision of Company's motor vehicle and others.

<sup>N3</sup> Other Emoluments comprised of contribution for Employer's Provident Fund, Social Security Welfare and Employment Insurance Scheme.

Saved as disclosed above, there were no other remuneration paid for services rendered by any Directors to the Company and the Group for the financial year ended 30 April 2025.

The Directors who are shareholders of the Company had abstained from voting at the previous 4<sup>th</sup> AGM and shall abstain from voting at the forthcoming 5<sup>th</sup> AGM on resolutions pertaining to their Directors' fees, benefits and their respective re-election as Directors.

### Remuneration of Senior Management

In consideration of the competitive landscape, the Board made a strategic decision regarding the disclosure of remuneration of our Key Senior Management. While acknowledging the recommended practice outlines in the MCCG, the Board believes that full individual disclosure could potentially disadvantage the Group in this competitive industry.

The aggregate remuneration of the Key Senior Management (excluding Group Executive Directors) for the financial year ended 30 April 2025, is as follows: -

Group	Directors' fee (RM)	Salaries, Allowances, Bonuses, Incentives <sup>N1</sup> (RM)	Benefits in-Kind <sup>N2</sup> (RM)	Other Emoluments <sup>N3</sup> (RM)	Total (RM)
Key Senior Management <sup>N1</sup>	3,000	540,000	6,600	68,360	617,960

<sup>N1</sup> Key Senior Management team comprises of Mr. Tham Yoke Lon (General Manager of MLM segment) and Mr. Philip Teo Kheng Leong (General Manager of Retail segment).

<sup>N2</sup> Benefits-in-Kind comprised provision of company's motor vehicle and others.

<sup>N3</sup> Other Emoluments comprised of contribution for Employer's Provident Fund, Social Security Welfare and Employment Insurance Scheme.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

#### Part I - Audit Committee

##### Intended Outcome 9.0

There is an effective and independent Audit Committee. The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

The Audit Committee comprises wholly of Non-Executive Directors, all of whom are Independent. The composition of the Audit Committee, including its roles and responsibilities, is set out on pages 51 to 56 of this Annual Report.

The Chairman of the Audit Committee and the Chairman of the Board are held by different persons.

All members of the Audit Committee are financially literate as they keep themselves abreast with the latest developments in accounting and auditing standards and the impact to the Group through briefings by Management and External Auditors.

#### Assessment of suitability and independence of External Auditors

Through the Audit Committee, the Board has established a transparent and professional relationship with the Company's Internal and External Auditors.

The Company's Independent External Auditors fill an essential role for the shareholders by enhancing the reliability of the Company's financial statements and giving assurance of that reliability to users of these financial statements. In the course of their audit of the Group's financial statements, the External Auditors would highlight to the Audit Committee matters that require the Board's attention. Audit Committee meetings are attended by the External Auditors for purposes of presenting their audit plan and report and presenting their comments on the audited financial statements. At least twice a year, meetings are held without the presence of the Management of the Company to ensure that the External Auditors can freely discuss and express their opinions on any matter to the Audit Committee, and the Audit Committee can be sufficiently assured that Management has fully provided all relevant information and responded to all queries from the External Auditors.

In addition, the External Auditors are invited to attend the AGM of the Company and are required to be available to answer shareholders' questions on the conduct of the statutory audit and the contents of their audit report.

During the financial year, the Audit Committee assessed the performance, suitability and independence of the External Auditors covering, among others, the following areas: -

- (a) Service quality;
- (b) Sufficiency of resources;
- (c) Communication with the Management; and
- (d) Independence, Objectivity and Professionalism

In addition to the above, the Audit Committee had also considered the information presented in the Annual Transparency Report for the year ended 31 December 2024 of the External Auditors in carrying out the External Auditors' assessment.

The Audit Committee has incorporated into its Terms of Reference, a policy requiring a cooling-off period of at least three (3) years before a former partner of the external audit firm may be appointed as a member of the Audit Committee to safeguard the independence of the audit of the financial statements.

The Audit Committee has also taken note of the non-audit services and the fees charged by the External Auditors. The policy on audit and non-audit services is guided by the following principles: -

- (a) the External Auditors may provide audit and non-audit related services that, while outside the scope of the statutory audit, are consistent with the role of auditors;
- (b) the External Auditors should not provide services that are perceived to be materially in conflict with their role as auditors. However, the external auditors may be permitted to provide non-audit services that are not perceived to be materially in conflict with the role of auditors; and
- (c) exceptions may be made to the policy where the variation is in the interest of the Company and arrangements are put in place to preserve the integrity of the external audit process. The Board must specifically approve such exceptions.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

#### Assessment of suitability and independence of External Auditors (Continued)

Before appointing External Auditors to undertake non-audit services, considerations should be given to whether this would create a threat to the External Auditors' independence or objectivity. The External Auditors should not be appointed unless appropriate safeguards are present to eliminate or reduce the threat to an acceptable level. The External Auditors shall observe and comply with the By-Laws of the Malaysian Institute of Accountants in relation to the provision of non-audit services.

The Audit Committee has assessed the independence of KPMG PLT as the External Auditors of the Company as well as reviewed the level of non-audit services rendered by them and after considering the quantum of the fee, which was not material as compared with the total audit fee paid to the External Auditors, concluded and recommended to the Board that the provision of such services did not compromise the External Auditors' independence and objectivity.

The AC also reviewed and assessed the non-assurance services (where applicable), to be undertaken by the affiliated firm of the External Auditors before engagement of these services.

The External Auditors, KPMG PLT, have declared to the Audit Committee their independence in carrying out the audit for the Group and their compliance with relevant ethical requirements at the Audit Committee meeting. Having been satisfied with their performance, technical competency and audit independence, the Audit Committee recommended their fees and suitability for re-appointment to the Board.

The Audit Committee met with the External Auditors three (3) times at the Audit Committee meetings held on 24 June 2024, 23 July 2024 and 27 March 2025 during the financial year ended 30 April 2025. The Audit Committee has allocated a discussion session with the External Auditors without the presence of the Executive Directors and Management at the meetings held on 24 June 2024 and 27 March 2025.

#### Company's financial statements is a reliable source of information

The Board aims to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, as well as through quarterly announcements of its results to shareholders. These financial statements are drawn up in accordance with the Companies Act 2016, the MMLR, the International Financial Reporting Standards and the Financial Reporting Standards in Malaysia and are reviewed by the Audit Committee prior to approval by the Board. The annual financial statements are subject to audit by independent External Auditors.

The Board, with the assistance of the Audit Committee, takes due care and reasonable steps to ensure that its quarterly and annual financial statements are presented in an accurate manner. The Audit Committee, when reviewing the financial statements, is also required, among others, to focus on significant matters highlighted in the financial statements and significant judgments, estimates or assumptions made by the Management.

The Board is responsible to ensure that financial statements of the Company give a true and fair view of the state of the Company and of the Group as at the end of the reporting period. Accordingly, the Board has prepared the responsibility statement pursuant to the MMLR as outlined on page 76 of this Annual Report.

### Part II – Risk Management and Internal Control

#### Intended Outcome 10.0

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives. The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

#### Intended Outcome 11.0

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

#### Part II – Risk Management and Internal Control (Continued)

The Board has formalised a structured risk management framework to determine the Company's level of risk tolerance and to identify, evaluate, control, monitor and report the principal business risks faced by the Group on an ongoing basis.

The Risk Management Committee ("RMC") consists of three (3) members, two (2) of whom are Independent Non-Executive Directors, hence in compliance with Practice 10.3 - Step Up of the MCCG which requires the RMC to comprise a majority of independent directors. The composition of the RMC is set out on page 78 of the Statement of Risk Management and Internal Control in this Annual Report.

During the financial year ended 30 April 2025, the RMC held two (2) meetings with a 100% attendance rate.

The key features of the risk management framework are set out in the Statement on Risk Management and Internal Control. The system of internal control practised by the BESHOM Group spans across financial, operational and compliance aspects, particularly to safeguard the Group's assets and hence shareholders' investments. The system of internal control, by its nature, can only provide reasonable but not absolute assurance against misstatement or loss.

The Board has also established an independent internal audit function that reports directly to the Audit Committee. Currently, the Group Internal Audit Department ("Group IAD") comprises of two (2) Senior Executives. The Group IAD is independent from the operational activities of the Group and they do not hold management authority and responsibility over the operations covered in their scope of their audit works. The Group has also co-sourced certain aspects of the internal audit function to an external professional internal audit service provider, namely Resolve IR Sdn.Bhd..

The scope of work covered by the both the internal audit function during the financial year under review is provided in the Statement on Risk Management and Internal Control contained in this Annual Report.

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

#### Part I - Engagement with stakeholders

##### Intended Outcome 12.0

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

#### Investor Relations

An Investor Relations Policy enables the Company to communicate effectively with its shareholders, prospective investors, fund managers, investment analysts and the public, generally with the intention of giving them a clear picture of the Group's performance and operations.

The shareholders and other stakeholders are kept informed of all major developments and performance of the Group through timely quarterly results announcements and various disclosure and announcements made to Bursa Securities through Bursa Link, press releases, the Company's annual report and circular to shareholders, if applicable.

The Company periodically organises briefings and meetings with analysts and fund managers and also facilitates communications through tele-conference to give stakeholders a better understanding of the businesses and developments of the Group. The corporate presentations and interim financial highlights are available at the Company's website [www.beshom.com](http://www.beshom.com).

To maintain a high level of transparency and effectively address any issues or concerns, the Company maintains a dedicated electronic mail, [ir@beshom.com](mailto:ir@beshom.com), to which stakeholders can direct their queries for investor relations purposes.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)

#### Corporate Disclosure Policy and Procedure

The Group recognises the importance of transparency and accountability in the disclosure of the Group's business activities to its shareholders and investors. The Board has adopted a Corporate Disclosure Policy and Procedure for the Group, which sets out, among others, the scope and extent of disclosure by the various parties within the organisation, timeliness of disclosure as well as assessment of materiality and if it is reasonably expected to have a material effect on the price, value or market activity of any of the Company's securities; or the decision of a member of the Company or an investor in determining his choice of action.

#### Leverage on Information Technology for effective dissemination of Information

The Group has also leveraged on information technology for broader and effective dissemination of information. It has established an Investor Relations Section within the Corporate website to provide all relevant information, including corporate governance, public announcements, annual reports, financial highlights, corporate information, corporate calendar, dividends history, notice of general meetings, minutes of annual general meeting and others meetings, minutes of annual general meeting and others.

#### Part II - Conduct of General Meetings

##### Intended Outcome 13.0

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

#### General Meeting

The Board recognises the importance of keeping shareholders, stakeholders and the general public informed on the Group's business, performance and corporate developments. The Annual General Meeting ("AGM") remains the principal forum for dialogue with shareholders. Shareholders are encouraged to participate in the proceedings and ask questions about the resolutions being proposed and the business operations of the Group.

The date of AGM of the Company is normally scheduled annually in September or October and the Directors are notified at the beginning of the calendar year of the scheduled meeting to ensure that all Directors are present to provide a meaningful response to questions addressed to them. The Directors, together with the Senior Management team, external auditors would be present at general meeting(s) to answer queries from the shareholders who participate in the Question and Answer session.

The Notice of AGM will be served to the shareholders of the Company at least 28 days prior to the meeting. The notice of AGM was published in the Annual Report and uploaded on the Company's website upon release to Bursa Securities.

For conducting general meetings, either physical or on a virtual basis, the Board must also ensure that the meeting supports meaningful engagement between the Board, Senior Management and shareholders. This includes having in place the required infrastructure and tools to, among others, encourage interactive participation by shareholders and provide a smooth broadcast of the general meeting if it is to be held on a virtual basis. The virtual meeting facilities have enabled the shareholders of the Company to exercise their right to participate (including the right to pose questions to the Board of Directors and/or Management of the Company) and vote in absentia in accordance with the Company's constitution which allows electronic voting and remote shareholders participation.

The 4<sup>th</sup> AGM was held physically on 26 September 2024 in Kuala Lumpur. All resolutions were put to vote by poll.

All Directors attended the 4<sup>th</sup> AGM. The Directors, together with the Senior Management team and External Auditors were present at the 4<sup>th</sup> AGM and responded to the questions raised by the shareholders during the meeting.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

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### PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)

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#### General Meeting (Continued)

The shareholders are also allowed to submit questions in advance to our IR email before the meeting. Answers to the Questions received prior to the meeting were presented and made visible to all meeting participants during the meeting. All the relevant questions and answers received before and during AGM were published on our corporate website at [www.beshom.com](http://www.beshom.com). within 30 business days after the meeting.

#### RESPONSIBILITY STATEMENT BY THE BOARD

The Directors are responsible in ensuring that the annual financial statements of the Group are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, the provisions of Companies Act 2016 and the MMLR.

They are to ensure that the annual financial statements of the Group give a true and fair view of the state of affairs of the Group at the end of the financial year and the results and cash flows for the year then ended.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies on going concern basis and applied them consistently;
- made judgements, estimates and assumptions that are prudent and reasonable;
- ensured that applicable approved accounting standards are complied with; and
- put in-place an internal control system to ensure the financial statements are free from material misstatements, whether due to fraud or error.

The Directors have also taken reasonable steps to safeguard the assets of the Group as well as to prevent and detect other irregularities.

This CG Overview Statement was made in accordance with a Resolution of the Board on 19 August 2025.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

## Introduction

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board of Directors (“the Board”) is committed to maintaining a sound internal control and risk management system and is constantly reviewing the adequacy and effectiveness of the system. The Board is pleased to provide the following statement on the state of risk management and internal control of Beshom Holdings Berhad (“BESHOM”/“Company”) and its subsidiaries (“Group”) for the financial year ended 30 April 2025, which has been prepared in accordance with the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” issued by the Institute of Internal Auditors Malaysia and adopted by Bursa Securities.

## Board Responsibility

The Board is committed to maintaining a sound system of risk management and internal control and proper management of risk throughout the operations of the Group in order to safeguard shareholders’ investments and assets of the Group. The Board is responsible for determining the overall Group’s level of risk tolerance and constantly review, assess and monitor the effectiveness and adequacy of the internal control system which has been embedded in all aspects of the Group’s activities.

The risk management and internal control system is designed to identify, assess and manage principal risks that may hinder the Group from achieving its strategic goals and business objectives efficiently, effectively and economically instead of eliminating these risks.

The Board takes cognizance of the system’s inherent limitations. Accordingly, the system is designed to manage and provide reasonable, rather than absolute assurance against the risk of failure, material misstatement or loss.

## Risk Management Framework

The Board has, through its Risk Management Committee (“RMC”), implemented an Enterprise Risk Management (“ERM”) Framework throughout the Group to provide an integrated risk management infrastructure to identify, respond to and monitor the strategic key enterprise risks in a systematic and on-going approach.

## Roles and Responsibilities under the Risk Management Framework

Authority Level	Roles and Responsibilities
Board of Directors	<ul style="list-style-type: none"> <li>Approves and oversees the ERM Framework and internal control system (incorporating Policies and Scope), including changes or additions.</li> <li>Responsible for determining the overall Group’s level of risk tolerance and review, assess and monitor the effectiveness and adequacy of the risk management and internal control system.</li> </ul>
Audit Committee (“AC”) and Risk Management Committee (“RMC”)	<ul style="list-style-type: none"> <li>Develops &amp; implements the ERM Framework and internal control system.</li> <li>Reviews the appropriate risk management measures implemented within the Group to ensure the adequacy and effectiveness of the Group’s risk management and internal control system.</li> </ul>
Executive Risk Committee (“ERC”)	<ul style="list-style-type: none"> <li>Assists the RMC in overseeing risk management through its ERM framework.</li> <li>Ensures that Management and Risk Owners maintain an effective process to identify, evaluate and manage risks.</li> <li>Provides guidance and advice with respect to risk management and monitor risks across the key risk areas.</li> </ul>
Management and Risk Owners of Operating Business Units	<ul style="list-style-type: none"> <li>Identify and prioritise risks and participate in the Group’s risk identification and assessment process.</li> <li>Ensure risks are identified, managed and regularly assessed and provide regular updates on risks as well as key indicators measuring the extent of the risks.</li> <li>Document the controls and processes to manage the risks of their respective functional areas.</li> </ul>

The AC and RMC assist the Board to review the appropriate risk management measures implemented within the Group to ensure the adequacy and effectiveness of the Group’s risk management and internal control system.

The major business units are required to document the controls and processes to manage the risks of their functional areas, assess the effectiveness of the system and be sensitive and responsive to any changes to prevent and/or mitigate or minimize any damages to such functional areas.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

### Risk Management Framework (Continued)

The RMC of BESHOM was constituted on 12 November 2021 ahead of the transfer of listing status from Hai-O Enterprise Berhad to BESHOM on Main Market of Bursa Securities on 29 November 2021.

The RMC is currently chaired by the Group Executive Director cum Group Chief Financial Officer and its members consist of two (2) Independent Non-Executive Directors as follows:

Name	Directorship	No. of Meetings Attended in FY2025
<b>Chairperson:</b> Hew Von Kin	Group Executive Director cum Group Chief Financial Officer	2/2
<b>Members:</b> Foong Yein Fun	Independent Non-Executive Director	2/2
Dato' Lee Teck Hua (appointed as member on 19 July 2024)	Independent Non-Executive Director	1/1

The ERC is led by the Group Executive Director and its members comprise of divisional or departmental heads. The ERC assists the RMC in overseeing risk management through its ERM framework.

The Group Managing Director was invited to all RMC and ERC meetings held during the financial year ended 30 April 2025. The ERC members and the relevant key risk owners have also been invited to attend the RMC meetings. During the financial year ended 30 April 2025, the RMC had reviewed the risk registers and its status update, deliberated on the key and new risks identified and kept track of management actions or measures taken or proposed to be taken within the stipulated timeline.

During the financial year 2025, two (2) RMC meetings were held on 4 June 2024 and 6 December 2024 respectively with 100% attendance rate. The Chairman of the RMC reports and briefs the Board under a separate agenda at each Board Meeting following their respective meetings on the salient matters deliberated, including among others, the adequacy of the internal control system in managing the risks, the monitoring process carried out by the Management and the RMC. The Company Secretary is the secretary of the RMC.

The Board has put in place an ERM process for Beshom Holdings Berhad and its principal subsidiaries, namely, Hai-O Enterprise Bhd., Sahajidah Hai-O Marketing Sdn. Bhd., Hai-O Raya Bhd. and SG Global Biotech Sdn. Bhd.

### The Group's Enterprise Risk Management Process





## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

The Group's ERM Process comprises four main phases, namely, Risk Assessment, Risk Impact Analysis, Formulation of Action Plan and Risk Monitoring and Review.

### Risk Assessment

Risk assessments are conducted for each key business function, activity and process to ensure that they are aligned with the Group's objectives and goals. The identification and management of risk is a continuous process linked to the achievement of the objectives. Any risks arising from these assessments will be identified, analysed and reported to the appropriate functional units.

### Risk Impact Analysis

Each risk identified is evaluated and given a gross risk rating based on its impact and probability of occurrence and is evaluated as low, medium or high. The level of residual risk is determined after identifying and evaluating the effectiveness of existing controls and mitigating measures taken. All risks identified are evaluated based on appropriate qualitative and quantitative criteria through discussion with the Management and Risk Owners of the Operating Business Units.

### Formulation of Action Plan

The risk register is compiled to facilitate the identification, assessment and on-going monitoring of risks. Action plans and mitigating controls are determined for all the risks identified, evaluated and captured in the risk registers. The risk profiles, control procedures and status of action plans are reviewed at least quarterly and as and when required by the ERC together with the Operating Business Unit Heads.

### Risk Monitoring and Review

For each of the risks identified, the risk owner is responsible for ensuring that the recommended risk response actions are carried out within an agreed timeline. The respective risk owners are required to put in place the management actions and control measures, coordinate and communicate with the Risk Coordinator and the Group Internal Auditors to update the Risk Scorecard at least on a semi-annual basis. The Internal Auditors will perform an independent review on the risk and internal control areas and report to the AC on a quarterly basis.

### Key Elements of Internal Control

The Group's system of internal control comprises the following key elements:

- 1) An on-going process and framework for identifying, evaluating and managing significant risks faced by the Group which is in place for the year under review and up to the date of approval of this statement for inclusion in the annual report and reviewed by the Directors.
- 2) Clearly documented risk management principles, standard operating procedures and policies to meet operational needs, and communicated to employees.
- 3) The Board conducts quarterly reviews of the Group's performance and financial position at its meetings to ensure that the Group's overall objectives are achieved. At business units and divisional levels, the Management Team holds operational meetings to discuss, review, evaluate and resolve operational, financial and key management issues.
- 4) Each business unit is required to prepare annual budgets to be tabled to the Board for approval. Scheduled operational and management meetings are held to discuss and review business plans, budgets, financial and operational performances of the business units.
- 5) The Code of Ethics and Business Conduct ("Code of Conduct") is implemented within the Group and each employee is contractually bound to abide by the Code of Conduct. This Code serves to guide employees to conduct themselves in the utmost professional manner in dealing with company matters.
- 6) A clearly defined delegation of responsibilities is set for Committees of the Board, the Management Team and business operating units, including assigning appropriate authority levels to the various divisions of the business.
- 7) Insurance coverage and physical safeguards over major assets (property, plant and equipment, investment properties and inventories) are in place to ensure that the assets of the Group are adequately covered against any mishap that may result in material losses to the Group.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

### Internal Audit Function

The Group Internal Audit Department (“IAD”) and the co-sourced Internal auditors, Resolve IR Sdn. Bhd. (“RESOLVE”) work alongside to continuously provide an independent assessment on the adequacy, effectiveness and reliability of the Group’s risk management processes and system of internal controls. The Group IAD and RESOLVE review compliance with policies and procedures, advise executive and operational management on areas for improvement and subsequently review the extent to which its recommendations have been implemented. The Group IAD and RESOLVE also conduct follow up reviews on the implementation status of action plans previously agreed by Management.

The internal audit plan for Group IAD is approved by the AC on an annual basis, whereas the internal audit plan by RESOLVE was approved by AC prior to its appointment on 20 December 2023. The results of the audits and recommendations for improvement co-developed with Management, were tabled at the AC meetings for discussion and subsequent assessment. Key and significant risk issues will be escalated to the RMC for deliberation, followed by subsequent monitoring of management actions.

The key risk issues are reported to the Board by the Chairman of the RMC at Board meeting scheduled following the RMC meeting held for further deliberation. These include risks at the macro, industry and company specific levels, such as regulatory and compliance risks; the state of the global and domestic economy and the associated risks on key business operations; competitiveness of the marketing plan; price cutting and fake products; customers retention and expansion of youth market, inventory management; branding management; ineffective execution of business strategies & initiatives; manpower shortage and succession planning; data protection; and corporate liability provision risks.

During the financial year under review, the Group IAD performed control assessment reviews and risk impact analysis on business operations of the Wholesale, Multi-Level Marketing, Retail and Manufacturing segments of the Group. In addition, RESOLVE has performed four (4) internal audit visits for financial year ended 30 April 2025, on our main subsidiaries, Hai-O Enterprise Bhd. (Wholesale segment), Sahajidah Hai-O Marketing Sdn. Bhd. (MLM segment), Hai-O Raya Bhd. (Retail segment) and SG Global Biotech Sdn.Bhd. (Manufacturing segment). The internal audit by RESOLVE was conducted using a risk-based approach and was guided by the International Professional Practices Framework (“IPPF”). The details of the audit scope and coverage are elaborated in the Audit Committee Report.

In addition to the above, the Group IAD and RESOLVE conducted quarterly follow up reviews with the respective Heads of Business Units on the implementation status of the audit recommendations made by them respectively.

The Group IAD has assessed the system of internal controls, where applicable, based on the principles of COSO Internal Controls – Integrated Framework (“COSO Framework”). The COSO principles outlined five essential components of an effective internal control system, namely (i) Control Environment; (ii) Risk Assessment; (iii) Control Activities; (iv) Information and Communication; and (v) Monitoring. The areas of concerns or emphasis that require Management’s immediate or specific attention and monitoring are tabulated in the Key Risk Listing for internal audit focus. Some weaknesses in internal control were identified during the year under review but these were not deemed significant and did not materially impact the business or operations of the Group.

### Anti-Bribery Framework

The Group is committed to conduct its businesses in a lawful and ethical manner and maintaining high standards of ethics and integrity. The Anti-Bribery Framework (“ABF”) was established on 28 May 2020. The ABF sets out the Group’s stance and adopts adequate procedures against bribery activities in its businesses regardless of the country of operation. The ABF was developed based on the five principles of the Ministerial Guidelines, “**T.R.U.S.T**”:



Top-level  
Commitment



Risk Assessment



Undertake  
Control Measures



Systematic Review,  
Monitoring &  
Enforcement



Training &  
Communication

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

### Anti-Bribery Framework (Continued)

The ABF, which comprises the following key policies and controls, have been put in place:

- Anti-Bribery Policy
- Whistle-Blowing Policy
- Code of Business Ethics
- Policy on Facilitation Payment
- Policy on Gift, Entertainment and Hospitality
- Policy on Third-Party Travel
- Policy on Donation and Sponsorship
- Policy on Business Incentives
- Anti-Bribery Procedures for Managing Stakeholders

### Anti-Bribery Policy

The Anti-Bribery Policy (“ABP”) was established to set out the Company’s expectations for internal and external parties working with, for and on behalf of the Group in upholding the Group’s zero tolerance stance against bribery. Directors, Employees, Suppliers, Distributors, Business Associates, and any third parties working with, for or on behalf of the Group shall adhere to and observe the Group’s anti-bribery stance and relevant provisions, policies, and procedures established by the Group. The Group treats any violation of ABP seriously and will take necessary actions, including, but not limited to, review of employment or appointment, disciplinary action, dismissal, cessation of business relationship, and reporting to the authorities, as is consistent with relevant laws and regulations.

The ABP shall be reviewed by the Company periodically or at least once in three years.

In providing leadership and top-level commitment to the Group’s businesses in managing bribery risks, the respective responsibilities of the Group’s governance bodies are as follows:

Governance Body	Key Responsibilities
Board of Directors (“Board”)	<ul style="list-style-type: none"> <li>• Promoting a culture of integrity throughout the Group, including setting the Group’s anti-bribery stance and managing corruption risks of the Group.</li> <li>• Ensuring the Group’s vision and long-term business strategy include consideration of ethical business practices.</li> <li>• Ensuring the establishment of an internal control system which provides reasonable assurance that the Group’s bribery risks are managed.</li> </ul>
Audit Committee (“AC”)	<ul style="list-style-type: none"> <li>• Reviewing audit matters pertaining to ABP, including ensuring the inclusion of ABP in the Group’s internal audit scope, and reviewing the effectiveness of the Group’s internal control system pertaining to ABP.</li> </ul>
Risk Management Committee (“RMC”)	<ul style="list-style-type: none"> <li>• Overseeing the establishment and maintenance of the Group’s ABF including its implementation and performance.</li> <li>• Ensuring the Group identifies and manages its key bribery risks areas and reviewing the same.</li> <li>• Reviewing the implementation and performance of the Group’s anti-bribery and anti-corruption controls to address key bribery risks.</li> </ul>
Management (Including Executive Risk Committee (“ERC”))	<ul style="list-style-type: none"> <li>• Establishing, implementing, and maintaining the Group’s ABF.</li> <li>• Reviewing the Bribery Risk Assessment annually to identify the Group’s key bribery risk areas.</li> <li>• Reporting to the RMC any significant bribery risks.</li> <li>• Overseeing the establishment and effective implementation of the Group’s anti-bribery and anti-corruption controls, and reporting their performance to the RMC.</li> </ul>
Anti-Bribery Compliance and Support team (“ABCS”), which comprises Company Heads and Heads of Group Functional Departments	<ul style="list-style-type: none"> <li>• Provides advice and guidance in relation to the Group’s personnel and business associates in relation to the Group’s ABF and its compliance.</li> <li>• Receives reports and reviews incidents and cases of attempted offer or solicitation of bribes as reported via the Group’s internal reporting.</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• Assists the AC in its review of the design adequacy and operating effectiveness of the Group’s internal controls in relation to ABF.</li> </ul>

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

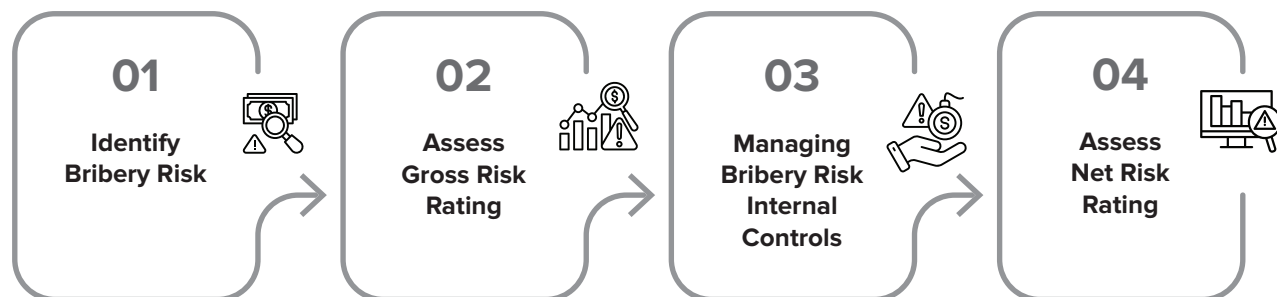
### Bribery Risk Assessment

The Group has established a process for the identification, evaluation, and management of bribery risk areas (“Bribery Risk Management”), focusing on areas where the Group is exposed to a higher risk of bribery. The ERC is responsible for the conduct of the Group’s Bribery Risk Management.

### Bribery Risk Assessment Methodology

The scope of Bribery Risk Assessment is applicable to all the Group’s business operations regardless of country of operations, including all subsidiaries and both active and passive bribery.

The Group’s Bribery Risk Assessment approach adopts one that is similar to the Group’s risk assessment process for its enterprise-wide risk management. An illustrative summary of the Bribery Risk Assessment approach is as follows:



The Gap Assessment on the Group’s current policies and procedures was conducted against the five principles of the Ministerial Guidelines “T.R.U.S.T”. The five principles serve as reference points for setting out adequate procedures in relation to Section 17A, MACC Act, 2009. The areas of improvement were recommended during the course of risk assessment for ABF implementation. The Group’s risk management and internal control system has been enhanced for managing the Group’s bribery risks as part of the ABF.

During the financial year ended 30 April 2025, the Group IAD has performed a review on the bribery risk for all business units and non-trade operations in respect of dealing with business partners and provided recommendations to further improve processes and procedures in respect of ABP. The Group IAD also reviewed the assessment results of staff awareness on Group’s Internal Control system pertaining to ABP subsequent to the respective ABP trainings conducted by the Group Human Resource Department during the financial year ended 30 April 2025.

### Adequacy and Effectiveness of the Group’s Risk Management and Internal Control System

The Board has reviewed the adequacy and effectiveness of the systems of internal control and risk management that provide reasonable assurance to the Group in achieving its business objectives. The Board has received assurance from the Group Managing Director and Group Executive Director cum Group Chief Financial Officer that the Group’s risk management and internal control systems have been operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this statement. As the development of a sound system of internal control is an on-going process, the Board and the Management maintain an on-going commitment to ensure necessary actions have been taken to remedy significant weaknesses identified from reviews and continues to take appropriate measures to strengthen the risk management and internal control environment of the Group.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025 (continued)

### Review of the Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide (“AAPG”) 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants (“MIA”) for inclusion in the Annual Report of the Group for the financial year ended 30 April 2025, and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

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

This Statement was approved by the Board on 19 August 2025.

## ADDITIONAL CORPORATE DISCLOSURE

### UTILISATION OF PROCEEDS

During the financial year, there were no proceeds raised by the Company and its subsidiaries from any corporate proposals.

### AUDIT AND NON-AUDIT FEES

The fees payable to the external auditors' firm in relation to the audit and non-audit services rendered to the Company and its subsidiaries for the financial year ended 30 April 2025 are as follows:

	The Company RM	The Group RM
<b>Audit fees</b>		
- KPMG PLT	40,000	413,050
- Other auditors	-	49,686
<b>Non-audit fees</b>		
- KPMG PLT	15,000	15,000

### MATERIAL CONTRACTS INVOLVING DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS' INTEREST

There were no material contracts of the Company and its subsidiaries, involving Directors', Chief Executive and major shareholders' interests, still subsisting at the end of the financial year.

The Group Managing Director is the Chief Executive who oversees and is primarily responsible for the overall group business operations.

### RECURRENT RELATED PARTY TRANSACTIONS

Details of transactions with related parties undertaken by the Group during the financial year are disclosed in Note 30 to the Financial Statements.

### DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

There were five (5) Board of Directors' Meetings held during the financial year ended 30 April 2025. The details of attendance of the Directors are as follows: -

Name of Directors	Number of Board Meetings attended by Directors
Ng Chek Yong	5/5
Tan Keng Kang	5/5
Hew Von Kin	5/5
Professor Hajjah Ruhanas Binti Harun	4/5
Foong Yein Fun	5/5
Dato' Lee Teck Hua ( <i>appointed on 19 July 2024</i> )	4/4
Soon Eng Sing ( <i>resigned on 1 December 2024</i> )	3/3

## ADDITIONAL CORPORATE DISCLOSURE

(continued)

### FAMILY RELATIONSHIP OF DIRECTORS AND /OR MAJOR SHAREHOLDERS

There is no family relationship among the Directors and / or major shareholders except that:

- Madam Phan Van Denh is the wife of Mr. Tan Keng Kang.

### CONFLICT OF INTEREST WITH THE COMPANY AND ITS SUBSIDIARIES

The Board has established a Conflict of Interest ("COI") Policy which sets out the processes for declaring and monitoring of any potential, actual or perceived COI situation for Directors, Senior Management and other employees.

In managing COI, the AC reviewed the COI situations on an annual basis. The AC assessed the COI situations, including transactions, procedures or courses of conduct that could raise concerns regarding management integrity, together with the measures taken to resolve, eliminate or mitigate such conflicts.

None of the Directors and Key Senior Management have any conflict of interest with the Company and its subsidiaries during the financial year, which is material pursuant to the Main Market Listing Requirements and Companies Act 2016.







# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2025

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2025.

## Principal activities

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

## Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

## Results

	Group RM	Company RM
Profit for the year attributable to:		
Owners of the Company	8,509,913	9,630,615
Non-controlling interests	(186,798)	-
	8,323,115	9,630,615

## Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

## Dividends

Since the end of the previous financial year, the amounts of dividends paid by the Company were as follows:

- i) In respect of the financial year ended 30 April 2024 as reported in the Directors' Report of that year, a final dividend of 1.5 sen per ordinary share amounting to RM4,498,879 declared on 26 September 2024 and paid on 28 November 2024.
- ii) In respect of the financial year ended 30 April 2025, an interim dividend of 1.5 sen per ordinary share totalling RM4,497,196 declared on 20 December 2024 and paid on 17 March 2025.

Subsequent to the end of the current financial year, the Directors recommended a final dividend of 1.5 sen per ordinary share and a special dividend of 1.0 sen per ordinary share in respect of the financial year ended 30 April 2025.

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2025 (continued)

### Directors of the Company

Directors who served during the financial year until the date of this report are:

Ng Chek Yong  
 Tan Keng Kang  
 Hew Von Kin  
 Prof Hajjah Ruhanas Binti Harun  
 Foong Yein Fun  
 Dato' Lee Teck Hua (Appointed on 19 July 2024)  
 Soon Eng Sing (Resigned on 1 December 2024)

### Directors of the subsidiaries

The names of directors of subsidiaries are set out in their respective subsidiary's directors' report and the board deems such information is included in the holding company's directors' report by such reference and shall form part of the holding company's directors' report.

### Directors' interests in shares

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses and children of the Directors) as recorded in the Register of Directors' Shareholdings are as follows:

	At 1.5.2024	Number of ordinary shares Transferred		At 30.4.2025
		Bought	in/(out)	Sold
Interests in the Company:				
Tan Keng Kang				
- direct	12,864,793	-	-	- 12,864,793
- indirect	1,158,571	-	-	- 1,158,571
Hew Von Kin				
- direct	416,580	-	-	- 416,580
Deemed interests in the Company:				
Tan Keng Kang*	64,765,102	1,667,200	-	- 66,432,302

\* Deemed interested by virtue of the Directors' interests in Akintan Sdn. Bhd., Daritan Sdn. Bhd. and Tan Kai Hee Family Holdings Sdn. Bhd.

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2025 (continued)

### Directors' interests in shares (continued)

	At 1.5.2024	Number of ordinary shares Transferred Bought in/(out) Sold			At 30.4.2025
Interests in a subsidiary, Hai-O Raya Bhd.:					
Tan Keng Kang					
- direct	16,000	-	-	-	16,000
- indirect	14,000	-	-	-	14,000
Hew Von Kin					
- direct	3,000	-	-	-	3,000
Deemed interests in a subsidiary, Hai-O Raya Bhd.:					
Tan Keng Kang <sup>^</sup>	64,000	-	-	-	64,000

<sup>^</sup> Deemed interested by virtue of the Directors' interests in Daritan Sdn. Bhd. and Tan Kai Hee Family Holdings Sdn. Bhd.

In accordance with the Companies Act, the interests and deemed interests of the spouses and children of the Directors in the shares of the Company and of its related corporations (other than wholly owned subsidiaries) shall be treated as the interests of the Directors also.

By virtue of their interests in the shares of the Company, Tan Keng Kang are also deemed interested in the shares of the subsidiaries during the financial year to the extent that Beshom Holdings Berhad has an interest.

None of the other Directors holding office at 30 April 2025 had any interest in the shares of the Company and of its related corporations during the financial year.

### Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those fees and other benefits included in the aggregate amount of remuneration received or due and receivable by Directors as shown in the financial statements and in this report, or the fixed salary of a full time employee of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a Company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object 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.

### Directors' remuneration

The Directors' remuneration paid to or receivable by the Directors of the Group from the Company and its subsidiaries are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Directors of the Company:</b>				
- Fees	161,338	180,109	127,338	143,442
- Remuneration	2,550,895	2,655,765	1,304,241	1,373,568
	2,712,233	2,835,874	1,431,579	1,517,010
<b>Directors of subsidiaries:</b>				
- Fees	33,000	32,123	-	-
- Remuneration	804,590	824,553	-	-
	837,590	856,676	-	-
	3,549,823	3,692,550	1,431,579	1,517,010

# DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2025 (continued)

## Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company during the financial year.

There were no debentures issued during the financial year.

## Treasury shares

During the financial year, the Company repurchased 441,000 of its issued share capital from the open market for a total cash consideration of RM337,346. The average price for the shares repurchased was RM0.76 per share and the repurchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares.

As at 30 April 2025, the Company held 574,300 (2024: 133,300) of its own shares.

## Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

## Indemnity and insurance costs

During the financial year, the total amount of indemnity sum insured and premium paid for Directors and officers of the Group and of the Company are RM3,000,000 and RM21,780 respectively. There are no indemnity and insurance purchased for the auditors of the Group and of the Company.

## Qualification of subsidiaries's financial statements

The auditors' report on the audit of the financial statements of Company's subsidiaries did not contain any qualification.

## Other statutory information

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

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business 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:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 30 April 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.



DIRECTORS’  
REPORT  
FOR THE YEAR ENDED 30 APRIL 2025 (continued)

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The amount of audit and non-audit fees paid or payable to the external auditors’ firm by the Group and the Company for the financial year ended 30 April 2025 are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Auditors’ remuneration:</b>				
Audit fees:				
- KPMG PLT	413,050	413,050	40,000	40,000
- Other auditors	49,686	53,913	-	-
Non-audit fees:				
- KPMG PLT	15,000	15,000	15,000	15,000
	477,736	481,963	55,000	55,000

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

.....  
**Tan Keng Kang**  
Director

.....  
**Hew Von Kin**  
Director

Kuala Lumpur

Date: 19 August 2025

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2025

	Note	2025 RM	Group 2024 RM	Company 2025 RM	2024 RM
<b>Assets</b>					
Property, plant and equipment	2	70,758,143	73,467,612	16,501	19,310
Investment properties	3	54,775,140	48,844,378	-	-
Right-of-use assets	4	12,042,378	11,004,836	-	-
Goodwill	5	84,930	84,930	-	-
Investments in subsidiaries	6	-	-	318,827,659	318,827,659
Investment in an associate	7	-	-	-	-
Investment in a joint venture	8	1,595,538	1,728,955	-	-
Other investments	9	22,819,718	7,572,375	-	-
Trade and other receivables	10	1,451,953	1,583,549	-	-
Deferred tax assets	11	1,998,139	1,969,929	-	-
<b>Total non-current assets</b>		165,525,939	146,256,564	318,844,160	318,846,969
Inventories	12	74,733,282	76,898,677	-	-
Other investments	9	66,081,647	69,157,389	8,199,451	7,926,576
Trade and other receivables	10	16,204,490	15,708,683	160,278	90,187
Prepayments		2,209,846	2,136,769	-	278,838
Current tax assets		3,945,345	4,982,223	-	-
Cash and cash equivalents	13	26,480,052	34,510,718	702,687	471,651
<b>Total current assets</b>		189,654,662	203,394,459	9,062,416	8,767,252
<b>Total assets</b>		355,180,601	349,651,023	327,906,576	327,614,221
<b>Equity</b>					
Share capital	14	312,977,661	312,977,661	312,977,661	312,977,661
Treasury shares	14	(457,282)	(119,936)	(457,282)	(119,936)
Reorganisation reserve	14.5	(155,823,146)	(155,823,146)	-	-
Reserves		152,817,227	153,043,189	14,996,489	14,361,949
<b>Equity attributable to owners of the Company</b>		309,514,460	310,077,768	327,516,868	327,219,674
<b>Non-controlling interests</b>		11,404,816	11,843,898	-	-
<b>Total equity</b>		320,919,276	321,921,666	327,516,868	327,219,674

## STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2025 (continued)

	Note	Group 2025 RM	2024 RM	Company 2025 RM	2024 RM
<b>Liabilities</b>					
Lease liabilities		4,324,508	3,027,624	-	-
Contract liabilities	18	86,740	204,261	-	-
Loans and borrowings	15	3,012,229	-	-	-
Deferred tax liabilities	11	204,409	319,140	1,313	-
<b>Total non-current liabilities</b>		7,627,886	3,551,025	1,313	-
Loans and borrowings	15	1,930,290	-	-	-
Trade and other payables	16	22,521,035	22,040,163	364,052	313,674
Lease liabilities		1,463,269	1,418,247	-	-
Current tax liabilities		25,954	83,157	24,343	80,873
Provisions	17	404,481	253,195	-	-
Contract liabilities	18	288,410	383,570	-	-
<b>Total current liabilities</b>		26,633,439	24,178,332	388,395	394,547
<b>Total liabilities</b>		34,261,325	27,729,357	389,708	394,547
<b>Total equity and liabilities</b>		355,180,601	349,651,023	327,906,576	327,614,221

The notes on pages 103 to 150 are an integral part of these financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2025

	Note	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
<b>Revenue</b>	19	155,127,290	151,131,968	14,114,119	15,459,228
Cost of sales		(92,377,628)	(88,362,140)	-	-
<b>Gross profit</b>		62,749,662	62,769,828	14,114,119	15,459,228
Other income		3,822,922	4,252,218	292,060	253,959
Distribution expenses		(29,821,193)	(29,782,311)	-	-
Administrative expenses		(23,153,853)	(22,622,845)	(4,526,996)	(4,207,426)
Net (loss)/reversal on impairment of financial instruments		(311,245)	65,483	-	-
Other expenses		(996,197)	(506,309)	(47,652)	(27,316)
<b>Results from operating activities</b>		12,290,096	14,176,064	9,831,531	11,478,445
Finance income	20	533,128	646,537	16,415	34,663
Finance costs	21	(480,314)	(222,385)	-	-
<b>Net finance income</b>		52,814	424,152	16,415	34,663
Share of loss of equity-accounted joint venture, net of tax		(133,417)	(116,823)	-	-
<b>Profit before tax</b>	22	12,209,493	14,483,393	9,847,946	11,513,108
Tax expense	23	(3,886,378)	(3,504,378)	(217,331)	(244,363)
<b>Profit for the year</b>		8,323,115	10,979,015	9,630,615	11,268,745

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2025 (continued)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Other comprehensive income, net of tax</b>					
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Net change in fair value of equity investments designated at fair value through other comprehensive income		247,866	371,804	-	-
<b>Item that is or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		(30,151)	(303,851)	-	-
<b>Other comprehensive income for the year, net of tax</b>		217,715	67,953	-	-
<b>Total comprehensive income for the year</b>		8,540,830	11,046,968	9,630,615	11,268,745
<b>Profit attributable to:</b>					
Owners of the Company		8,509,913	10,893,023	9,630,615	11,268,745
Non-controlling interests		(186,798)	85,992	-	-
<b>Profit for the year</b>		8,323,115	10,979,015	9,630,615	11,268,745
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		8,727,628	10,960,976	9,630,615	11,268,745
Non-controlling interests		(186,798)	85,992	-	-
<b>Total comprehensive income for the year</b>		8,540,830	11,046,968	9,630,615	11,268,745
<b>Basic earnings per ordinary share (sen)</b>	24	2.84	3.63		
<b>Diluted earnings per ordinary share (sen)</b>	24	2.84	3.63		

The notes on pages 103 to 150 are an integral part of these financial statements.



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2025

Group	Note	Attributable to owners of the Company									
		Share capital RM	Treasury shares RM	Translation reserve RM	Non-distributable Capital reserve RM	Reorganisation reserve RM	Fair value reserve RM	Distributable Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
At 1 May 2023		312,977,661	-	727,045	657,192	(155,823,146)	(495,736)	151,618,192	309,661,208	12,110,714	321,771,922
Net change in fair value of equity investments designated at fair value through OCI Foreign currency translation differences for foreign operations		-	-	-	-	-	371,804	-	371,804	-	371,804
		-	-	(303,851)	-	-	-	-	(303,851)	-	(303,851)
		-	-	(303,851)	-	-	371,804	-	67,953	-	67,953
Total other comprehensive income for the year Profit for the year		-	-	-	-	-	-	10,893,023	10,893,023	85,992	10,979,015
		-	-	(303,851)	-	-	371,804	10,893,023	10,960,976	85,992	11,046,968
Acquisition of additional interests in a subsidiary from non-controlling interests Dividends to non-controlling interests of a subsidiary Dividends paid Purchase of treasury shares	31.2	-	-	-	-	-	-	79,158	79,158	(114,558)	(35,400)
	6.1	-	-	-	-	-	-	-	-	(238,250)	(238,250)
	25	-	-	-	-	-	-	(10,503,638)	(10,503,638)	-	(10,503,638)
	14.4	-	(119,936)	-	-	-	-	-	(119,936)	-	(119,936)
Total transactions with owners of the Company		-	(119,936)	-	-	-	-	(10,424,480)	(10,544,416)	(352,808)	(10,897,224)
At 30 April 2024		312,977,661	(119,936)	423,194	657,192	(155,823,146)	(123,932)	152,086,735	310,077,768	11,843,898	321,921,666

Note 14

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2025 (continued)

Group	Note	Attributable to owners of the Company							Total equity RM
		Share capital RM	Treasury shares RM	Non-distributable Translation reserve RM	Capital reserve RM	Reorganisation reserve RM	Fair value reserve RM	Distributable Retained earnings RM	
<b>At 1 May 2024</b>		312,977,661	(119,936)	423,194	657,192	(155,823,146)	(123,932)	152,086,735	321,921,666
Net change in fair value of equity investments designated at fair value through OCI		-	-	-	-	-	247,866	-	247,866
Foreign currency translation differences for foreign operations		-	-	(30,151)	-	-	-	-	(30,151)
Total other comprehensive income for the year		-	-	(30,151)	-	-	247,866	-	217,715
Profit for the year		-	-	-	-	-	-	8,509,913	8,323,115
<b>Total comprehensive income for the year</b>		-	-	(30,151)	-	-	247,866	8,509,913	8,540,830
Acquisition of additional interests in a subsidiary	31.1	-	-	-	-	-	-	42,485	(63,484)
Dividends to non-controlling interests of a subsidiary	6.1	-	-	-	-	-	-	-	(188,800)
Dividends paid	25	-	-	-	-	-	-	(8,996,075)	(8,996,075)
Purchase of treasury shares	14.4	-	(337,346)	-	-	-	-	(337,346)	(337,346)
<b>Total transactions with owners of the Company</b>		-	(337,346)	-	-	-	-	(8,953,590)	(9,543,220)
<b>At 30 April 2025</b>		312,977,661	(457,282)	393,043	657,192	(155,823,146)	123,934	151,643,058	320,919,276

Note 14

The notes on pages 103 to 150 are an integral part of these financial statements..

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2025

Company	Note	Non-distributable Share capital RM	Treasury shares RM	Distributable Retained earnings RM	Total equity RM
<b>At 1 May 2023</b>		312,977,661	-	13,596,842	326,574,503
Profit and total comprehensive income for the year		-	-	11,268,745	11,268,745
Purchase of treasury shares	14.4	-	(119,936)	-	(119,936)
Dividends to owner of the Company	25	-	-	(10,503,638)	(10,503,638)
<b>Total transactions with owners of the Company</b>		-	(119,936)	(10,503,638)	(10,623,574)
<b>At 30 April 2024/1 May 2024</b>		312,977,661	(119,936)	14,361,949	327,219,674
Profit and total comprehensive income for the year		-	-	9,630,615	9,630,615
Purchase of treasury shares	14.4	-	(337,346)	-	(337,346)
Dividends to owner of the Company	25	-	-	(8,996,075)	(8,996,075)
<b>Total transactions with owners of the Company</b>		-	(337,346)	(8,996,075)	(9,333,421)
<b>At 30 April 2025</b>		312,977,661	(457,282)	14,996,489	327,516,868

Note 14

# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from operating activities</b>				
Profit before tax	12,209,493	14,483,393	9,847,946	11,513,108
Adjustments for:				
Adjustment of right-of-use assets	-	(19,224)	-	-
Depreciation of investment properties	722,471	725,800	-	-
Depreciation of property, plant and equipment	3,005,726	3,178,763	8,170	9,227
Depreciation of right-of-use assets	1,701,322	1,633,079	-	-
Dividend income	(1,016,058)	(1,093,516)	(10,128,239)	(11,465,131)
Fair value gain on other investments	(1,218,088)	(948,968)	(58,755)	(29,905)
Finance costs	480,314	222,385	-	-
Finance income	(533,128)	(646,537)	(16,415)	(34,663)
Gain on disposal of other investments	(19,903)	(2,302)	-	-
Gain on disposal of investment properties	-	(332,194)	-	-
Gain on termination of right-of-use assets	(7,374)	-	-	-
(Gain)/Loss on disposal of property, plant and equipment	(13,147)	39,984	(92)	-
Net loss/(reversal) on impairment of trade and other receivables	311,245	(65,483)	-	-
Property, plant and equipment written off	22,909	6,792	-	-
Provision for sales campaign	912,000	904,796	-	-
Share of loss of equity- accounted joint venture, net of tax	133,417	116,823	-	-
Unrealised foreign exchange loss/(gain)	461,557	(136,817)	-	-
<b>Operating profit/(loss) before working capital changes</b>	17,152,756	18,066,774	(347,385)	(7,364)
Change in inventories	2,117,468	10,607,683	-	-
Change in trade and other receivables and prepayments	(751,576)	499,971	215,652	(308,535)
Change in trade and other payables	(143,442)	(4,287,235)	51,395	(31,526)
<b>Cash generated from/ (used in) operations</b>	18,375,206	24,887,193	(80,338)	(347,425)
Sales campaign paid	(760,714)	(1,001,201)	-	-
Tax paid	(4,565,490)	(5,779,625)	(272,548)	(339,941)
Tax refunded	1,515,846	891,493	-	-
Interest paid	(480,314)	(222,385)	-	-
<b>Net cash from/(used in) operating activities</b>	14,084,534	18,775,475	(352,886)	(687,366)

# STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2025 (continued)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from investing activities</b>				
Acquisition of investment property	(4,897,644)	(2,284,000)	-	-
Acquisition of other investments	(26,659,255)	(13,500,000)	-	(1,500,000)
Acquisition of property, plant and equipment	(1,985,317)	(826,640)	(7,469)	(3,849)
Dividends received	-	-	9,914,119	11,259,228
Interest received from fixed deposits and repurchase agreements	533,128	646,537	16,415	34,663
Increase in investment in subsidiaries	-	-	-	(5,850,000)
Proceeds from disposal of other investments	16,989,569	6,959,800	-	400,000
Proceeds from disposal of property, plant and equipment	42,328	83,044	2,200	-
Proceeds from disposal of investment properties	-	1,865,835	-	-
<b>Net cash (used in)/from investing activities</b>	<b>(15,977,191)</b>	<b>(7,055,424)</b>	<b>9,925,265</b>	<b>4,340,042</b>
<b>Cash flows from financing activities</b>				
Accretion of equity interest in subsidiaries	(20,999)	(35,400)	-	-
Dividends paid to non-controlling interests of a subsidiary	(188,800)	(238,250)	-	-
Dividends paid	(8,996,075)	(10,503,638)	(8,996,075)	(10,503,638)
Drawdown of bankers' acceptances	1,633,153	-	-	-
Drawdown of term loan	3,500,000	-	-	-
(Decrease)/Increase in amounts due to subsidiaries	-	-	(1,017)	5,246
(Increase)/Decrease in amounts due from subsidiaries	-	-	(6,905)	5,967,912
Payment of lease liabilities	(1,509,200)	(1,487,496)	-	-
Repurchase of treasury shares	(337,346)	(119,936)	(337,346)	(119,936)
Repayment of term loan	(190,634)	-	-	-
<b>Net cash used in financing activities</b>	<b>(6,109,901)</b>	<b>(12,384,720)</b>	<b>(9,341,343)</b>	<b>(4,650,416)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(8,002,558)</b>	<b>(664,669)</b>	<b>231,036</b>	<b>(997,740)</b>
Effect of exchange rate fluctuations on cash held	(28,108)	22,149	-	-
Cash and cash equivalents at beginning of the year	34,510,718	35,153,238	471,651	1,469,391
<b>Cash and cash equivalents at end of the year</b>	<b>26,480,052</b>	<b>34,510,718</b>	<b>702,687</b>	<b>471,651</b>

## Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Deposit placed with licensed banks	13	18,108,001	24,279,546	500,000	250,000
Cash and bank balances	13	8,372,051	10,231,172	202,687	221,651
		26,480,052	34,510,718	702,687	471,651



## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2025 (continued)

### Cash outflows for leases as a lessee

	Note	Group 2025 RM	2024 RM
<b>Included in net cash from operating activities:</b>			
Interest paid in relation to lease liabilities	21	291,467	220,072
Payment relating to short-term leases	22	230,455	273,727
<b>Included in net cash from financing activities:</b>			
Payment of lease liabilities		1,509,200	1,487,496
<b>Total cash outflows for leases</b>		<b>2,031,122</b>	<b>1,981,295</b>

### Reconciliation of movement of liabilities to cash flows arising from financing activities

Group	Loans and borrowings RM	Lease liabilities RM	Total RM
<b>At 1 May 2023</b>	-	3,824,989	3,824,989
<b>Changes from financing cash flows</b>			
Payment of lease liabilities	-	(1,487,496)	(1,487,496)
Net changes from financing cash flows	-	(1,487,496)	(1,487,496)
Acquisition of new leases	-	1,346,171	1,346,171
Remeasurement of lease liabilities	-	760,317	760,317
Effect of movements in exchange rates	-	1,890	1,890
<b>At 30 April 2024/1 May 2024</b>	-	4,445,871	4,445,871
<b>Changes from financing cash flows</b>			
Drawdown of term loan	3,500,000	-	3,500,000
Drawdown of bankers' acceptances	1,633,153	-	1,633,153
Repayment of term loan	(190,634)	-	(190,634)
Payment of lease liabilities	-	(1,509,200)	(1,509,200)
Net changes from financing cash flows	(190,634)	(1,509,200)	(1,699,834)
Acquisition of new leases	-	1,362,890	1,362,890
Termination of leases	-	(93,150)	(93,150)
Remeasurement of lease liabilities	-	1,584,609	1,584,609
Effect of movements in exchange rates	-	(3,243)	(3,243)
<b>At 30 April 2025</b>	<b>4,942,519</b>	<b>5,787,777</b>	<b>10,730,296</b>

The notes on pages 103 to 150 are an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

Beshom Holdings Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

### Principal place of business

Wisma Hai-O  
Lot 11995, Batu 2  
Jalan Kapar  
41400 Klang  
Selangor Darul Ehsan

### Registered office

Office Suite No. 603 Block C  
Pusat Dagangan Phileo Damansara 1  
No. 9, Jalan 16/11  
Off Jalan Damansara  
45350 Petaling Jaya  
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 30 April 2025 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interests in associates and a joint venture. The financial statements of the Company as at and for the financial year ended 30 April 2025 do not include other entities.

The Company is principally engaged in investment holding activities, whilst the principal activities of the subsidiary are as stated in Note 6 to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 19 August 2025.

## 1. Basis of preparation

### (a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

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

#### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements — Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 1. Basis of preparation (continued)

#### (a) Statement of compliance (continued)

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

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

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a 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 Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 May 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 May 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 May 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company.

#### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for non-derivative financial instruments at FVTPL and equity securities at FVOCI which are measured based on the measurement bases of fair value.

#### (c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM, except for financial information relating to operating segments (Note 26) which has been rounded to the nearest thousand.

#### (d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 4 – lease extension options and incremental borrowing rate of lease
- Note 12 – valuation of inventories
- Note 17 – provisions
- Note 27 – measurement of expected credit loss ("ECL")

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 2. Property, plant and equipment

Group	Freehold land RM	Buildings RM	Motor vehicles RM	Laboratory, furniture, and office equipment RM	Warehouse and electrical fittings RM	Renovation RM	Plant and machinery RM	Fire fighting and lift systems RM	Vintage Pu-Er tea RM	Capital work-in-progress RM	Total RM
<b>Cost</b>											
At 1 May 2023	41,364,461	37,270,062	2,620,764	16,611,393	3,488,818	12,680,820	3,476,855	321,833	3,657,003	983,850	122,475,859
Additions	-	18,345	181,710	368,298	97,775	107,466	53,046	-	-	-	826,640
Disposals	-	-	(79,666)	(27,299)	(14,300)	(104,500)	(63,000)	-	-	-	(288,765)
Reclassification	-	-	-	-	-	-	983,850	-	-	(983,850)	-
Written off	-	-	-	(363,218)	(32,741)	(99,784)	-	-	-	-	(495,743)
Transfers to investment properties:											
- Offset of accumulated depreciation	-	(668,612)	-	-	-	-	-	-	-	-	(668,612)
- Transfer of carrying amount (Note 3)	(4,551,021)	(1,477,322)	-	-	-	-	-	-	-	-	(6,028,343)
Effect of movements in exchange rates	-	-	-	7,064	662	11,647	-	-	-	-	19,373
At 30 April 2024/											
1 May 2024	36,813,440	35,142,473	2,722,808	16,596,238	3,540,214	12,595,649	4,450,751	321,833	3,657,003	-	115,840,409
Additions	-	-	235,340	1,348,573	144,383	257,021	-	-	-	-	1,985,317
Disposals	-	-	(166,600)	(168,641)	-	-	-	-	-	-	(335,241)
Written off	-	-	-	(554,282)	(51,424)	(113,821)	(1)	-	-	-	(719,528)
Transfers to investment properties:											
- Offset of accumulated depreciation	-	(288,070)	-	-	-	-	-	-	-	-	(288,070)
- Transfer of carrying amount (Note 3)	(852,669)	(783,265)	-	-	-	-	-	-	-	-	(1,635,934)
Effect of movements in exchange rates	-	-	-	(8190)	(767)	(13,506)	-	-	-	-	(22,463)
At 30 April 2025	35,960,771	34,071,138	2,791,548	17,213,698	3,632,406	12,725,343	4,450,750	321,833	3,657,003	-	114,824,490

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 2. Property, plant and equipment (continued)

Group	Freehold land RM	Buildings RM	Motor vehicles RM	Laboratory, furniture, and office equipment RM	Warehouse and electrical fittings RM	Renovation RM	Plant and machinery RM	Fire fighting and lift systems RM	Vintage Pu-Er tea RM	Capital work-in- progress RM	Total RM
<b>Depreciation</b>											
At 1 May 2023	-	10,737,068	2,008,365	13,279,975	2,243,058	9,281,076	2,690,229	260,305	-	-	40,500,076
Depreciation for the year	-	723,201	211,584	861,796	253,543	900,449	218,573	9,617	-	-	3,178,763
Disposals	-	-	(79,664)	(11,523)	(8,342)	(60,958)	(5,250)	-	-	-	(165,737)
Written off	-	-	-	(359,396)	(29,823)	(99,732)	-	-	-	-	(488,951)
Offset of accumulated depreciation on property transferred to investment properties	-	(668,612)	-	-	-	-	-	-	-	-	(668,612)
Effect of movements in exchange rates	-	-	-	6,663	555	10,040	-	-	-	-	17,258
At 30 April 2024/											
1 May 2024	-	10,791,657	2,140,285	13,777,515	2,458,991	10,030,875	2,903,552	269,922	-	-	42,372,797
Depreciation for the year	-	701,751	245,737	803,085	248,841	776,035	228,107	2,170	-	-	3,005,726
Disposals	-	-	(143,639)	(162,421)	-	-	-	-	-	-	(306,060)
Written off	-	-	-	(540,399)	(44,051)	(112,169)	-	-	-	-	(696,619)
Offset of accumulated depreciation on property transferred to investment properties	-	(288,070)	-	-	-	-	-	-	-	-	(288,070)
Effect of movements in exchange rates	-	-	-	(7,961)	(714)	(12,752)	-	-	-	-	(21,427)
At 30 April 2025	-	11,205,338	2,242,383	13,869,819	2,663,067	10,681,989	3,131,659	272,092	-	-	44,066,347
<b>Carrying amounts</b>											
At 1 May 2023	41,364,461	26,532,994	612,399	3,331,418	1,245,760	3,399,744	786,626	61,528	3,657,003	983,850	81,975,783
At 30 April 2024/											
1 May 2024	36,813,440	24,350,816	582,523	2,818,723	1,081,223	2,564,774	1,547,199	51,911	3,657,003	-	73,467,612
At 30 April 2025	35,960,771	22,865,800	549,165	3,343,879	969,339	2,043,354	1,319,091	49,741	3,657,003	-	70,758,143



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 2. Property, plant and equipment (continued)

Company	Furniture and office equipment RM
<b>Cost</b>	
At 1 May 2023	31,076
Additions	3,849
At 30 April 2024/1 May 2024	34,925
Additions	7,469
Disposal	(3,300)
At 30 April 2025	39,094
<b>Depreciation</b>	
At 1 May 2023	6,388
Depreciation for the year	9,227
At 30 April 2024/1 May 2024	15,615
Depreciation for the year	8,170
Disposal	(1,192)
At 30 April 2025	22,593
<b>Carrying amounts</b>	
At 1 May 2023	24,688
At 30 April 2024/1 May 2024	19,310
At 30 April 2025	16,501

#### 2.1 Transfer to investment properties

During the financial year ended 30 April 2025, certain freehold land and buildings were transferred to investment properties because these assets are leased to a third party.

#### 2.2 Material accounting policy information

##### (a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 2. Property, plant and equipment (continued)

#### 2.2 Material accounting policy information (continued)

##### (b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Vintage Pu-Er tea are carried at cost and are not depreciated as the residual value is above its cost.

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

• Buildings	50 years
• Motor vehicles	5 years
• Laboratory, furniture and office equipment	3 - 10 years
• Warehouse and electrical fittings	10 years
• Renovation	10 years
• Plant and machinery	5 - 12 years
• Fire fighting and lift systems	10 years

### 3. Investment properties

	2025 RM	Group 2024 RM
<b>Cost</b>		
At the beginning of the year	61,526,104	54,939,063
Additions	4,897,644	2,284,000
Disposals	-	(1,725,302)
Transfer from right-of-use assets (Note 4)	119,655	-
Transfer from property, plant and equipment (Note 2)	1,635,934	6,028,343
At the end of the year	68,179,337	61,526,104
<b>Depreciation</b>		
At the beginning of the year	12,681,726	12,147,587
Depreciation for the year	722,471	725,800
Disposals	-	(191,661)
At the end of the year	13,404,197	12,681,726
<b>Carrying amounts</b>		
At 1 May 2023		42,791,476
At 30 April 2024/1 May 2024		48,844,378
At 30 April 2025		54,775,140

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 3. Investment properties (continued)

Included in the above are:

	2025 RM	Group 2024 RM
Freehold land	33,527,030	27,987,724
Leasehold land with unexpired period of less than 50 years	433,729	450,708
Leasehold land with unexpired period of more than 50 years	201,398	85,950
Buildings	20,612,983	20,319,996
	54,775,140	48,844,378

Investment properties comprise freehold land, leasehold land and a number of residential and commercial properties that are leased to third parties or are currently vacant.

#### 3.1 Property transferred from right-of-use assets and property, plant and equipment

During the financial year, a leasehold land and certain freehold land and buildings have been transferred from right-of-use assets (see note 4) and property, plant and equipment (see note 2) respectively to investment properties, following the said land and buildings were leased to third parties.

#### 3.2 Security

As at 30 April 2025, a property with carrying amount of RM4,744,138 have been pledged as security to secure a bank loan granted to the Group (see Note 15).

#### 3.3 Other income/expenses recognised in profit or loss in relation to investment properties

	2025 RM	Group 2024 RM
Rental income	4,818,954	3,870,063
Direct operating expenses:		
- income generating investment properties	(944,080)	(833,941)
- non-income generating investment properties	(101,799)	(75,375)

#### 3.4 Fair value information

Fair value of investment properties is categorised as follows:

	2025 RM	Group 2024 RM
<b>Level 3</b>		
Freehold land	112,973,602	106,484,457
Leasehold land	1,845,396	1,788,815
Buildings	61,420,941	60,157,242
	176,239,939	168,430,514

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 3. Investment properties (continued)

#### 3.4 Fair value information (continued)

##### Level 3 fair value

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Description of valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Comparison of the Group's investment properties with similar properties that were listed for sale within the same locality or other comparable localities.	Market price of property per square feet ("sq ft") in vicinity compared.	The estimated fair value would increase/(decrease) if market prices of property were higher/(lower).

##### Valuation processes applied by the Group for Level 3 fair value

The Group estimates the fair value of certain investment properties based on the comparison of the Company's investment properties with similar properties that were listed for sale within the same locality or other comparable localities. In addition, there are certain investment properties where fair value is determined by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of property being valued. Assessment of the fair values of the Group's investment properties is undertaken annually. Any changes in Level 3 fair values are analysed by the management based on the assessment undertaken.

##### Highest and best use

The Group's investment properties are currently freehold land, leasehold land and buildings. The highest and best use of the land and properties is for rental generation as they are located in the vicinity of the commercial area.

#### 3.5 Material accounting policy information

Investment properties are measured at cost less any accumulated depreciation and any accumulated impairment.

### 4. Right-of-use assets

Group	Land RM	Buildings RM	Total RM
At 1 May 2023	6,895,300	3,615,046	10,510,346
Additions	-	1,346,171	1,346,171
Adjustment	19,224	-	19,224
Depreciation for the year	(143,695)	(1,489,384)	(1,633,079)
Effect of movements in exchange rates	-	1,857	1,857
Remeasurement of lease liabilities	-	760,317	760,317
At 30 April 2024/1 May 2024	6,770,829	4,234,007	11,004,836
Additions	-	1,362,890	1,362,890
Transfer to investment properties (Note 3)	(119,655)	-	(119,655)
Depreciation for the year	(138,369)	(1,562,953)	(1,701,322)
Termination of lease	-	(85,776)	(85,776)
Effect of movements in exchange rates	-	(3,204)	(3,204)
Remeasurement of lease liabilities	-	1,584,609	1,584,609
At 30 April 2025	6,512,805	5,529,573	12,042,378

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 4. Right-of-use assets (continued)

#### 4.1 Land

Included in the total carrying amount of land of the Group are:

	2025 RM	Group 2024 RM
Leasehold land with unexpired lease period of less than 50 years	873,762	918,523
Leasehold land with unexpired lease period of more than 50 years	5,639,043	5,852,306
	6,512,805	6,770,829

#### 4.2 Extension options

Certain leases of office buildings and retail stores contain extension options exercisable by the Group up to six years before the end of the non-cancellable contract period. Where applicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Group	Lease liabilities recognised RM	Historical rate of extension options exercised %
Retail stores	5,673,464	100
Office buildings	114,313	100

#### 4.3 Significant judgements and assumptions in relation to lease

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. The Group considers all facts and circumstances including its past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

The Group also applied judgement and assumptions in determining the incremental borrowing rate of the respective leases. The Group first determine the closest available borrowing rates before using significant judgement to determine the adjustments required to reflect the term, security, value or economic environment of the respective leases.

#### 4.4 Material accounting policy information

##### (a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 4. Right-of-use assets (continued)

#### 4.4 Material accounting policy information (continued)

##### (b) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

##### (c) 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.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

### 5. Goodwill

	Group	
	2025 RM	2024 RM
At 1 May/30 April	84,930	84,930

#### Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the subsidiaries acquired which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill allocated to each subsidiary are as follows:

	Group	
	2025 RM	2024 RM
Chop Aik Seng Sdn. Bhd.	79,390	79,390
Sri Pangkor Credit & Leasing Sdn. Bhd.	5,540	5,540
	84,930	84,930

During the current and previous financial years, no impairment was required as there is no indication that the goodwill may be impaired and the Group expects the entities to generate sustainable profits in the future periods.

As the goodwill is not significant, hence the key assumptions used in determining the value in use have not been disclosed.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 5. Goodwill (continued)

#### 5.1 Material accounting policy information

##### (a) Recognition and measurement

Goodwill which arises on business combinations is measured at cost less any accumulated impairment losses. In respect of equity-accounted associates and joint venture, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill that forms part of the carrying amount of the equity-accounted associates and joint venture.

##### (b) Amortisation

Goodwill is not amortised but is tested for impairment annually and whenever there is an indication that it may be impaired.

### 6. Investments in subsidiaries

	<b>Company</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Unquoted shares, at cost		
At beginning of the year	318,827,659	312,977,659
Addition	-	5,850,000
At end of the year	318,827,659	318,827,659

During the previous financial year, the Company entered into Agreement on Sale and Purchase of Shares with its subsidiary, Hai-O Enterprise Bhd to acquire 100% equity interest in Sahajidah Hai-O Marketing Sdn Bhd, Hai-O Credit & Leasing Sdn. Bhd., SG Global Biotech Sdn. Bhd. and BH Wellness Sdn. Bhd. for a total cash consideration of RM5,850,000. The acquisition was completed following the completion of the shares transfer during the previous financial year. Sahajidah Hai-O Marketing Sdn Bhd, Hai-O Credit & Leasing Sdn. Bhd., SG Global Biotech Sdn. Bhd. and BH Wellness Sdn. Bhd are direct subsidiaries of the Company.

The said acquisition of equity interest above does not result in any changes to the shareholding structure of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 6. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows:

Name of entity	Principal place of business	Principal activities	Effective ownership interest and voting interest	
			2025 %	2024 %
Direct subsidiaries of Beshom Holdings Berhad				
BH Wellness Sdn. Bhd. *	Malaysia	Wholesaling and retailing of food and beverage products, healthcare and wellness product	100	100
Hai-O Credit & Leasing Sdn. Bhd. and its subsidiary:	Malaysia	Hire purchase, leasing of machinery and equipment, insurance agent and investment holding	100	100
Sri Pangkor Credit & Leasing Sdn. Bhd.	Malaysia	Licensed money lender and insurance agent	100	100
Hai-O Enterprise Berhad (“HOEB”)	Malaysia	Wholesaling and retailing of herbal medicines, healthcare, beauty and wellness products, investment holding and property holding activities	100	100
Sahajidah Hai-O Marketing Sdn. Bhd. and its subsidiary:	Malaysia	Multi-level direct marketing and investment holding	100	100
Sahajidah Hai-O Marketing (EM) Sdn. Bhd. *	Malaysia	Dormant	100	100
SG Global Biotech Sdn. Bhd. and its subsidiary:	Malaysia	Manufacturing of healthcare and pharmaceutical products and investment holding	100	100
QIS Research Laboratory Sdn. Bhd.	Malaysia	Manufacturing of healthcare and pharmaceutical products, research and laboratory services	100	100
Subsidiaries of HOEB:				
Grand Brands (M) Sdn. Bhd.	Malaysia	General importer, exporter and commission agent	100	100
Hai-O Energy (M) Sdn. Bhd. *	Malaysia	Dormant	100	100
Hai-O (Hong Kong) Investment Limited * and its subsidiary:	Hong Kong	Investment holding and trading of birds’ nests	100	100
Hai-O (Guangzhou) Trading Ltd *, #	China	Trading of medicine, health and related products	100	100

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 6. Investments in subsidiaries (continued)

Name of entity	Principal place of business	Principal activities	Effective ownership interest and voting interest	
			2025 %	2024 %
Subsidiaries of HOEB: (continued)				
Hai-O Medicine Sdn. Bhd.	Malaysia	Trading of Chinese herbs and medicine	100	100
Hai-O (PG) Sdn. Bhd. *	Malaysia	Dormant	95.29	95.29
Hai-O Properties Sdn. Bhd. * and its subsidiary:	Malaysia	Property holding and investment holding	100	100
Hai-O Development Sdn. Bhd. *	Malaysia	Dormant	60	60
Hai-O Raya Bhd. ^	Malaysia	Retail chain stores	68.77	68.53
Kinds Resource Sdn. Bhd.	Malaysia	Trading of Chinese herbs	100	100
Samariatan Sdn. Bhd. and its subsidiary:	Malaysia	Investment holding	70.32	70.32
Chop Aik Seng Sdn. Bhd.	Malaysia	Trading of tea and other beverages	70.32	70.32
Sea Gull Advertising Sdn. Bhd. *	Malaysia	Dormant	100	100
Tea Reserves Sdn. Bhd. *	Malaysia	Retail sale of tea over the Internet and other general business channel	100	100
Vintage Wine Sdn. Bhd. *	Malaysia	Import and trading of Wine	100	100
Yan Ou Holdings (M) Sdn. Bhd. and its subsidiary:	Malaysia	Trading and processing of birds' nests and investment holding	60	60
Yan Ou Marketing (Intl) Sdn. Bhd.	Malaysia	Trading and distribution of birds' nests and its related products and other healthcare products	60	60

\* Not audited by KPMG PLT, Malaysia.

^ During the financial year, the Group had acquired additional 7,000 shares of RM 3.00 per share in Hai-O Raya Bhd, through several acquisitions from non-controlling owners for a total cash consideration of RM21,000. These acquisitions increased the equity shareholding of the Group in Hai-O Raya Bhd from 68.53% to 68.77%.

# The statutory financial year end of this subsidiary was 31 December 2024 and it does not coincide with the Group. However, the Company has consolidated the financial position and results of this subsidiary based on the audited financial statements made up to the financial year end of the Group. The Company has been granted approval from the Companies Commission of Malaysia pursuant to Section 247(7) of the Companies Act 2016 for this subsidiary to continue adopting a financial year end that does not coincide with the financial year end of the Group.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 6. Investments in subsidiaries (continued)

#### 6.1 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	Hai-O Raya Bhd. RM	Other subsidiaries with immaterial NCI RM	Total RM
<b>2025</b>			
NCI percentage of ownership interest and voting interest	31.23%		
Carrying amount of NCI	8,629,412	2,775,404	11,404,816
Loss allocated to NCI	(110,010)	(76,788)	(186,798)

#### Summarised financial information before intra-group elimination

##### As at 30 April

Non-current assets	20,065,773
Current assets	23,178,880
Non-current liabilities	(7,799,896)
Current liabilities	(7,812,953)
Net assets	27,631,804

##### Year ended 30 April

Revenue	35,556,326
Loss for the year and total comprehensive expense	(352,258)

Cash flows from operating activities	961,284
Cash flows used in investing activities	(1,898,166)
Cash flows from financing activities	619,210
Net decrease in cash and cash equivalents	(317,672)

Dividends paid to NCI	188,800
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## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 6. Investments in subsidiaries (continued)

#### 6.1 Non-controlling interests in subsidiaries (continued)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows: (continued)

2024	Hai-O Raya Bhd. RM	Other subsidiaries with immaterial NCI RM	Total RM
NCI percentage of ownership interest and voting interest	31.47%		
Carrying amount of NCI	8,995,404	2,848,494	11,843,898
Profit/(Loss) allocated to NCI	92,161	(6,169)	85,992

#### Summarised financial information before intra-group elimination

##### As at 30 April

Non-current assets	13,736,338
Current assets	26,136,870
Non-current liabilities	(3,519,962)
Current liabilities	(7,769,184)
Net assets	28,584,062

##### Year ended 30 April

Revenue	34,725,673
Profit for the year and total comprehensive income	292,852

Cash flows from operating activities	628,643
Cash flows used in investing activities	(387,641)
Cash flows used in financing activities	(2,360,090)
Net decrease in cash and cash equivalents	(2,119,088)

Dividends paid to NCI	238,250
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#### 6.2 Significant restrictions

There are no significant restrictions applying to any assets of the Group other than those disclosed elsewhere in the financial statements.

#### 6.3 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 7. Investment in an associate

	Group	
	2025 RM	2024 RM
Unquoted shares, at cost	1,251,095	1,251,095
Share of post-acquisition reserves	(1,251,095)	(1,251,095)
	-	-

Details of the associate are as follows:

Name of entity	Principal place of business	Principal activities	Effective ownership interest and voting interest	
			2025 %	2024 %
PT Hai-O Indonesia	Indonesia	Dormant	40	40

#### Unrecognised share of losses

The accumulated share of losses that have not been recognised by the Group amounted to RM525,861 (2024: RM914,874). The Group has no obligation in respect of these losses since the Group's share of losses exceed its interest in the associate.

In view of the associate is not material to the Group and hence, no further disclosures are provided.

### 8. Investment in a joint venture

	Group	
	2025 RM	2024 RM
Unquoted shares, at cost	760,000	760,000
Share of post-acquisition reserves	835,538	968,955
Group's share of net assets	1,595,538	1,728,955

Peking Tongrentang (M) Sdn. Bhd. ("PKT"), the only joint arrangement in which the Group participates, is principally engaged in providing traditional Chinese physician services and retail of traditional Chinese medicine in Malaysia.

PKT is structured as a separate entity and provides the Group rights to the net assets of the entity. Accordingly, the Group has classified the investment in PKT as a joint venture.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 8. Investment in a joint venture (continued)

The following table summarises the financial information of PKT, as adjusted for any differences in accounting policies.

	Group 2025 RM	2024 RM
Percentage of ownership interest	40%	40%
Percentage of voting interest	40%	40%
<b>Summarised financial information</b>		
<b>As at 30 April</b>		
Non-current assets	6,933,974	6,910,017
Current assets	805,686	738,830
Non-current liabilities	(1,887,425)	(1,887,426)
Current liabilities	(1,863,392)	(1,439,034)
Net assets	3,988,843	4,322,387
<b>Year ended 30 April</b>		
Loss for the year and total comprehensive expense	(333,544)	(292,058)
<b>Included in the total comprehensive expense are:</b>		
Revenue	1,760,936	1,712,149
Depreciation	(53,075)	(44,924)
Interest expense	(95,479)	(94,082)
<b>Group's share of results for the year ended 30 April</b>		
Group's share of loss and total comprehensive expense	(133,417)	(116,823)

### 9. Other investments

		Group 2025 RM	2024 RM	Company 2025 RM	2024 RM
<b>Non-current</b>					
Financial assets at fair value through profit or loss:					
- quoted shares in Malaysia		356	479	-	-
- unquoted shares		11,920	11,920	-	-
Financial assets at fair value through other comprehensive income :					
- quoted shares in Malaysia	9.1	7,807,842	7,559,976	-	-
- unquoted shares	9.1	14,999,600	-	-	-
		22,819,718	7,572,375	-	-

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 9. Other investments (continued)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Current</b>				
Financial assets at fair value through profit or loss:				
- unit trusts in Malaysia	60,963,242	69,157,389	8,199,451	7,926,576
Amortised cost				
- deposit placed with licensed banks	5,118,405	-	-	-
	66,081,647	69,157,389	8,199,451	7,926,576
	88,901,365	76,729,764	8,199,451	7,926,576

#### 9.1 Equity investment designated at fair value through other comprehensive income

The Group designated certain investments in equity securities shown above as fair value through other comprehensive income because these investments in equity securities represent investments for strategic business collaboration.

	Note	Fair value at 30 April
<b>Group</b>		
<b>2025</b>		
Movon Sdn Bhd	9.1.1	14,999,600
Orgabio Holdings Berhad		7,807,842
		22,807,442
<b>2024</b>		
Orgabio Holdings Berhad		7,559,976

**9.1.1** Based on the external valuation performed by an independent valuer, there is a wide range of possible fair values on the Group's investment in Movon Sdn. Bhd.. In view of this, the cost of investment of RM14,999,600 represents the best estimate of fair value.

#### 9.2 Material accounting policy information

##### (a) Equity investments not held for trading

At initial recognition, the Group irrevocably elect to present subsequent changes in the fair value of certain investments in other comprehensive income. This election is made on an investment-by-investment basis.

##### (b) Deposit placed with licensed banks

The Group's classifies deposit placed with licensed banks not held for working capital purposes that has a maturity of more than three months as other investments.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 10. Trade and other receivables

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current</b>					
<b>Trade</b>					
Hire purchase receivables	10.1	601,772	889,653	-	-
Loan receivables	10.2	850,181	693,896	-	-
		1,451,953	1,583,549	-	-
<b>Current</b>					
<b>Trade</b>					
Trade receivables		12,353,169	12,176,133	-	-
Less: Impairment allowance		(762,143)	(772,795)	-	-
		11,591,026	11,403,338	-	-
Hire purchase receivables	10.1	367,455	418,100	-	-
Loan receivables	10.2	505,652	397,083	-	-
Amount due from an associate	10.3	1,038,290	1,038,290	-	-
Less: Individual impairment allowance		(1,038,290)	(1,038,290)	-	-
		-	-	-	-
Amount due from a joint venture	10.3	1,753,333	1,190,338	-	-
		14,217,466	13,408,859	-	-
<b>Non-trade</b>					
Amount due from an associate	10.3	2,332,289	2,221,703	-	-
Less: Individual impairment allowance		(2,332,289)	(2,221,703)	-	-
		-	-	-	-
Amounts due from subsidiaries	10.3	-	-	39,597	32,692
		-	-	39,597	32,692
Other receivables		1,914,651	1,698,514	120,681	55,495
Less: Individual impairment allowance		(1,013,108)	(903,258)	-	-
		901,543	795,256	120,681	55,495
Deposits		1,085,481	1,504,568	-	2,000
		1,987,024	2,299,824	160,278	90,187
		16,204,490	15,708,683	160,278	90,187
		17,656,443	17,292,232	160,278	90,187



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 10. Trade and other receivables (continued)

#### 10.1 Hire purchase receivables

Hire purchase receivables are receivable as follows:

	Group	
	2025 RM	2024 RM
Less than one year	423,250	497,394
Between one and five years	643,605	981,816
	1,066,855	1,479,210
Less: Unearned interest charges	(97,628)	(171,457)
	969,227	1,307,753
Carrying amount:		
Current	367,455	418,100
Non-current	601,772	889,653
	969,227	1,307,753

The Group's financing tenor for hire purchase receivables ranges from 24 months to 84 months (2024: 24 months to 84 months). The average remaining period of maturity as at the financial year end was 56 months (2024: 48 months). The effective interest rates during the financial year generally ranged from 5.57% to 8.14% (2024: 5.57% to 8.14%) per annum.

#### 10.2 Loan receivables

Loan receivables are receivable as follows:

	Group	
	2025 RM	2024 RM
Less than one year	614,844	482,430
Between one and five years	950,086	774,175
	1,564,930	1,256,605
Less: Unearned interest charges	(209,097)	(165,626)
	1,355,833	1,090,979
Carrying amount:		
Current	505,652	397,083
Non-current	850,181	693,896
	1,355,833	1,090,979

The Group's financing tenor for loan receivables ranges from 18 months to 84 months (2024: 12 months to 84 months). The average remaining period of maturity as at the financial year end was 55 months (2024: 54 months). The effective interest rates during the financial year generally ranged from 7.86% to 15.99% (2024: 5.29% to 15.99%) per annum.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 10. Trade and other receivables (continued)

### 10.3 Related party balances

The trade balances due from an associate and a joint venture are subject to negotiated trade terms.

The non-trade balances due from an associate and subsidiaries are unsecured, interest free and repayable on demand.

## 11. Deferred tax assets/(liabilities)

### Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

Group	Assets		Liabilities		Net	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
Property, plant and equipment	-	-	(3,115,201)	(2,812,876)	(3,115,201)	(2,812,876)
Right-of-use assets	-	-	(1,714,752)	(1,390,493)	(1,714,752)	(1,390,493)
Lease liabilities	1,677,911	1,342,689	-	-	1,677,911	1,342,689
Provisions	93,715	57,407	-	-	93,715	57,407
Capital allowance carry-forwards	211,661	120,495	-	-	211,661	120,495
Tax losses	367,710	296,079	-	-	367,710	296,079
Other deductible temporary differences	4,272,686	4,037,488	-	-	4,272,686	4,037,488
Tax assets/(liabilities)	6,623,683	5,854,158	(4,829,953)	(4,203,369)	1,793,730	1,650,789
Set off of tax	(4,625,544)	(3,884,229)	4,625,544	3,884,229	-	-
Net tax assets/(liabilities)	1,998,139	1,969,929	(204,409)	(319,140)	1,793,730	1,650,789
<b>Company</b>						
Property, plant and equipment	-	-	(1,313)	-	(1,313)	-

### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	2025 RM	2024 RM
Property, plant and equipment	-	2,286
Capital allowance carry-forwards	266,034	157,287
Tax loss carry-forwards	10,065,899	9,068,952
Reinvestment allowance carry-forwards	214,858	-
Lease liabilities	6,960	1,814
Provisions	212,402	60,211
Others	71,880	12,697
	10,838,033	9,303,247

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 11. Deferred tax assets/(liabilities) (continued)

#### Unrecognised deferred tax assets (continued)

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which certain Group entities can utilise the benefits therefrom.

The deductible temporary differences do not expire except for tax loss carry-forwards (stated at gross) which will expire in ten (10) years (2024: ten (10) years) under the current tax legislation of Malaysia are as follows:

	Group	
	2025 RM	2024 RM
Unutilised tax losses expiring in:		
- 2028	6,071,074	6,071,074
- 2029	627,159	627,159
- 2030	341,383	341,383
- 2031	444,247	444,247
- 2032	471,174	471,174
- 2033	356,032	356,032
- 2034	635,082	757,883
- 2035	1,119,748	-
	10,065,899	9,068,952

#### Movement in temporary differences during the year

Group	Recognised in profit or loss			Recognised in profit or loss	
	At 1.5.2023 RM	At or loss (Note 23) RM	At 30.4.2024/ 1.5.2024 RM	At or loss (Note 23) RM	At 30.4.2025 RM
Property, plant and equipment	(2,864,763)	51,887	(2,812,876)	(302,325)	(3,115,201)
Right-of-use assets	(532,172)	(858,321)	(1,390,493)	(324,259)	(1,714,752)
Lease liabilities	575,823	766,866	1,342,689	335,222	1,677,911
Provisions	80,544	(23,137)	57,407	36,308	93,715
Capital allowance carry-forwards	61,693	58,802	120,495	91,166	211,661
Tax losses	236,353	59,726	296,079	71,631	367,710
Reinvestment allowance carry-forwards	51,566	(51,566)	-	-	-
Other deductible temporary differences	4,089,150	(51,662)	4,037,488	235,198	4,272,686
	1,698,194	(47,405)	1,650,789	142,941	1,793,730
<b>Company</b>					
Property, plant and equipment	-	-	-	(1,313)	(1,313)

#### 11.1 Temporary mandatory relief from deferred tax accounting

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 12. Inventories

	Group	
	2025 RM	2024 RM
<i>At cost:</i>		
Raw materials	1,173,947	1,368,044
Packaging materials	385,288	394,884
Finished goods and trading goods	62,461,257	68,438,402
Goods in transit	5,050,028	883,392
	69,070,520	71,084,722
<i>At net realisable value:</i>		
Finished goods and trading goods	5,662,762	5,813,955
	74,733,282	76,898,677
Recognised in profit or loss:		
Inventories recognised as cost of sales	72,256,590	69,683,141
Inventories written off	264,509	419,577

The written off is included in cost of sales.

#### 12.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

### 13. Cash and cash equivalents

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deposits placed with licensed banks	18,108,001	24,279,546	500,000	250,000
Cash and bank balances	8,372,051	10,231,172	202,687	221,651
	26,480,052	34,510,718	702,687	471,651

### 14. Capital and reserves

#### 14.1 Share capital

	Group and Company			
	Amount 2025 RM	Number of shares 2025	Amount 2024 RM	Number of shares 2024
Issued and fully paid ordinary shares with no par value classified as equity instruments:				
At 1 May/30 April	312,977,661	300,103,232	312,977,661	300,103,232

#### Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 14. Capital and reserves (continued)

#### 14.2 Capital reserve

The capital reserve comprises gain arising from disposal of property, plant and equipment and quoted investments in the previous financial years.

#### 14.3 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

#### 14.4 Treasury shares

The shareholders of the Company, by resolutions passed in general meetings held in previous financial years, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company repurchased 441,000 of its issued share capital from the open market for a total cash consideration of RM337,346. The average price for the shares repurchased was RM0.76 per share and the repurchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares.

As at 30 April 2025, the Company held 574,300 (2024: 133,300) of its own shares.

#### 14.5 Reorganisation reserve

The reorganisation reserve at the consolidated financial statements represents the difference between the legal capital of the Company (accounting acquiree) and HOEB (accounting acquirer).

#### 14.6 Fair value reserve

The fair value reserve comprises the cumulative change in the fair value of equity instruments designated at fair value through other comprehensive income until the assets are derecognised or impaired.

### 15. Loans and borrowings

	Note	Group 2025 RM	2024 RM
<b>Non-current</b>			
Secured bank loan	15.1	3,012,229	-
<b>Current</b>			
Secured bank loan	15.1	297,137	-
Bankers' acceptances - unsecured		1,633,153	-
		1,930,290	-
		4,942,519	-

#### 15.1 Security

The bank loan is secured over a freehold land and building of the Group (see Note 3) and corporate guaranteed by a subsidiary of the Group.



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 16. Trade and other payables

	Note	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
<b>Trade</b>					
Trade payables		10,711,590	9,385,306	-	-
<b>Non-trade</b>					
Amounts due to subsidiaries	16.1	-	-	10,949	11,966
Other payables		2,299,658	2,006,799	59,250	19,188
Deposits received		3,871,874	4,029,342	-	-
Accrued expenses		5,637,913	6,618,716	293,853	282,520
		11,809,445	12,654,857	364,052	313,674
		22,521,035	22,040,163	364,052	313,674

#### 16.1 Related party balances

The non-trade balances due to subsidiaries are unsecured, interest free and repayable on demand.

### 17. Provisions

Group	Sales campaign RM	Restoration cost RM	Total RM
At 1 May 2023	335,600	14,000	349,600
Provisions made during the year	904,796	-	904,796
Provisions used during the year	(1,001,201)	-	(1,001,201)
At 30 April 2024/1 May 2024	239,195	14,000	253,195
Provisions made during the year	912,000	-	912,000
Provisions used during the year	(760,714)	-	(760,714)
At 30 April 2025	390,481	14,000	404,481

#### Sales campaign

The Group organises various sales campaign programmes for its eligible distributors. Under the respective sales campaigns, eligible distributors are entitled to overseas or local trips subject to meeting certain qualifying performance targets. A provision of sales campaign incentive is recognised at the end of each reporting period for eligible distributors based on the Group's estimated qualifiers and quoted tour fares for the sales campaign programmes.

#### Restoration cost

Provision made was in respect of the Group's obligation to restore the leased store at the end of its tenancy agreement.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 18. Contract liabilities

	2025 RM	Group 2024 RM
<b>Non-current</b>		
Contract liabilities	86,740	204,261
<b>Current</b>		
Contract liabilities	288,410	383,570
	375,150	587,831

The contract liabilities primarily relate to the multi-level marketing membership fee received from the members of a subsidiary, which revenue is recognised over a period of 1 to 3 years.

Significant changes to contract liabilities balances during the year are as follows:

	Group RM
At 1 May 2023	897,071
Net movement during the year	(309,240)
At 30 April 2024/1 May 2024	587,831
Net movement during the year	(212,681)
At 30 April 2025	375,150

### 19. Revenue

Group	2025 RM	2024 RM
<b>Revenue from contracts with customers</b>		
- Sale of goods	149,097,387	145,525,376
- Multi-level marketing ("MLM") membership fee	548,482	685,236
- Commissions	106,990	558,096
	149,752,859	146,768,708
<b>Other revenue</b>		
- Hire purchase and finance lease income	80,296	93,905
- Interest income	247,031	165,382
- Dividend income	152,399	164,710
- Rental income	4,894,705	3,939,263
	5,374,431	4,363,260
<b>Total revenue</b>	155,127,290	151,131,968

Company	2025 RM	2024 RM
<b>Revenue</b>		
- Dividend income	9,914,119	11,259,228
- Management fee income	2,820,000	2,820,000
- Administrative and support charges income	1,380,000	1,380,000
<b>Total revenue</b>	14,114,119	15,459,228

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 19. Revenue (continued)

### 19.1 Disaggregation of revenue

Group	Reportable segments				Other non-reportable segments				Total	
	Wholesale		Multi-level marketing ("MLM")		Retail					
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>Revenue from contracts with customers</b>										
- Sale of goods	59,441,474	58,319,573	52,887,609	50,826,287	35,462,926	34,728,398	1,305,378	1,651,118	149,097,387	145,525,376
- MLM membership fee	-	-	548,482	685,236	-	-	-	-	548,482	685,236
- Commissions	-	-	57,633	505,234	-	-	49,357	52,862	106,990	558,096
<b>Other revenue</b>										
	59,441,474	58,319,573	53,493,724	52,016,757	35,462,926	34,728,398	1,354,735	1,703,980	149,752,859	146,768,708
	-	-	-	-	-	-	5,374,431	4,363,260	5,374,431	4,363,260
	59,441,474	58,319,573	53,493,724	52,016,757	35,462,926	34,728,398	6,729,166	6,067,240	155,127,290	151,131,968
<b>Timing and recognition</b>										
At a point in time	59,441,474	58,319,573	52,945,242	51,331,521	35,462,926	34,728,398	1,354,735	1,703,980	149,204,377	146,083,472
Overtime	-	-	548,482	685,236	-	-	-	-	548,482	685,236
	59,441,474	58,319,573	53,493,724	52,016,757	35,462,926	34,728,398	1,354,735	1,703,980	149,752,859	146,768,708

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 19. Revenue (continued)

#### 19.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Sale of goods - <i>Wholesale</i>	Revenue is recognised when controls of the goods have been transferred to the customers.	Credit period of 30 days to 90 days from invoice date or cash terms.	Early payment discounts for certain customers.	The Group allows return for goods sold with conditions.	Not applicable.
Sale of goods - <i>Retail</i>	Revenue is recognised when controls of the goods have been transferred to the customers.	Credit period of 30 days from invoice date or cash sales.	Not applicable.	The Group allows return for goods sold subject to section 41 and 42 of The Consumer Protection Act 1999.	Not applicable.
Sale of goods - <i>MLM</i>	Revenue is recognised when controls of the goods have been transferred to the customers.	No credit period given.	There are two types of performance bonus i.e. group effort related performance bonus and personal effort related performance bonus. Personal effort related performance bonus is a reduction of transaction price, whilst group effort related performance bonus is a consideration paid to or payable to customers for the provision of distinct services.	The Group allows return for goods sold subject to a cooling off period of ten working days pursuant to The Direct Sales and the Anti-Pyramid Scheme Act 1993 section 23(1)(b).	Not applicable.
MLM membership	Revenue is recognised overtime according to the membership period.	No credit period given.	Not applicable.	Not applicable.	Not applicable.
Commissions	Revenue is recognised at a point in time when controls of the goods have been transferred to the customers.	No credit period given.	Not applicable.	Not applicable.	Not applicable.

#### 19.3 Transaction price allocated to the remaining performance obligations

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 20. Finance income

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest income from fixed deposits and short term deposits	533,128	646,537	16,415	34,663

## 21. Finance costs

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest expense on lease liabilities	291,467	220,072	-	-
Term loan interest	124,190	-	-	-
Other finance costs	64,657	2,313	-	-
	480,314	222,385	-	-

## 22. Profit before tax

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Profit before tax is arrived at after charging/ (crediting):</b>				
<b>Auditors' remuneration:</b>				
Audit fees:				
- KPMG PLT	413,050	413,050	40,000	40,000
- Other auditors	49,686	53,913	-	-
Non-audit fees:				
- KPMG PLT	15,000	15,000	15,000	15,000
<b>Material expenses/ (income)</b>				
Depreciation of investment properties	722,471	725,800	-	-
Depreciation of property, plant and equipment	3,005,726	3,178,763	8,170	9,227
Depreciation of right-of-use assets	1,701,322	1,633,079	-	-
Gain on termination of right-of-use assets	(7,374)	-	-	-
Personnel expenses				
(including key management personnel):				
- Contributions to Employees' Provident Fund	2,815,486	2,882,228	291,360	290,639
- Wages, salaries and others	27,187,025	27,317,132	3,191,772	3,260,297
Property, plant and equipment written off	22,909	6,792	-	-
Provision for sales campaign	912,000	904,796	-	-
Net foreign exchange differences:				
- Unrealised	461,557	(136,817)	-	-
- Realised	(537,580)	(883,245)	-	-
Dividend income from:				
- Subsidiaries	-	-	(9,914,119)	(11,259,228)
- Unit trusts	(1,016,058)	(1,093,516)	(214,120)	(205,903)
Fair value gain on other investments	(1,218,088)	(948,968)	(58,755)	(29,905)
(Gain)/Loss on disposal of:				
- Property, plant and equipment	(13,147)	39,984	(92)	-
- Other investments	(19,903)	(2,302)	-	-
- Investment properties	-	(332,194)	-	-
Management fees receivable from:				
- Subsidiaries	-	-	(2,820,000)	(2,820,000)
- Others	(40,200)	(40,200)	-	-
Administrative charges receivable from subsidiaries	-	-	(1,380,000)	(1,380,000)
Rental income from investment properties	(4,818,954)	(3,870,063)	-	-



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 22. Profit before tax (continued)

		Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Profit before tax is arrived at after charging/ (crediting): (continued)</b>					
<b>Other expenses relating to leases</b>					
Expenses relating to short term leases	a	230,455	271,927	-	-
<b>Net loss/(reversal) on impairment of financial instruments</b>					
Financial assets at amortised cost:					
- Trade receivables		90,809	(68,476)	-	-
- Other receivables		220,436	2,993	-	-
		311,245	(65,483)	-	-

#### Note a

The Group's leases warehouse and office space with contract term of 1 year (2024: 1 year) and the leases is short-term. The Group's has elected not to recognise right-of-use assets and lease liabilities for the leases.

### 23. Tax expense

#### Recognised in profit or loss

		Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Current tax expense</b>					
Current year		4,180,577	3,764,825	221,479	248,784
Over provision in prior years		(151,258)	(307,852)	(5,461)	(4,421)
Total current tax recognised in profit or loss		4,029,319	3,456,973	216,018	244,363
<b>Deferred tax expense</b>					
Origination and reversal of temporary differences		(196,102)	380,806	(1,961)	-
Under/(Over) provision in prior years		53,161	(333,401)	3,274	-
Total deferred tax recognised in profit or loss (Note 11)		(142,941)	47,405	1,313	-
Total income tax expense		3,886,378	3,504,378	217,331	244,363
<b>Reconciliation of tax expense</b>					
Profit before tax		12,209,493	14,483,393	9,847,946	11,513,108
Income tax calculated using					
Malaysian tax rate of 24%		2,930,278	3,476,014	2,363,507	2,763,146
Non-deductible expenses		1,198,102	1,007,057	300,889	237,269
Tax exempt income		(512,254)	(425,847)	(2,444,878)	(2,751,631)
Effect of deferred tax assets not recognised		368,349	135,422	-	-
Over provision in prior years		(98,097)	(641,253)	(2,187)	(4,421)
Effect of lower real property gains tax rate at 10%		-	(47,015)	-	-
		3,886,378	3,504,378	217,331	244,363

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 24. Earnings per ordinary share

#### Basic and diluted earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share at 30 April 2025 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	2025 RM	Group 2024 RM
Profit attributable to ordinary shareholders	8,509,913	10,893,023
Weighted average number of ordinary shares		
	2025	Group 2024
Issued ordinary shares at beginning of the year	300,103,232	300,103,232
Effect of treasury shares held	(227,821)	(14,509)
Weighted average number of ordinary shares at end of the year	299,875,411	300,088,723
Basic and diluted earnings per ordinary share (sen)	2.84	3.63

The diluted earnings per share is presented the same as basic earnings per share given that the Group does not have any dilutive potential ordinary share.

### 25. Dividends

Dividends recognised by the Group:

	Sen per share	Total amount RM	Date of payment
<b>2025</b>			
Final 2024 ordinary	1.5	4,498,879	28 November 2024
First Interim 2025 ordinary	1.5	4,497,196	17 March 2025
		8,996,075	
<b>2024</b>			
Final 2023 ordinary	2	6,002,064	30 November 2023
First Interim 2024 ordinary	1.5	4,501,574	14 March 2024
		10,503,638	

After the end of the reporting period, the final and special dividend recommended by the Directors in respect of the financial year ended 30 April 2025 is 1.5 sen and 1.0 sen per ordinary share respectively. The final and special dividend will be recognised in subsequent financial period upon approval by the owners of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 26. Operating segments

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different marketing systems and strategies. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") (i.e. the Group's Managing Director) reviews internal management reports at least on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- *Wholesale* - Wholesaling and trading in herbal medicines, healthcare products, wellness and beauty products, herbs and tea.
- *Multi-level Marketing* - Operating multi-level direct selling of health food, healthcare products, wellness products and beauty products.
- *Retail* - Operating retail chain stores.
- *Investment holding* - Investment holding.

The wholesaling and trading of herbal medicines, healthcare products, wellness and beauty products, herbs and tea are managed by a few different segments within the Group. These operating segments are aggregated to form a reportable segment as Wholesale due to the similar nature and economic characteristics of the products. The nature and methods of distribution of the products for these divisions are similar.

Other non-reportable segments comprise operations related to manufacturing, leasing of machinery and equipment, licensed money lender, insurance agent, property holding and investment in a joint venture. None of these segments met the quantitative thresholds for reporting segments in 2025 and 2024.

There are varying levels of integration between Wholesale, Multi-level Marketing and Retail reportable segments. This integration includes sales and transfers of inventories and shared distribution services, respectively. Inter-segment pricing is determined on negotiated commercial terms.

Performance is measured based on segment profit before tax as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the key results of certain segments relative to other entities that operate within these industries.

#### Segment assets

The total of segment assets is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total assets is used to measure the return on assets of each segment.

#### Segment liabilities

Segment liabilities comprise operating liabilities and include items such as taxation and trade and other payables.

#### Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment and investment properties.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 26. Operating segments (continued)

Group	Wholesale RM'000	Multi- level Marketing RM'000	Retail RM'000	Investment Holding RM'000	Other non- reportable segments RM'000	Total RM'000
<b>2025</b>						
<b>Segment profit/(loss)</b>	5,968	3,991	(670)	9,848	4,349	23,486
<i>Included in the measure of segment profit are:</i>						
Revenue from external customers	59,441	53,494	35,463	-	6,729	155,127
Inter-segment revenue	42,835	80	93	14,114	4,249	61,371
Share of loss of equity-accounted joint venture	-	-	-	-	(133)	(133)
Fair value gain on other investments	119	611	157	59	272	1,218
Depreciation	(1,305)	(1,386)	(1,951)	(8)	(779)	(5,429)
Finance income	216	256	43	16	2	533
Finance cost	(65)	(8)	(407)	-	-	(480)
Dividend income	118	408	124	214	145	1,009
<i>Not included in the measure of segment profit but provided to CODM:</i>						
Tax expense	(2,734)	(936)	83	(217)	(82)	(3,886)
<b>Segment assets</b>	186,933	76,880	41,746	9,038	40,584	355,181
<i>Included in the measure of segment assets is:</i>						
Additions to non-current assets other than financial instruments and deferred tax assets	1,123	291	6,806	7	19	8,246
<b>Segment liabilities</b>	13,871	7,861	11,140	379	1,010	34,261

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 26. Operating segments (continued)

Group	Wholesale RM'000	Multi- level Marketing RM'000	Retail RM'000	Investment Holding RM'000	Other non- reportable segments RM'000	Total RM'000
<b>2024</b>						
<b>Segment profit</b>	6,890	1,292	349	11,513	3,746	23,790
<i>Included in the measure of segment profit are:</i>						
Revenue from external customers	58,320	52,017	34,729	-	6,066	151,132
Inter-segment revenue	38,123	169	(3)	15,459	4,961	58,709
Share of loss of equity-accounted joint venture	-	-	-	-	(117)	(117)
Fair value gain on other investments	120	503	62	30	234	949
Depreciation	(1,357)	(1,449)	(1,877)	(9)	(846)	(5,538)
Finance income	281	243	82	35	6	647
Finance cost	-	(10)	(212)	-	-	(222)
Dividend income	177	396	154	206	160	1,093
<i>Not included in the measure of segment profit but provided to CODM:</i>						
Tax expense	(3,147)	143	(165)	(244)	(91)	(3,504)
<b>Segment assets</b>	179,469	81,667	38,820	8,753	40,942	349,651
<i>Included in the measure of segment assets is:</i>						
Additions to non-current assets other than financial instruments and deferred tax assets	2,506	178	1,751	4	17	4,456
<b>Segment liabilities</b>	10,952	8,816	6,554	383	1,024	27,729

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 26. Operating segments (continued)

#### Reconciliation of operating segments' profit or loss

	Group 2025 RM'000	2024 RM'000
<b>Profit or loss</b>		
Total profit or loss for operating segments	23,486	23,790
Elimination of inter-segment profits	(11,277)	(9,307)
Tax expense	(3,886)	(3,504)
Consolidated profit for the year	8,323	10,979

#### Geographical segments

The Group's reportable segments are managed and operated predominantly in Malaysia (country of domicile). Hence, no further presentation of geographical segments is provided.

#### Major customers

The Group does not have any customers with revenue equal or more than 10% of the Group's total revenue.

### 27. Financial instruments

#### 27.1 Categories of financial instruments

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

- (a) Fair value through profit or loss ("FVTPL")
  - Mandatorily required by MFRS 9
- (b) Amortised cost ("AC")
- (c) Fair value through other comprehensive income ("FVOCI")
  - Equity instrument designated upon initial recognition ("EIDUIR")

2025	Carrying amount RM	FVTPL RM	AC RM	FVOCI – EIDUIR RM
<b>Financial assets</b>				
<b>Group</b>				
Other investments	88,901,365	60,975,518	5,118,405	22,807,442
Trade and other receivables	17,656,443	-	17,656,443	-
Cash and cash equivalents	26,480,052	-	26,480,052	-
	133,037,860	60,975,518	49,254,900	22,807,442



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.1 Categories of financial instruments (continued)

	Carrying amount RM	FVTPL RM	AC RM	FVOCI – EIDUIR RM
<b>2025</b>				
<b>Financial assets</b>				
<b>Company</b>				
Other investments	8,199,451	8,199,451	-	-
Trade and other receivables	160,278	-	160,278	-
Cash and cash equivalents	702,687	-	702,687	-
	9,062,416	8,199,451	862,965	-
<b>Financial liabilities</b>				
<b>Group</b>				
Trade and other payables	(22,521,035)	-	(22,521,035)	-
Loans and borrowings	(4,942,519)	-	(4,942,519)	-
	(27,463,554)	-	(27,463,554)	-
<b>Company</b>				
Trade and other payables	(364,052)	-	(364,052)	-
<b>2024</b>				
<b>Financial assets</b>				
<b>Group</b>				
Other investments	76,729,764	69,169,788	-	7,559,976
Trade and other receivables	17,292,232	-	17,292,232	-
Cash and cash equivalents	34,510,718	-	34,510,718	-
	128,532,714	69,169,788	51,802,950	7,559,976
<b>Company</b>				
Other investments	7,926,576	7,926,576	-	-
Trade and other receivables	90,187	-	90,187	-
Cash and cash equivalents	471,651	-	471,651	-
	8,488,414	7,926,576	561,838	-

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.1 Categories of financial instruments (continued)

2024	Carrying amount RM	FVTPL RM	AC RM	FVOCI – EIDUIR RM
<b>Financial liabilities</b>				
<b>Group</b>				
Trade and other payables	(22,040,163)	-	(22,040,163)	-
<b>Company</b>				
Trade and other payables	(313,674)	-	(313,674)	-

#### 27.2 Net gains arising from financial instruments

	Group 2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Net gains on:				
Financial assets at fair value through profit or loss:				
- Mandatorily required by MFRS 9	2,254,049	2,044,786	272,874	235,808
Equity instruments designated at fair value through other comprehensive income:				
- Recognised in other comprehensive income	247,866	371,804	-	-
Financial assets at amortised cost	162,257	1,476,123	16,415	34,663
Financial liabilities at amortised cost	272,301	523,545	-	-
	2,936,473	4,416,258	289,289	270,471

#### 27.3 Financial risk management

The Group and the Company have exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

#### 27.4 Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers, advances to an associate and a joint venture. The Company's exposure to credit risk arises principally from advances to subsidiaries.

##### Trade receivables

*Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

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 full) when 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. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.4 Credit risk (continued)

##### Trade receivables (continued)

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these trade receivables are regular customers that have been transacting with the Group over a long period of time. The Group uses ageing analysis to monitor the credit quality of the trade receivables. Any trade receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

The exposure of credit risk for trade receivables as at the end of the current and previous reporting periods by geographic region was predominantly domestic.

##### *Recognition and measurement of impairment losses*

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 45 to 90 days.

The Group uses an allowance matrix to measure ECLs of trade receivables for all segments.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 150 days past due.

Loss rates are based on actual credit loss experience over the past year. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 30 April 2025.

Group	Gross carrying amount RM	Loss allowances RM	Net balance RM
<b>2025</b>			
Not past due	13,287,870	(15,718)	13,272,152
Past due 1 – 30 days	547,545	(16,292)	531,253
Past due 31 – 60 days	391,048	(25,528)	365,520
Past due more than 60 days	2,188,254	(687,760)	1,500,494
	16,414,717	(745,298)	15,669,419
<b>Credit impaired</b>			
Individually impaired	1,055,135	(1,055,135)	-
	17,469,852	(1,800,433)	15,669,419

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.4 Credit risk (continued)

##### Trade receivables (continued)

*Recognition and measurement of impairment losses (continued)*

Group	Gross carrying amount RM	Loss allowances RM	Net balance RM
<b>2024</b>			
Not past due	12,854,210	(15,188)	12,839,022
Past due 1 – 30 days	1,047,250	(34,821)	1,012,429
Past due 31 – 60 days	297,308	(11,347)	285,961
Past due more than 60 days	1,448,129	(593,133)	854,996
	15,646,897	(654,489)	14,992,408
<b>Credit impaired</b>			
Individually impaired	1,156,596	(1,156,596)	-
	16,803,493	(1,811,085)	14,992,408

The movements in the allowance for impairment in respect of trade receivables during the year are shown below.

Group	Trade receivables Lifetime ECL RM	Credit impaired RM	Amount due from an associate Credit impaired RM	Total RM
<b>Balance at 1 May 2023</b>	739,811	101,460	1,038,290	1,879,561
Net remeasurement of loss allowance	(85,322)	16,846	-	(68,476)
<b>Balance at 30 April 2024/1 May 2024</b>	654,489	118,306	1,038,290	1,811,085
Amounts written off	-	(101,461)	-	(101,461)
Net remeasurement of loss allowance	90,809	-	-	90,809
<b>Balance at 30 April 2025</b>	745,298	16,845	1,038,290	1,800,433

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group has satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

##### Other receivables

Credit risks on other receivables are mainly arising from the amounts due from the Group's and the Company's existing long-term business partner and suppliers and deposits paid for office buildings and utilities. The Group and the Company monitor the payments of these partner and suppliers regularly and are confident of the ability of the partner and suppliers to repay the balances owing. The deposits will be received at the end of each contractual terms.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

As at the end of the reporting period, except for total balances of RM3,345,397 (2024: RM3,124,961) which are deemed not recoverable and impaired, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.4 Credit risk (continued)

##### Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

##### Inter-company advances

###### *Risk management objectives, policies and processes for managing the risk*

The Group provides unsecured advances to an associate. The Group monitors the results of the associate regularly.

The Company provides unsecured advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

###### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Advances provided are not secured by any collateral or supported by any other credit enhancements.

###### *Impairment losses*

As at the end of the reporting period, there was no indication that the advances to the subsidiaries and an associate are not recoverable.

##### Investment

At the end of the reporting period, the Group invested in quoted shares, unquoted shares and unit trusts which are from reputable institution. The maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

There is no history of default on these investments and there are no indicators that these investment may default. The Group is of the view that the loss allowance is not material and hence, it is not provided for.

#### 27.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from their various payables, loans and borrowings and lease liabilities.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 27. Financial instruments (continued)

### 27.5 Liquidity risk (continued)

#### Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM	Discount rate	Contractual cash flows RM	Under 1 year RM	1 – 2 years RM	2 – 5 years RM	More than 5 years RM
<b>Group 2025</b>							
<i>Non-derivative financial liabilities</i>							
Secured bank loan	3,309,366	4.10%*	3,989,550	427,320	427,320	1,281,960	1,852,950
Bankers' acceptances – unsecured	1,633,153	4.37%	1,656,617	1,656,617	-	-	-
Lease liabilities	5,787,777	5.60%	6,575,699	1,805,801	1,614,416	2,884,332	271,150
Trade and other payables	22,521,035	-	22,521,035	22,521,035	-	-	-
	33,251,331		34,742,901	26,410,773	2,041,736	4,166,292	2,124,100
<i>Derivatives forward exchange contracts (gross settled)</i>							
- Outflow	-	-	988,410	988,410	-	-	-
- Inflow	-	-	(988,410)	(988,410)	-	-	-
	33,251,331		34,742,901	26,410,773	2,041,736	4,166,292	2,124,100
<b>Company 2025</b>							
Trade and other payables	364,052	-	364,052	364,052	-	-	-
<b>Group 2024</b>							
<i>Non-derivative financial liabilities</i>							
Lease liabilities	4,445,871	5.60%	4,910,404	1,608,807	1,382,009	1,855,038	64,550
Trade and other payables	22,040,163	-	22,040,163	22,040,163	-	-	-
	26,486,034		26,950,567	23,648,970	1,382,009	1,855,038	64,550
<b>Company 2024</b>							
Trade and other payables	313,674	-	313,674	313,674	-	-	-

\* Subject to interest at base lending rate of 6.72% (2024: Nil) minus 2.62% per annum.



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's and the Company's financial position or cash flows. The Company is not exposed to foreign currency risk as its transactions are denominated in RM. The Company is also not exposed to interest rate risk and other price risk

##### 27.6.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and cash and cash equivalents that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to these risks are primarily Chinese Renminbi ("RMB"), Japanese Yen ("JPY"), U.S. Dollar ("USD") and Singapore Dollar ("SGD").

*Risk management objectives, policies and processes for managing the risk*

The Group exposure to foreign currency risk is monitored on an ongoing basis and will use forward exchange contracts to hedge its foreign currency risk. Foreign exchange contracts, if any, would have maturity of less than one year after the end of the reporting period. As of the financial year end. The group has a nominal amount of RM998,410 entered through forward exchange contracts. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes

*Exposure to foreign currency risk*

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	Trade and other receivables RM	Cash and cash equivalents RM	Trade and other payables RM	Total RM
<b>Balances recognised in the statement of financial position</b>				
<b>Group</b>				
<b>2025</b>				
Chinese Renminbi	93,532	4,009,510	(2,483,961)	1,619,081
U.S. Dollar	130,895	739,281	(1,213,098)	(342,922)
Singapore Dollar	744,911	76,277	-	821,188
<b>Net exposure</b>	<b>969,338</b>	<b>4,825,068</b>	<b>(3,697,059)</b>	<b>2,097,347</b>
<b>2024</b>				
Chinese Renminbi	65,900	4,425,880	(456,142)	4,035,638
Japanese Yen	-	-	(143,580)	(143,580)
U.S. Dollar	80,752	1,384,016	(1,706,962)	(242,194)
Singapore Dollar	715,464	37,878	-	753,342
<b>Net exposure</b>	<b>862,116</b>	<b>5,847,774</b>	<b>(2,306,684)</b>	<b>4,403,206</b>

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.6 Market risk (continued)

##### 27.6.1 Currency risk (continued)

###### *Currency risk sensitivity analysis*

Foreign currency risk mainly arises from transactions of the Group which are denominated in RMB, JPY, USD and SGD.

A 5% (2024: 5%) strengthening of RM against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

	Group	
	2025 RM	2024 RM
RMB	(61,525)	(153,354)
JPY	-	5,456
USD	13,031	9,203
SGD	(31,205)	(28,627)

A 5% (2024: 5%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

##### 27.6.2 Interest rate risk

The Group's fixed rate borrowings, deposit placed with licensed banks, hire purchase receivables and loan receivables are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Investments in equity securities and short term receivables and payables are not significantly exposed to interest rate risk.

###### *Risk management objectives, policies and processes for managing the risk*

The Group adopts a policy to manage interest costs on its interest-bearing financial investments using a mix of fixed rate and floating rate debts.

###### *Exposure to interest rate risk*

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Fixed rate instruments</b>				
Financial assets	25,551,466	26,678,278	500,000	250,000
Financial liabilities	(7,420,930)	(4,445,871)	-	--
	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Floating rate instruments</b>				
Financial liabilities	(3,309,366)	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.6 Market risk (continued)

##### 27.6.2 Interest rate risk (continued)

*Interest rate risk sensitivity analysis*

*Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

*Cash flow sensitivity analysis for variable rate instruments*

A change of 50 basis points ("bp") in interest rates during the reporting period would have (decreased)/increased post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables remained constant.

	50 bp increase 2025 RM	Profit or loss 50 bp decrease 2025 RM	50 bp increase 2024 RM	50 bp decrease 2024 RM
Floating rate instruments	(12,576)	12,576	-	-

##### 27.6.3 Other price risk

Equity price risk arises from the Group's investments in equity securities.

*Risk management objectives, policies and processes for managing the risk*

Management of the Group monitors the equity investments on a portfolio basis which are managed by financial institutions. All buy and sell decisions are approved by the Directors of the Group entities.

*Equity price risk sensitivity analysis*

This analysis assumes that all other variables remain constant and the Group's quoted equity investments moved in correlation with the FTSE Bursa Malaysia KLCI. ("FMBKLCI").

A 10% (2024: 10%) strengthening in FBMKLCI at the end of the reporting period would have increased fair value gain or loss by RM780,784 (2024: RM755,998) for quoted equity investments classified as fair value through other comprehensive income. A 10% (2024: 10%) weakening in FBMKLCI would have had equal but opposite effect on other comprehensive income.

The Group is of the view that its exposure to other price risk for unquoted equity investments classified as fair value through other comprehensive income is minimal.

#### 27.7 Fair value information

The carrying amounts of cash and cash equivalents, deposit placed with licensed banks, short term receivables, bankers' acceptances and payables reasonably approximate fair values due to the relatively short term nature of these financial instruments.

The carrying amounts of non-current trade receivables and secured bank loan also reasonably approximate fair values upon discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the assets and liabilities.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.7 Fair value information (continued)

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position.

	Fair value of financial instruments carried				Total fair value	Carrying amount
	Carried at fair value			Not carried at fair value		
	Level 1 RM	Level 2 RM	Level 3 RM	Level 3 RM		
<b>2025</b>						
<b>Financial assets</b>						
<b>Group</b>						
Quoted shares	7,808,198	-	-	-	7,808,198	7,808,198
Unquoted shares	-	-	15,011,520	-	15,011,520	15,011,520
Unit trusts	-	60,963,242	-	-	60,963,242	60,963,242
	7,808,198	60,963,242	15,011,520	-	83,782,960	83,782,960
<b>Company</b>						
Unit trusts	-	8,199,451	-	-	8,199,451	8,199,451
<b>2025</b>						
<b>Financial liabilities</b>						
<b>Group</b>						
Secured bank loan	-	-	-	(3,309,366)	(3,309,366)	(3,309,366)
<b>2024</b>						
<b>Financial assets</b>						
<b>Group</b>						
Quoted shares	7,560,455	-	-	-	7,560,455	7,560,455
Unquoted shares	-	-	11,920	-	11,920	11,920
Unit trusts	-	69,157,389	-	-	69,157,389	69,157,389
	7,560,455	69,157,389	11,920	-	76,729,764	76,729,764
<b>Company</b>						
Unit trusts	-	7,926,576	-	-	7,926,576	7,926,576

#### Level 1 fair value

The fair value of quoted shares is derived from quoted price (unadjusted) by reference to the stock exchange which they are listed on.

#### Level 2 fair value

The fair value of unit trusts is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

#### Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2024: no transfer in either direction).

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.7 Fair value information (continued)

##### Level 3 fair value

The following table shows a reconciliation of Level 3 fair values:

Group	2025 RM	2024 RM
Unquoted shares		
At 1 May	11,920	11,920
Addition	14,999,600	-
At 30 April	15,011,520	11,920

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

##### Financial instruments carried at fair value

###### *Unquoted shares – FVOCI*

Based on the external valuation performed by an independent valuer, there is a wide range of possible fair values on the Group's investment in Movon Sdn. Bhd. In view of this, the cost of investment of RM14,999,600 represents the best estimate of fair value.

###### *Unquoted shares - FVTPL*

Description of valuation technique and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
The fair value of unquoted shares is derived from the adjusted net asset of the investee companies' financial statements.	Adjusted net assets	The estimated fair value would increase/decrease if the adjusted net assets were higher/lower.

##### Financial instruments not carried at fair value

Type	Description of valuation technique and inputs used
Loans and borrowings	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

##### Valuation processes applied by the Group for Level 3 fair value

###### *Non-derivative financial liabilities*

The carrying amount of bank loan reasonably approximates fair value upon discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 27. Financial instruments (continued)

#### 27.8 Material accounting policy information

The Group or the Company applies settlement date accounting for regular way purchase or sale of financial assets.

### 28. Capital management

The Group's objectives when managing capital are to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group maintains strong cash pool and equity capital at 30 April 2025 and 30 April 2024 as follows:

Group	Note	2025 RM	2024 RM
Cash and cash equivalents	13	26,480,052	34,510,718
Deposits with licensed banks more than 3 months	9	5,118,405	-
Less: Loans and borrowings	15	(4,942,519)	-
Less: Lease liabilities		(5,787,777)	(4,445,871)
Net working capital		20,868,161	30,064,847
Total equity attributable to the owners of the parent		309,514,460	310,077,768

There was no change in the Group's approach to capital management during the financial year.

### 29. Capital and other commitments

Group	2025 RM	2024 RM
<b>Capital expenditure and other commitments</b>		
<b>Property, plant and equipment</b>		
Approved, contracted but not provided for	367,709	4,989,729



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 30. Related parties

#### Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and of the Company are shown below. The balances related to the below transactions are shown in Notes 10 and 16.

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>A. Subsidiaries</b>				
Dividend income	-	-	9,914,119	11,259,228
Management fees income	-	-	2,820,000	2,820,000
Administrative and support charges income	-	-	1,380,000	1,380,000
<b>B. Joint venture</b>				
Sale of goods	(643,318)	(728,723)	-	-
Rental income from properties	(377,021)	(357,696)	-	-
<b>C. Key management personnel *</b>				
<i>Directors of the Company:</i>				
- Fees	161,338	180,109	127,338	143,443
- Remuneration	2,550,895	2,655,765	1,304,241	1,373,567
	2,712,233	2,835,874	1,431,579	1,517,010
<i>Directors of subsidiaries:</i>				
- Fees	33,000	32,123	-	-
- Remuneration	804,590	824,553	-	-
	837,590	856,676	-	-
<b>Total</b>	<b>3,549,823</b>	<b>3,692,550</b>	<b>1,431,579</b>	<b>1,517,010</b>

\* Excludes Benefit-In-Kind

### 31. Acquisition of non-controlling interests

#### 2025

##### 31.1 Acquisition of non-controlling interests

During the financial year, the Group had acquired additional 7,000 shares of RM 3.00 per share in Hai-O Raya Bhd, through several acquisitions from non-controlling owners for a total cash consideration of RM21,000. These acquisitions increased the equity shareholding of the Group in Hai-O Raya Bhd from 68.53% to 68.77%.

The Group recognised a decrease in non-controlling interests of RM63,484 and an increase in retained earnings of RM42,485 in respect of the above transactions.

#### 2024

##### 31.2 Acquisition of non-controlling interests

During the financial year 2024, the Group had acquired additional 3,000 shares and 9,000 shares of RM2.80 and RM 3.00 per share, respectively in Hai-O Raya Bhd. through several acquisitions from non-controlling owners for a total cash consideration of RM8,400 and RM27,000 respectively. These acquisitions increased the equity shareholding of the Group in Hai-O Raya Bhd. from 68.13% to 68.53%.

The Group recognised a decrease in non-controlling interests of RM114,558 and an increase in retained earnings of RM79,158 in respect of the above transactions.

## STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 93 to 150 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board 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 of 30 April 2025 and of their financial performance and cash flows for the financial year then ended.

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

.....  
**Tan Keng Kang**  
Director

.....  
**Hew Von Kin**  
Director

Kuala Lumpur

Date: 19 August 2025

## STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **Tan Keng Kang**, the Director primarily responsible for the financial management of Beshom Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 93 to 150 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Tan Keng Kang, NRIC: 760601-14-5689 at Kuala Lumpur in the Federal Territory on 19 August 2025.

.....  
**Tan Keng Kang**

Before me:

Alizahwati Binti Atan (W811)  
Commissioner for Oaths

Kuala Lumpur

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BESHOM HOLDINGS BERHAD

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Beshom Holdings Berhad, which comprise the statements of financial position as at 30 April 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 93 to 150.

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 30 April 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("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 auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current 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.

#### **Revenue recognition in the appropriate accounting period**

Refer to Note 19 – Revenue and Note 26 – Operating segments.

#### **The key audit matter**

The Group's Multi-Level Marketing ("MLM") segment is engaged in the business of direct selling of health food and beverages, healthcare products, wellness and beauty products. This segment is one of the largest revenue contributors to the Group.

There is a risks that the revenue is recognised when controls of the goods have not been transferred to the members during the financial year, thereby causing the revenue to be overstated.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BESHOM HOLDINGS BERHAD (continued)

## Key Audit Matters (continued)

### How the matter was addressed in our audit

We performed the following audit procedures, among others:

- We tested the configurations of the Information Technology application controls relating to the MLM system. We assessed the relevant reports generated by the system that evidences whether goods ordered by members were delivered as at the end of the financial year.
- Based on the reports, we evaluated whether sales were recognised in the correct accounting period by testing selected samples of sales to acknowledged delivery orders.
- On a sampling basis, we sent confirmation to stockists to evaluate the balance of goods held by them.
- On a sampling basis, we performed sales cut off test on the sales transactions recorded in the months of April 2025 and May 2025.
- We reviewed goods return report for abnormal trend of goods return from stockist and enquired management for the reason, if any.

### Valuation of inventories

Refer to Note 12 – Inventories.

### The key audit matter

The Group holds a large amount of inventories to cater for its Retail, Wholesale and MLM businesses. Inventories represented one of the largest category of assets in the statement of financial position, at RM74,733,282 as at 30 April 2025.

There is a significant degree of judgment involved in assessing the level of write down required for slow moving inventories in order to determine that inventories are stated at the lower of cost and net realisable value ("NRV").

### How the matter was addressed in our audit

We performed the following audit procedures, among others:

- We obtained the stock movement reports prepared by management and tested the accuracy of the data compiled by management.
- For inventories with no or minimal movement, we assessed and challenged management's assessments of NRV.
- For inventories which have expired, we tested whether these inventories have been fully written off.
- On a sampling basis, we evaluated whether the inventories were stated at the lower of cost and NRV by comparing the cost to sale price less cost to sell of these inventories.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BESHOM HOLDINGS BERHAD (continued)

### 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 annual report 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 annual report and, in doing so, consider whether the annual report 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 the annual report, 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 MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company 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 internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BESHOM HOLDINGS BERHAD (continued)

## Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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: (continued)

- 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 ability of the Group or of the Company 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 gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate 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 identify 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 determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe 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 auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

## Other Matter

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 responsibility to any other person for the content of this report.

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya, Selangor

Date: 19 August 2025

**Chan Kim Hing**  
Approval Number: 03737/04/2027 J  
Chartered Accountant



# ANALYSIS OF SHAREHOLDINGS

AS AT 4 AUGUST 2025

Number of Shares Issued : 300,103,232 ordinary shares (inclusive of 838,000 treasury shares)  
 Issued Share Capital : RM312,977,661  
 Class of Shares : Ordinary shares  
 Voting Rights : One vote per share

## Analysis of Shareholdings

Size of Holdings	No. of Shareholders	No. of Shares	% of Shares
Less than 100	1,638	47,587	0.02
100 - 1,000	1,303	456,147	0.15
1,001 - 10,000	5,273	20,769,678	6.94
10,001 - 100,000	2,344	62,353,029	20.83
100,001 – 14,963,261 (Less than 5% of issued shares*)	255	137,949,182	46.10
14,963,262 and above (5% and above of issued shares*)	3	77,689,609	25.96
<b>Total exclude Treasury shares</b>	<b>10,816</b>	<b>299,265,232</b>	<b>100.00</b>

\* Excluding a total of 838,000 shares bought back by BESHOM and retained as treasury shares as at 4 August 2025.

## THIRTY LARGEST SHAREHOLDERS

Name	No. of Shares	% of Shares
1. Tan Kai Hee Family Holdings Sdn Bhd	34,415,729	11.50
2. Akintan Sdn Bhd	27,127,175	9.06
3. Excellant Communication Sdn Bhd	16,146,705	5.40
4. Tan Keng Kang	12,864,793	4.30
5. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chia Kee Siong	10,120,920	3.38
6. Atlantis Marque Sdn Bhd	9,605,769	3.21
7. Daritan Sdn Bhd	5,841,098	1.95
8. Key Development Sdn. Berhad	3,894,230	1.30
9. Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chen Tam Chai	3,545,350	1.18
10. Chan Mei Xian	3,102,384	1.04
11. UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt An For UOB Kay Hian Pte Ltd (A/C Clients)	2,838,388	0.95
12. Tan Puah Khin @ Tan Puan Hee	2,835,021	0.95
13. Chin Chin Sing @ Tan Cheng Beng	2,625,379	0.88
14. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Lee Yoke Fong	2,092,126	0.70
15. Oon Teik Chye	2,076,248	0.69

## ANALYSIS OF SHAREHOLDINGS

AS AT 4 AUGUST 2025 (continued)

### THIRTY LARGEST SHAREHOLDERS (CONTINUED)

Name	No. of Shares	% of Shares
16. Tan Keng Song	1,940,000	0.65
17. Kong Shiuh Yong	1,787,400	0.60
18. Triple Momentum Sdn. Bhd.	1,679,192	0.56
19. Huang, Chin-Chueh	1,665,408	0.56
20. Milo McConaghy	1,595,076	0.53
21. Amy McConaghy	1,592,665	0.53
22. Chong Foong Foong	1,563,600	0.52
23. Lim Siew Oon	1,407,306	0.47
24. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chia Kuo Wui	1,378,142	0.46
25. Soh Choo @ Soh Ai Choo	1,314,102	0.44
26. HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Tee Kim Soon (CCTS)	1,100,000	0.37
27. Khoo Bee @ Khoo Bee Guat	1,086,230	0.36
28. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Teoh Jun Seong (SL)	920,000	0.31
29. Phan Van Denh	878,271	0.29
30. Choo Keng Kit	810,000	0.27
<b>Total</b>	<b>159,848,707</b>	<b>53.41</b>

## ANALYSIS OF SHAREHOLDINGS

AS AT 4 AUGUST 2025 (continued)

### SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(According to the Register of Substantial Shareholders as at 4 August 2025)

Name	Direct Holdings		Indirect Holdings	
	No. of Shares	% of Shares	No. of Shares	% of Shares
1. Tan Kai Hee Family Holdings Sdn Bhd	34,415,729	11.50	32,968,273 <sup>(note a)</sup>	11.02
2. Akintan Sdn Bhd	27,127,175	9.06	-	-
3. Excellant Communication Sdn Bhd	16,146,705	5.40	-	-
4. Tan Keng Kang	12,864,793	4.30	68,542,573 <sup>(note b)</sup>	22.90
5. Phan Van Denh	878,271	0.29	80,529,095 <sup>(note c)</sup>	26.91

### DIRECTORS' SHAREHOLDINGS

(According to the Register of Directors' Shareholdings as at 4 August 2025)

Name	Direct Holdings		Indirect Holdings	
	No. of Shares	% of Shares	No. of Shares	% of Shares
1. Tan Keng Kang	12,864,793	4.30	68,542,573 <sup>(note b)</sup>	22.90
2. Hew Von Kin	416,580	0.14	-	-
3. Ng Chek Yong	-	-	-	-
4. Dato' Lee Teck Hua	-	-	-	-
5. Professor Hajjah Ruhanas Binti Harun	-	-	-	-
6. Foong Yein Fun	-	-	-	-

a) Deemed interested by virtue of its substantial interest in Akintan Sdn. Bhd. and Daritan Sdn. Bhd. in BESHOM respectively.

b) Deemed interested by virtue of his substantial interest in Tan Kai Hee Family Holdings Sdn. Bhd., Akintan Sdn. Bhd., Daritan Sdn. Bhd. and through the direct and indirect interest of his family members in BESHOM respectively.

c) Deemed interested through the direct and indirect interest of her spouse.

### In the subsidiaries

By virtue of his interest in shares in the Company, Tan Keng Kang is also deemed to be interested in shares of the subsidiaries to the extent the Company has an interest.

### Interests in subsidiary company, Hai-O Raya Bhd.

(According to the Register of Members as at 4 August 2025)

Name	Direct Holdings		Indirect Holdings	
	No. of Shares	% of Shares	No. of Shares	% of Shares
1. Tan Keng Kang	16,000	0.53	78,000 <sup>(note d)</sup>	2.60
2. Hew Von Kin	3,000	0.10	-	-

d) Deemed interested by virtue of his interest in Tan Kai Hee Family Holdings Sdn. Bhd., Daritan Sdn. Bhd. and through the direct and indirect interest of his spouse in Hai-O Raya Bhd. respectively.

# TOP 10 PROPERTIES

AS AT 30 APRIL 2025

No.	Location	Description	Date of Acquisition	Land/ Floor Area (sq.ft.)	Tenure	Existing Use	Age (year)	Date of Expiry	Net book value as at 30/04/2025 (RM)
1.	Lot 3203, 3205, 6724, 44128, 98804, 98805 and 102078 3 1/4 mile, Jalan Kapar 41400 Klang, Selangor	Industrial premises comprises of 8 buildings and some miscellaneous structures and other land improvements	21 Dec 2007	1,211,187	Freehold	Office, warehouse & a portion being left as vacant land	Range from 21 to 56	-	42,011,984
2.	Geran 7155/M1 Menara Hai-O, Jalan Bukit Bintang 55100 Kuala Lumpur	Shoplots, Office lots at Ground, 1st, 6th, 8th & 9th floor, 4 units of apartments & 284 number of car park bays (2nd - 6th floor)	22 Aug 1995, 29 Dec 1997, 01 May 1999 & 05 Feb 2001	86,721	Freehold	Shoplots, Offices Residential & Car park	47	-	13,067,026
3.	GM 18673, Lot 17874, No. 1388 Mukim Kapar, Jalan Kapar, Batu 2, 41400 Klang, Selangor	2 single storey detached buildings	14 Sept 2010	118,422	Freehold	Office & Warehouse	15	-	12,369,624
4.	Geran 60815 - Lot 4093, Geran 74962 - Lot 1802, Geran 17405 - Lot 1791, Geran 74980 - Lot 4114, Mukim Setul, Daerah Seremban, Negeri Sembilan	Land	3 June 2014	1,145,268	Freehold	Orchard farm	11	-	9,101,916
5.	Geran Mukim 33364, Lot 11995 Mukim of Kapar, 1-1/2 Miles 41400 Klang, Selangor	Factory/ Warehouse & 6 storey building	05 June 1982 & 20 Sept 1997	102,472	Freehold	Office & Warehouse	42 & 28	-	7,433,086
6.	Geran 21337 - Lot 113, Geran 21338 - Lot 114, Geran 20431 - Lot 204, Geran 20432 - Lot 205, Daerah Melaka Tengah, Kawasan Bandar XX, No. 53A & 53B, Jalan Bendahara, No. 48A, Jalan Bunga Raya, No. 41A & 41B, Jalan Bendahara, 75100 Melaka	5 contiguous units of 5 storey terraced shop houses/ office and a single storey warehouse	10 Aug 2017	14,689	Freehold	Shoplot, warehouse & a portion is vacant	Range from 37 to 47	-	5,939,198
7.	HSD 161254, Lot 25495, No. 6, Jalan SS2/66, 47300, Petaling Jaya, Selangor	3-storey commercial shoplot	14 March 2024	1,680	Freehold	Shop	1	-	4,744,140
8.	PN 10263, Lot 39828, Mukim Kuala Lumpur, No. 19, 19-M, 19-1 & 19-2, Jalan 2/90, Taman Pertama, 56100, Cheras, Kuala Lumpur	3 storey shop office (with mezzanine floor)	15 May 2017	1,539	Leasehold for 99 years	Shop	47	29 Sept 2077	2,794,921
9.	Geran 502799 Lot 198459, Geran 502800 Lot 198460, Mukim Plentong, No. 103 & 105, Jalan Tanjong 1, Taman Desa Cemerlang, 81800 Ulu Tiram, Johor	2 units of 3 storey shop office	22 Jun 2016	9,900	Freehold	Shop	12	-	2,622,843
10.	Geran 18157, Lot 49671 Mukim Kapar, Tempat 3 1/4 Jalan Kapar, Daerah Klang, 41400 Negeri Selangor	Agriculture land	23 Feb 2023	83,420	Freehold	Agriculture land	2	-	2,434,000

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 5<sup>th</sup> Annual General Meeting of the Company will be held at the Ballroom I, Level 2, The Federal Hotel Kuala Lumpur, No. 35, Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia on Thursday, 25 September 2025 at 11.30 a.m. to transact the following business: -

### AGENDA

- |                                                                                                                                                                                                                  |                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| 1. To lay before the Meeting the Audited Financial Statements for the financial year ended 30 April 2025 and the Reports of the Directors and Auditors thereon.                                                  | <b>Refer to<br/>Explanatory Note</b> |
| 2. To re-elect the following Directors who are retiring by rotation pursuant to Clause 119 of the Company's Constitution: -                                                                                      |                                      |
| i. Mr. Ng Chek Yong                                                                                                                                                                                              | <b>Resolution 1</b>                  |
| ii. Mr. Tan Keng Kang                                                                                                                                                                                            | <b>Resolution 2</b>                  |
| 3. i. To approve the payment of Directors' fees amounting to RM127,338 for the financial year ended 30 April 2025.                                                                                               | <b>Resolution 3</b>                  |
| ii. To approve the payment of Directors' remuneration and benefits (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM500,000 until the next Annual General Meeting of the Company. | <b>Resolution 4</b>                  |
| 4. i. To declare a final single tier dividend of 1.5 sen per ordinary share for the financial year ended 30 April 2025.                                                                                          | <b>Resolution 5</b>                  |
| ii. To declare a special single tier dividend of 1.0 sen per ordinary share for the financial year ended 30 April 2025.                                                                                          | <b>Resolution 6</b>                  |
| 5. To re-appoint Messrs. KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.                                                                                           | <b>Resolution 7</b>                  |

### As Special Business: -

6. To consider and if thought fit, to pass the following ordinary resolutions: -

### ORDINARY RESOLUTION I

- |                                                                                                                          |                     |
|--------------------------------------------------------------------------------------------------------------------------|---------------------|
| i. <b>To authorise the allotment and issuance of shares pursuant to Sections 75 and 76 of the Companies Act, 2016: -</b> | <b>Resolution 8</b> |
|--------------------------------------------------------------------------------------------------------------------------|---------------------|

"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 ("Act") and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company at any time and upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion deem fit and in the interest of the Company, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

## NOTICE OF ANNUAL GENERAL MEETING

(continued)

### ORDINARY RESOLUTION II

#### ii. Proposed Share Buy-Back by the Company

#### Resolution 9

“THAT subject to the rules, regulations and orders made pursuant to the Companies Act, 2016 (“the Act”), provisions of the Company’s Constitution and the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other relevant authorities, the Board be and is hereby authorised to purchase the Company’s shares (“BESHOM Shares”) through Bursa Securities (“Proposed Share Buy-Back”) subject to the following: -

- a. the maximum number of BESHOM Shares which may be purchased and/or held as treasury shares by the Company at any point in time pursuant to the Proposed Share Buy-Back shall not exceed ten percent (10%) of the total number of issued shares of the Company;
- b. the maximum fund to be allocated by the Company for the purpose of purchasing the BESHOM Shares shall not exceed the aggregate of the retained profits of the Company;
- c. the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at the conclusion of the next Annual General Meeting of the Company, unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company at a general meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements of Bursa Securities or any other relevant authorities; and
- d. upon completion of the purchase(s) of the BESHOM Shares by the Company, the Board be and is hereby authorised to retain the BESHOM Shares so purchased as treasury shares, of which may be distributed as dividends to shareholders and/or re-sold on Bursa Securities and/or subsequently cancelled and in other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND that the Board be and is hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the BESHOM Shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”

7. To transact any other business for which due notice shall have been given in accordance with the Company’s Constitution and the Companies Act, 2016.



## NOTICE OF ANNUAL GENERAL MEETING

(continued)

### NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

**NOTICE IS ALSO HEREBY GIVEN** that subject to the approval of the shareholders at the 5<sup>th</sup> Annual General Meeting to be held on 25 September 2025, a final single tier dividend of 1.5 sen per ordinary share and a special single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 30 April 2025 will be paid on 27 November 2025. The entitlement date for the dividend payment is on 20 November 2025.

A Depositor shall qualify for the entitlement to the dividend only in respect of: -

- (a) Securities transferred into the Depositor's Securities Account before 4.30 p.m. on 20 November 2025 in respect of transfers; and
- (b) Securities bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of Bursa Malaysia Securities Berhad.

By Order of the Board

**Cynthia Gloria Louis (SSM PC No. 201908003061) (MAICSA 7008306)**

**Chew Mei Ling (SSM PC No. 201908003178) (MAICSA 7019175)**

**Company Secretaries**

Selangor Darul Ehsan

27 August 2025

#### Notes:

1. *In respect of deposited securities, only Members whose names appear in the Record of Depositors on 18 September 2025 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 5<sup>th</sup> AGM.*
2. *A member entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him save for a member who is an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 and holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which such member may appoint in respect of each omnibus account it holds. There shall be no restriction as to the qualification of the proxy and a proxy duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.*
3. *Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.*
4. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.*
5. *The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 5<sup>th</sup> AGM or at any adjournment thereof, as follows:*
  - (i) **In hard copy form** - *The original instrument appointing a proxy ("Form of Proxy") must be deposited at the Company's Share Registrar's Office, Boardroom Share Registrars Sdn Bhd, 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.*
  - (ii) **By electronic means** - *The Form of Proxy can also be lodged electronically through Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> or email to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com). Please follow the procedures provided in the Administrative Guide of the 5<sup>th</sup> AGM for submission of the Form of Proxy electronically.*
6. *If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in our 5<sup>th</sup> AGM by yourself, please write in to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com) or via BSIP (as the case maybe) to revoke the earlier appointed proxy not less than forty-eight (48) hours before the meeting.*
7. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM will be put to vote by way of poll.*

# NOTICE OF ANNUAL GENERAL MEETING

(continued)

## Explanatory Notes to Ordinary and Special Business

### Item 1 of the Agenda - Audited Financial Statements for financial year ended 30 April 2025

The Agenda No. 1 is meant for discussion only as Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the audited financial statements. Hence, this item 1 of the Agenda is not put forward for voting.

### Ordinary Resolutions 1 and 2 - Re-election of directors

For proposed Ordinary Resolutions 1 and 2, in determining the eligibility of the Directors standing for re-election at the forthcoming 5<sup>th</sup> AGM pursuant to Clause 119 of the Company's Constitution, the Nominating Committee (NC) performed assessments on each of the retiring Directors based on the following criteria:

- i) Assessment on the performance of directors and effectiveness of the Board as a whole;
- ii) Assessment on the performance of the members of the Board Committees;
- iii) Assessment on the independence of the Independent Director;
- iv) Assessment on the fit and proper of the directors including any conflict of interest or potential conflict of interest situations, in line with the Directors' Fit and Proper Policy of the Company; and
- v) Assessment on the tenure of service of the Independent Director and composition of the Board.

The NC was satisfied with the performance of the retiring Directors in discharging their duties and responsibilities professionally and objectively in the best interest of the Company and shareholders. The retiring Directors have met the criteria of character, integrity, experience, competence and time commitment in discharging their roles in line with the Directors' Fit and Proper Policy of the Company. The retiring directors do not have any conflict of interest or potential conflict of interest with the Group. The Independent Director has complied with the independence criteria as set by the Bursa Malaysia Securities Berhad and confirmed that he is able to exercise independent judgement under all circumstances.

Based on the above, the Board endorsed the NC's recommendation on re-election of the retiring directors.

### Ordinary Resolution 3 - Directors' fees

Payment of the Directors' fees for the financial year ended 30 April 2025 amounting to RM127,338 will be made by the Company if the proposed Ordinary Resolution 3 is passed at the forthcoming Annual General Meeting.

### Ordinary Resolution 4 - Directors' remuneration and benefits

The Directors' remuneration and benefits (excluding Directors' fees) comprises emoluments and other benefits payable to the Non-Executive Directors from 26 September 2025 until the next Annual General Meeting of the Company as outlined below. The remuneration and benefits are recommended to be commensurate with the Directors' commitment, experiences and expertise for discharging their duties:-

Description	Emoluments and other benefits
Fixed Allowance	Approximately RM30,000 per month in total
Meeting attendance allowance	RM1,000 to RM2,000 depends on the number of meeting(s) held on the same day
<u>Board Committee</u> Chairman / Member	RM12,000 to RM24,000 per annum
Other benefits	Group Medical & Personal Accident and Corporate Liability Insurance, training benefits, Employer's Statutory Contribution, ESOS and other benefits

For any newly appointed Non-Executive Director, the remuneration and benefits (excluding Directors' fees) will be payable from the date of appointment during the year.

Payment of the Directors' remuneration and benefits will be made by the Company as and when incurred if the proposed Ordinary Resolution 4 is passed.

## NOTICE OF ANNUAL GENERAL MEETING

(continued)

### Ordinary Resolution 7 - Re-appointment of auditors

The Board, through the Audit Committee had conducted assessment on the external auditors' performance and competency taken into consideration of the audit quality, resource capacity, independence and the 2024 Annual Transparency Report in terms of KPMG's governance and leadership structure, as well as the measures undertaken by the firm to uphold audit quality and manage risks. Having satisfied with the assessment of competency in its work and independence when carrying out its duties and responsibilities, the Board recommends the re-appointment of Messrs. KPMG PLT as Auditors of the Company and seek members' approval at the 5<sup>th</sup> AGM of the Company.

### Ordinary Resolution 8 - Mandate to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016

The Directors did not issue any new shares pursuant to the existing Mandate which will lapse at the conclusion of the 5<sup>th</sup> AGM.

The proposed resolution is to seek members' approval to issue new shares pursuant to Sections 75 and 76 of the Companies Act 2016. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. The authority will provide flexibility to the Company for any possible fund-raising activities, including but not limited to placement of shares, funding for future investment project(s) and/or business expansion and/or working capital and/or acquisitions or the issuance of shares as a consideration for the acquisition of assets.

### Ordinary Resolution 9 - Proposed Share Buy-Back by the Company

The Ordinary Resolution, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the total number of issued shares of the Company. This authority will, unless revoked or varied by the Company at a general meeting, expire at the next Annual General Meeting. For further information on the Proposed Share Buy-Back, please refer to the Share Buy-Back Statement dated 27 August 2025 accompanying the Annual Report 2025.

### PERSONAL DATA PRIVACY

By lodging of a completed Form of Proxy to the Share Registrar of the Company for appointing a proxy(ies) and/ or representative(s) to attend and vote in person at the 5<sup>th</sup> Annual General Meeting and any adjournment thereof, a member of the Company is hereby:

- 1) consented to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 5<sup>th</sup> Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the 5<sup>th</sup> Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "**Purposes**");
- 2) warranted that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes ("**Warranty**"); and
- 3) agreed that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of the Warranty.

### STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Following is the statement made pursuant to paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad. As at date of this notice, there are no individuals who are standing for election.

- 1) The Directors who are retiring by rotation pursuant to Clause 119 of the Company's Constitution, are as follows: -
  - i. Mr. Ng Chek Yong
  - ii. Mr. Tan Keng Kang

The details of the two (2) Directors seeking for re-election are set out in the Directors' profiles appearing on pages 13 to 14 of the Annual Report.

- 2) Details of attendance of Directors at Board Meetings held during the financial year ended 30 April 2025 are set out on pages 61 and 84 of the Annual Report.
- 3) Place, Date and Time of the 5<sup>th</sup> Annual General Meeting are as follows: -

Place : Ballroom I, Level 2, The Federal Hotel Kuala Lumpur, No.35, Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia.  
 Date : 25 September 2025 (Thursday)  
 Time : 11:30 a.m.

**BESHOM HOLDINGS BERHAD**

Registration No.: 202101001114 (1401412-A)  
(Incorporated in Malaysia)

CDS Account No.

No. of ordinary shares held

I/We \_\_\_\_\_

NRIC No. (New) \_\_\_\_\_ (Old) \_\_\_\_\_ / Company No. \_\_\_\_\_

of \_\_\_\_\_

email address \_\_\_\_\_ contact number \_\_\_\_\_

being a member / members of **BESHOM HOLDINGS BERHAD** hereby appoint the following person(s):-

Name	Address & Tel no.	NRIC/ Passport No.	Proportion of Shareholdings (%)
*And/ or failing him/ her (delete as appropriate)			

*For a member who is an exempt authorised nominee with omnibus account, please state the details of the proxies as above if more than two (2) on your letterhead and to attach the same to this Form of Proxy.*

or failing him/her/them, THE CHAIRMAN OF THE MEETING, as my/our proxy/proxies, to vote for me/us on my/our behalf at the **5<sup>th</sup> Annual General Meeting** of the Company will be held on at Ballroom I, Level 2, The Federal Hotel Kuala Lumpur, No. 35, Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia on Thursday, 25 September 2025 at 11.30 a.m. and at any adjournment thereof in the manner as indicated below in respect of the following Resolutions:-

RESOLUTIONS		FOR	AGAINST
Resolution 1	Re-election of Mr. Ng Chek Yong as a Director.		
Resolution 2	Re-election of Mr. Tan Keng Kang as a Director.		
Resolution 3	Approval for the payment of Directors' fees for the financial year ended 30 April 2025.		
Resolution 4	Approval for the payment of Directors' remuneration and benefits (excluding Directors' fees) to the Non-Executive Directors until the next Annual General Meeting of the Company.		
Resolution 5	Declaration of a final single tier dividend of 1.5 sen per ordinary share.		
Resolution 6	Declaration of a special single tier dividend of 1.0 sen per ordinary share.		
Resolution 7	Re-appointment of Messrs. KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
Resolution 8	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
Resolution 9	Proposed Share Buy-Back by the Company.		

*Please indicate with an "X" in the appropriate space how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any Resolution, the proxy may vote or abstain from voting at his/her/their discretion.*

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature(s)/ Common Seal of Shareholders

Notes:

1. In respect of deposited securities, only Members whose names appear in the Record of Depositors on 18 September 2025 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this 5<sup>th</sup> AGM.
2. A member entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him save for a member who is an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 and holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which such member may appoint in respect of each omnibus account it holds. There shall be no restriction as to the qualification of the proxy and a proxy duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
3. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
5. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding of the 5<sup>th</sup> AGM or at any adjournment thereof, as follows:
  - (i) **In hard copy form** - The original instrument appointing a proxy ("Form of Proxy") must be deposited at the Company's Share Registrar's Office, Boardroom Share Registrars Sdn Bhd, 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
  - (ii) **By electronic means** - The Form of Proxy can also be lodged electronically through Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> or email to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com). Please follow the procedures provided in the Administrative Guide of the 5<sup>th</sup> AGM for submission of the Form of Proxy electronically.
6. If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in our 5<sup>th</sup> AGM by yourself, please write in to [BSR.Helpdesk@boardroomlimited.com](mailto:BSR.Helpdesk@boardroomlimited.com) or via BSIP (as the case maybe) to revoke the earlier appointed proxy not less than forty-eight (48) hours before the meeting.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the Notice of AGM will be put to vote by way of poll.

↑<sup>T</sup> FOLD HERE

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**B E S H O M**

**Beshom Holdings Berhad**

Registration No. 202101001114 (1401412-A)

**The Share Registrar**

**Boardroom Share Registrars Sdn. Bhd.**

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