BESHOM HOLDINGS BERHAD
Registration No. 202101001114 (1401412-A)
(Incorporated in Malaysia)

MINUTES of the 6th Annual General Meeting of the Company held at the Ballroom I, Level 2, The Federal Hotel Kuala Lumpur, No. 35, Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia on Thursday, 8 October 2026 at 10.30 a.m.

PRESENT	:	Ng Chek Yong – Chairman Tan Keng Kang – Group Managing Director Hew Von Kin – Group Executive Director cum Group Chief Financial Officer Professor Hajjah Ruhanas binti Harun– Independent Non-Executive Director Dato' Lee Teck Hua- Independent Non-Executive Director Foong Yein Fun - Independent Non-Executive Director
IN ATTENDANCE	:	Cynthia Gloria Louis - Company Secretary Catherine Tong – Representative of Secretary

Shareholders, Proxies & Invitees

As per Attendance List.

1. **QUORUM**

The Chairman extended a warm welcome to all the shareholders, Board of Directors, proxies, and authorised representatives to the 6th AGM. Upon confirming the presence of a quorum, the Meeting was called to order at 10.30 a.m.

2. **INTRODUCTION OF THE BOARD MEMBERS**

The Chairman introduced the members of the Board, Management, Company Secretary and External Auditors who were present at the meeting venue.

3. **NOTICE**

As the Notice convening the Meeting was circulated to the shareholders within the prescribed period, the Notice convening the Meeting was taken as read.

Next, the Chairman reported that the Company had received 474 valid proxies carrying 83,354,273 shares or representing 27.92% of the Company's total number of issued shares.

4. **POLLING AND ADMINISTRATIVE GUIDE**

The Meeting was informed that voting for proposed resolutions 1 to 8 will be carried out by poll in line with Bursa's Listing Requirements. Boardroom Share Registrars Sdn. Bhd. has been appointed as the Poll Administrator and Sky Corporate Services Sdn. Bhd, an independent scrutineer has been appointed to validate the votes.

The Chairman informed that to facilitate the e-voting process, shareholders/proxies may proceed to vote on the proposed resolutions as set out in the notice of AGM and submit their votes anytime hereafter until the closure of the voting session which will be notified to all shareholders/proxies.

The Chairman thereafter invited the Poll Administrator to brief the Meeting on the Electronic Poll voting process.

5. **PRESENTATION ON COMPANY'S PERFORMANCE AND RESULTS FOR FYE30/4/2026**

The representative of Secretary was invited to present the overview of the Company's financial performance, summary of the business segment performance and the outlook of the Group for the next financial year. The Presentation slides are attached as **Appendix I.**

6. **QUESTIONS RECEIVED FROM THE MINORITY SHAREHOLDERS WATCH GROUP**

The Meeting was informed that the Company had received a letter from the Minority Shareholders Watch Group ("MSWG") dated 1 October 2026. The representatives of Secretary were invited to read out the questions and the Company's responses, which are attached as **Appendix II**.

7. **QUESTIONS AND ANSWERS SESSION (PRE-MEETING)**

The Meeting was informed that enquiries from shareholders regarding the AGM discount vouchers have been duly handled and responded to via email or phone.

8. **REPORTS AND AUDITED FINANCIAL STATEMENTS ("AFS") FOR THE YEAR ENDED 30 APRIL 2026 ("FYE 30 APRIL 2026")**

The Chairman proceeded with the first item of the agenda.

The AFS for the FYE 30 April 2026 and the Reports of the Directors and Auditors having been circulated to all the shareholders within the prescribed period were taken as read.

The Meeting then opened the floor for questions and answers.

The questions raised by Mr Leo Ann Puat, a shareholder and the Company's responses were as follows:-

(a) Whether the Company intends to undertake any significant business transformation or paradigm shift, rather than continuing its existing business model, to improve the Group's performance and drive future growth.

(b) Whether the Company has any plans to modernise and enhance the image of its retail outlets or alternatively rationalise the number of outlets and focus on selected strategic locations.

(c) Whether the Company would consider introducing products that are better aligned with the preferences and needs of the Malay consumer segment, which has historically constituted a significant portion of the Multi-Level Marketing ("MLM") customer base.

The Company's response

Answer to Q1(a) and (c)

Mr Hew, the Group Executive Director cum Group Chief Financial Officer informed that the decline in performance was mainly attributable to the MLM division, which had been affected by changing consumer spending patterns, increasing preference for e-commerce channels and intensified competition. He added that the Retail division continued to expand its product offerings, including food supplements, health foods, traditional Chinese medicine products and patent medicines, while managing rising operating costs, mainly attributable to increases in rental, labour and raw material costs.

Mr Edward Pang, Head of the MLM division, was invited to brief the shareholders on his view of the current challenges faced by the MLM industry. As part of its ongoing transformation initiatives, the Division plans to enhance engagement with end consumers through digital platforms and data analytics to gain a better understanding of customer needs and purchasing behaviours. The insights obtained will support the formulation of future business strategies and development of product offerings, including products that are better aligned with the preferences of key customer segments, with the aim of driving sustainable growth in the MLM business.

Answer to Q1(b)
The Board acknowledged the feedback and informed the shareholders that it would take the suggestions into consideration as part of its ongoing efforts to improve the retail business and enhance customer experience.

The questions raised by Mr Chua Song Yun, a shareholder and the Company's responses were as follows:-

Question (1)
To seek clarification on the Company's capital allocation strategy in relation to the proposed disposal of the 3 plots of land, which is the subject matter of the Extraordinary General Meeting to be held immediately following the conclusion of AGM, particularly the rationale for allocating approximately RM28 million towards the acquisition of a new warehouse and RM42 million for working capital, given the declining performance of several business segments and the concern of the Group's inventory holding levels.

The Company's response
Mr Hew explained that the Group currently utilised third-party warehouse facilities to store part of its inventory as the existing warehouse capacity has been fully utlilised. The proposed acquisition of a new warehouse would allow inventories to be consolidated into a company-owned facility, thereby improving operational efficiency and reducing long-term rental expenses.

He further explained that part of the working capital allocation would be utilised for inventory purchases, product development and supply chain sourcing, members' development programmes and the enhancement of information technology systems.

Question 2
To seek clarification on the rationale for allocating a substantial portion of the working capital to money market funds/placement of deposits with financial institutions.

The Company's response
Mr Hew explained that the funds represented excess cash not immediately required for operational purposes and would therefore be placed in low-risk money market instruments pending suitable business expansion opportunities or investments. He added that such placements currently generated tax-free returns of approximately 3.5% to 4.0% per annum.

The question raised by Mr Chua Song Yun and Mr Leo Ann Puat, shareholders and the Company's responses were as follows:-

Question 1
To seek clarification on the necessity of the proposed disposal of the three plots of land and the Company's capital management strategy, including whether excess funds could be returned to shareholders through special dividends or share buybacks instead of being placed in money market funds and financial institutions.

The Company's response

Mr Hew responded that the Board had carefully considered the market value of the properties, the Group's future operational requirements and the opportunity to unlock value from underutilised assets.

The Board would consider the utilisation of the disposal proceeds in accordance with the Group's future plans and, where appropriate, may consider returning value to shareholders, including by way of a special dividend or share buybacks. He added that share buybacks remain one of the Company's capital management tools, particularly where the Company's shares are considered undervalued, as they could enhance earnings per share and create value for shareholders.

There being no further questions raised by the shareholders, the Chairman proceeded with the next agenda.

9. **RE-ELECTION OF MR HEW VON KIN WHO RETIRES PURSUANT TO CLAUSE 119 OF THE COMPANY'S CONSTITUTION (ORDINARY RESOLUTION 1)**

In accordance with Clause 119 of the Company's Constitution, Mr Hew Von Kin was due to retire and being eligible, has offered himself for re-election. His profile was provided on page 10 of the Annual Report.

Ordinary Resolution 1 was proposed by the Chairman and seconded by Ms Jessica Lim Yim Peng.

10. **RE-ELECTION OF MS FOONG YEIN FUN WHO RETIRES PURSUANT TO CLAUSE 119 OF THE COMPANY'S CONSTITUTION (ORDINARY RESOLUTION 2)**

In accordance with Clause 119 of the Company's Constitution, Ms Foong Yein Fun was due to retire and being eligible, has offered herself for re-election. Her profile was provided on page 12 of the Annual Report.

Ordinary Resolution 2 was proposed by the Chairman and seconded by Mr Tan Choi Cheng.

11. **PAYMENT OF DIRECTORS' FEES (ORDINARY RESOLUTION 3)**

The Company had proposed a payment of Directors' fees of RM120,000 for the financial year ended 30 April 2026.

The Meeting was informed that the Directors who are also the shareholders of the Company would abstain from voting on this resolution.

Ordinary Resolution 3 was proposed by Ms Julie Tan Chwee Sin and seconded by Ms Yap Yi Qin.

12. **THE PAYMENT OF DIRECTORS' REMUNERATION AND BENEFITS (EXCLUDING DIRECTORS' FEES) TO THE NON-EXECUTIVE DIRECTORS (ORDINARY RESOLUTION 4)**

The Company had proposed a 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.

Ordinary Resolution 4 was proposed by Ms Julie Tan Chwee Sin and seconded by Mr Tan Choi Cheng.

13. **FINAL SINGLE TIER DIVIDEND OF 1.5 SEN (ORDINARY RESOLUTION 5)**

The Directors had recommended that a final single tier dividend of 1.5 sen per ordinary share for the financial year ended 30 April 2026 be paid.

Ordinary Resolution 5 was proposed by Ms Wendy Foo Ai Wei and seconded by Mr Tan Choi Cheng.

14. **RE-APPOINTMENT OF AUDITORS (ORDINARY RESOLUTION 6)**

The resolution on the re-appointment of Messrs KPMG PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration was tabled.

Messrs KPMG PLT had given their consent to seek for re-appointment and no other nominations were received by the Company.

Ordinary Resolution 6 was proposed by Ms Wendy Foo Ai Wei and seconded by Ms Yap Yi Qin.

15. **AUTHORITY TO ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 (ORDINARY RESOLUTION 7)**

The next agenda was to seek the shareholders' authority for the allotment of shares pursuant to Sections 75 and 76 of the Companies Act, 2016.

Ordinary Resolution 7 was proposed by Ms Yap Yi Qin and seconded by Ms Wendy Foo Ai Wei.

16. **PROPOSED SHARE BUY-BACK BY THE COMPANY (ORDINARY RESOLUTION 8)**

The Chairman informed that Ordinary Resolution 8 was to seek the approval from the shareholders for a Shareholders' Mandate to buy back the Company's shares.

The question raised by Mr Chua Song Yun, a shareholder and the Company's responses were as follows:-

Question
To seek clarification on the Board's considerations in undertaking share buybacks, particularly given that only a limited number of shares were repurchased in the previous financial year despite the Company's substantial cash balances and other investments, and the Company's shares trading at a significant discount to their net asset value.

The Company's response
Mr Hew explained that the Group regards share buybacks as a capital management tool to enhance shareholder value and are not intended to influence the Company's share price.

In considering share buybacks, the Board evaluates factors such as the Company's market price, the Group's cash position, funding requirements and available investment opportunities. While share buybacks may not produce an immediate impact on the share price, they may enhance earnings per share over time by reducing the number of shares available for trading. Accordingly, the Board will continue to consider share buybacks prudently and selectively, taking into account the overall interests of the Company and its shareholders.

Ordinary Resolution 8 was proposed by Ms Yap Yi Qin and seconded by Ms Wendy Foo Ai Wei.

17. **VOTING SESSION**

At 12.00 p.m., the Chairman reminded shareholders to vote as the voting session would continue for another 5 minutes.

At 12.05 p.m., the Chairman announced that the voting session for the 6th AGM had ended.

The Meeting adjourned for 20 minutes to facilitate the validation of votes cast by the Scrutineers.

18. **ANNOUNCEMENT OF POLL RESULTS**

The Chairman called the meeting to order at 12:25 p.m. for the declaration of the poll results. The poll results, which were verified by the Independent Scrutineer are detailed in **Appendix III.**

The Chairman declared that all resolutions stated below that were put to the Meeting duly carried:-

ORDINARY RESOLUTION 1
"THAT Mr Hew Von Kin retiring pursuant to Clause 119 of the Company's Constitution and being eligible, be hereby re-elected as Director of the Company."

ORDINARY RESOLUTION 2
"THAT Ms Foong Yein Fun retiring pursuant to Clause 119 of the Company's Constitution and being eligible, be hereby re-elected as Director of the Company."

ORDINARY RESOLUTION 3
"THAT the payment of Directors' fees of RM120,000 for the financial year ended 30 April 2026 be hereby approved."

ORDINARY RESOLUTION 4
"THAT 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 be hereby approved."

ORDINARY RESOLUTION 5
"THAT the payment of final single tier dividend of 1.5. sen per ordinary share for the financial year ended 30 April 2026 be hereby approved."

ORDINARY RESOLUTION 6
"THAT the re-appointment of Messrs KPMG PLT as the Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting be hereby approved AND THAT the Directors be authorised to fix their remuneration."

ORDINARY RESOLUTION 7
"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 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."

ORDINARY RESOLUTION 8
"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."

20. **CLOSURE**

The Meeting was declared closed at 12.30 p.m. with a vote of thanks to the Chair.

Appendix I

BESHOM

THE BEST STARTS FROM HOME

6th ANNUAL GENERAL MEETING

8 October 2026



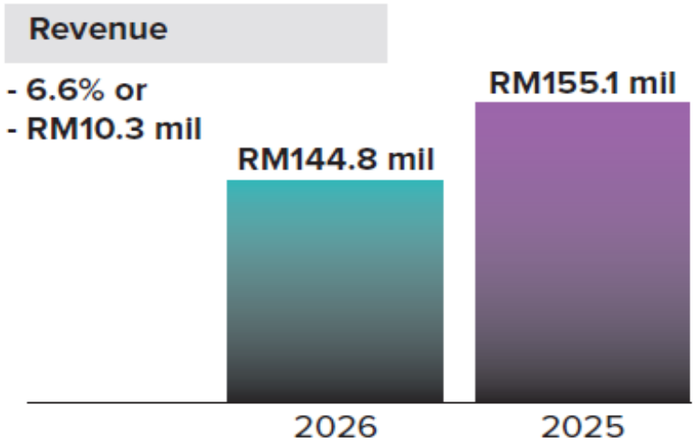


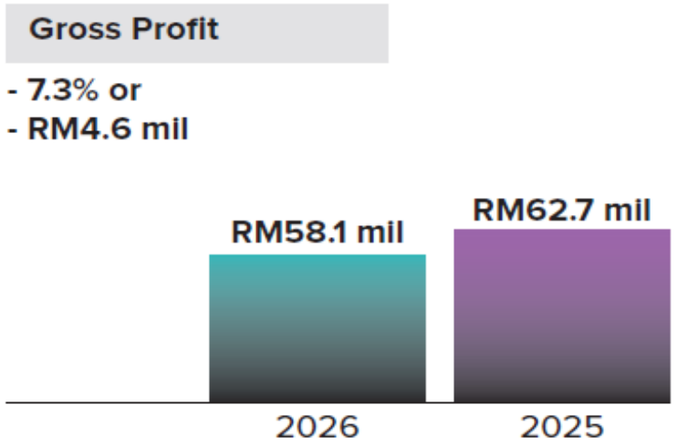
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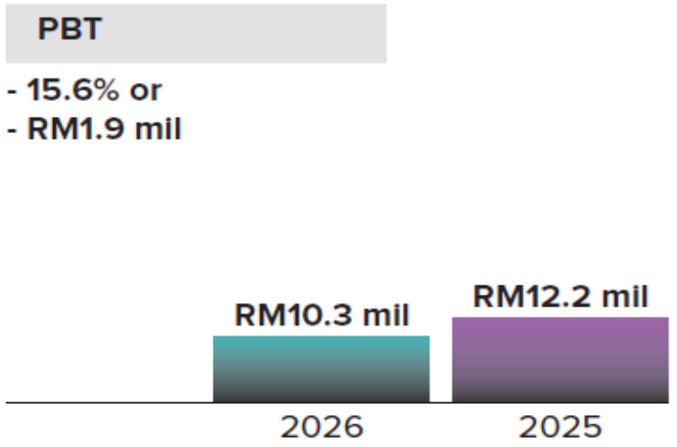
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Financial Performance



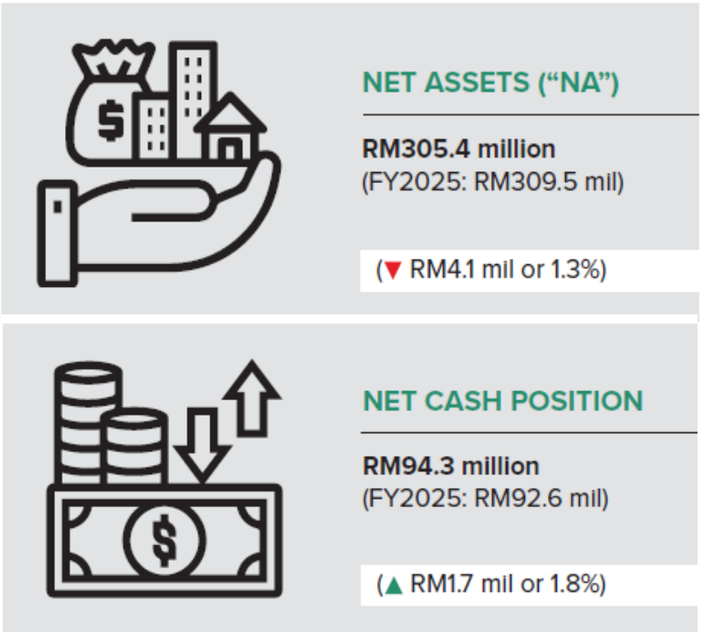




- **The overall financial performance of the Group, in particular MLM and Retail segments, was affected by:**
  - **slower growth in discretionary lifestyle products**
  - **challenging consumer environment**

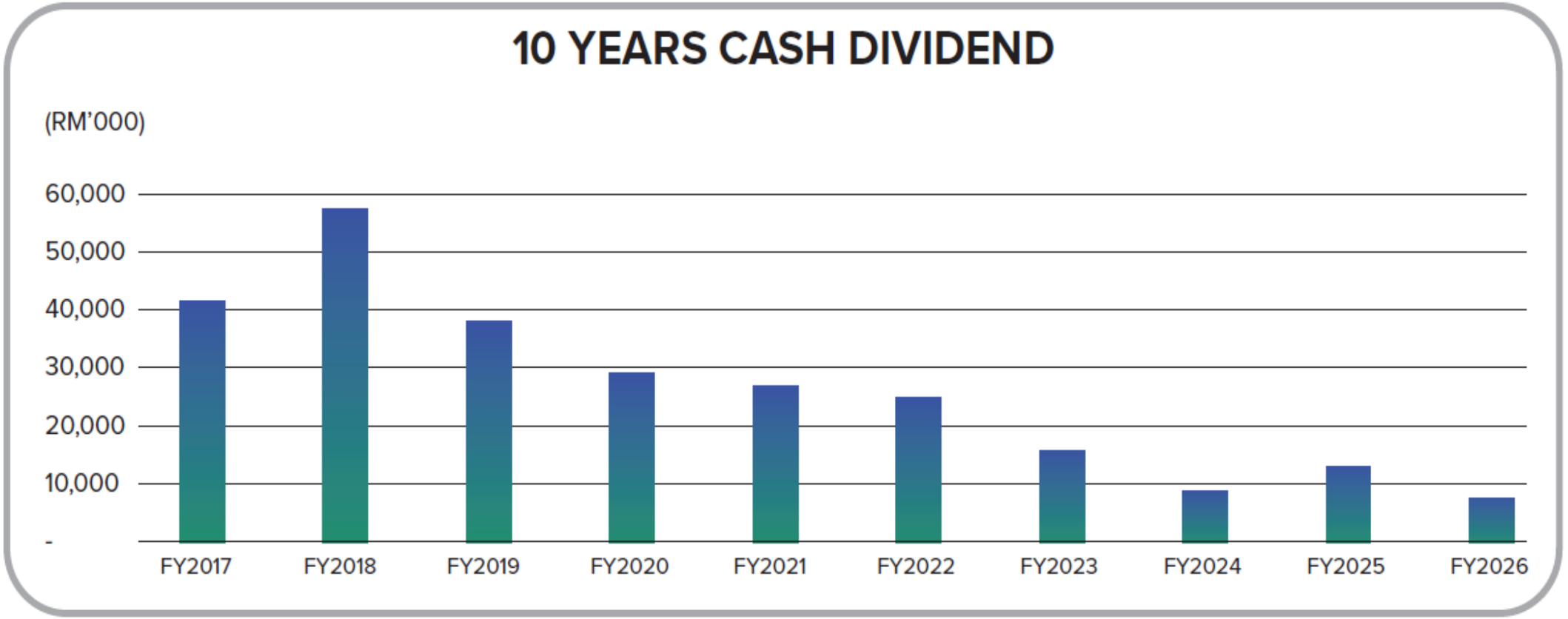
- **Reflecting strength, the Wholesale segment demonstrated its resilience**

- **Recent financial results have been challenging, but they do not reflect the Group's underlying long-term potential and remain resilient throughout different phases of the economic cycle**



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Consistent Dividend Payment



10 years Total Cash Dividend
>RM260 million

10 years Average Cash Dividend payout ratio
81%

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Segmental Specific Review



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3 major operating segments, namely Wholesale, MLM and Retail

Other businesses, manufacturing, credit & leasing, investment and property holding

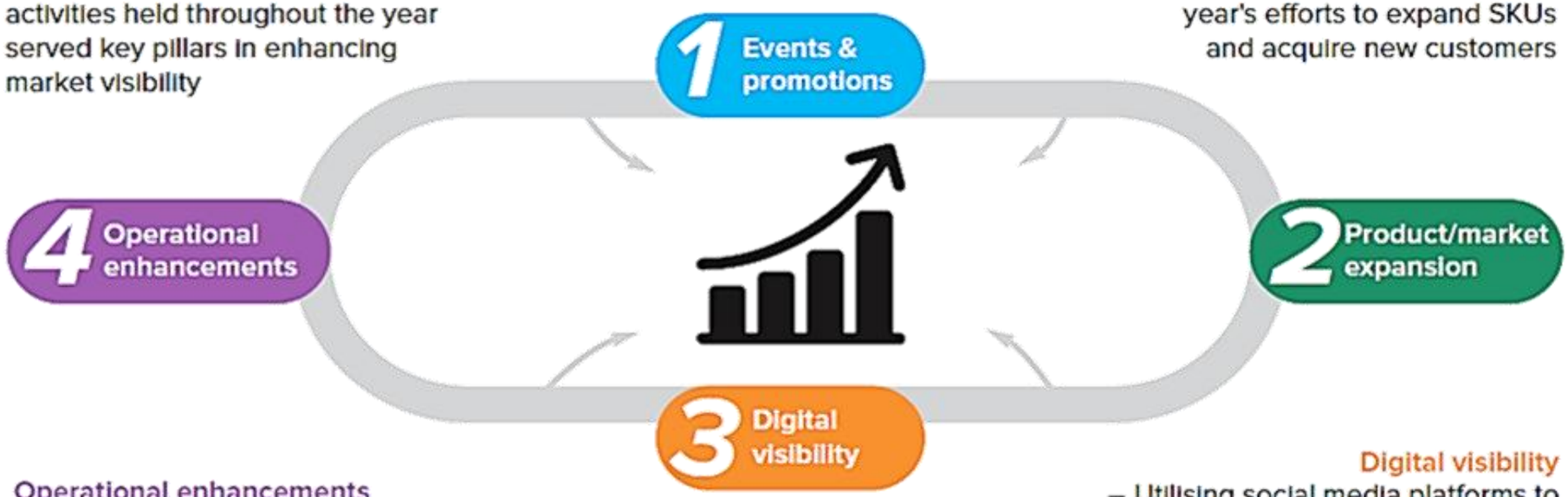
Wholesale

Wholesale Segment

- **Wholesale segment was the Group's best performing business segment which recorded revenue of RM65.5 mil and PBT of RM4.4 mil**
- **Wholesale segment strategically delivered strong results in FY2026 was supported by the following initiatives:**

Events and promotions
– Multiple events and promotional activities held throughout the year served key pillars in enhancing market visibility

Product/market expansion
– Building on the previous year's efforts to expand SKUs and acquire new customers



Operational enhancements
– Cost optimisation and process improvements initiatives

Digital visibility
– Utilising social media platforms to accelerate digitalisation and enhance brand visibility and customer engagement

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MLM

MLM Segment

- **MLM segment recorded a weaker financial performance, and recorded revenue of RM40.5 mil and PBT of RM2.7 mil**
- **MLM segment's turnaround efforts has been affected by:**
  - **cautious consumer spending on discretionary products; and**
  - **structural challenges due to rapid expansion and growing dominance of e-commerce platforms**
- **Various measures to address the challenging operating environment, particularly "People" and "Products" to strengthen its business fundamentals and support sustainable growth**





- **Apart from People and Product, operationally, the MLM segment also implemented various initiatives to enhance efficiency and strengthen cost control**

Retail

Retail Segment

- **Retail segment recorded revenue of RM32.3 mil and posted a loss of RM1.3 mil**
- **Retail segment was persistently affected by subdued retail environment, consumers prioritising essential purchases over discretionary products, lower sales of higher-margins products and increasing value-conscious seeking behaviours**
- **Retail segment implemented various strategies across both physical stores and e-commerce channels as follows:**

Promotions

Thematic approach-driven by festive seasons, special occasions, and targeted products and marketing objectives



Products

To drive consumer appeal and sustain product demand



Network expansion

Outreach to customers physically and digitally



Sustainability

Creating Lasting Value for Stakeholders

To create lasting value for a broad range of stakeholders (shareholders and investors, employees, customers, distributors, supply chain partners and business associates, and the communities) and the natural environment.

Integrating Sustainability Across Our Operations

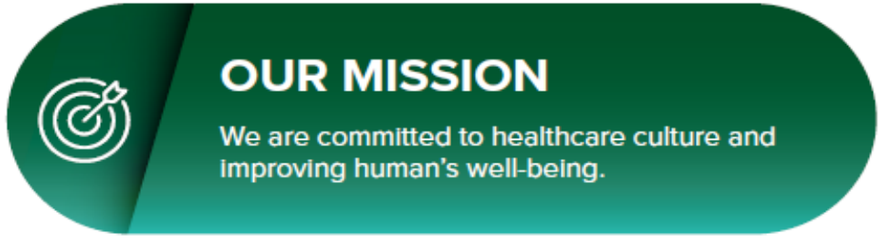
To integrate sustainability considerations across our value chain and business operations to create the greatest value and pride for our customers, business partners, employees and shareholders.

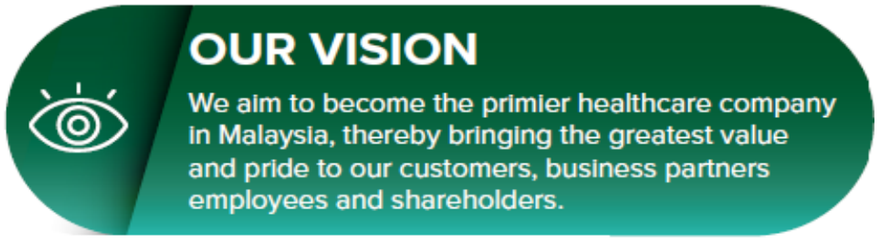
Regulatory Requirements, ESG Standards & Best Practices

Our operational processes and management practices are guided by applicable regulatory requirements, recognised environmental, social and governance ("**ESG**") standards, and relevant international best practices.

Sustainability in Risk Management

We incorporate sustainability considerations into our risk management process to more effectively identify, assess and manage sustainability-related risks and opportunities across the Group.

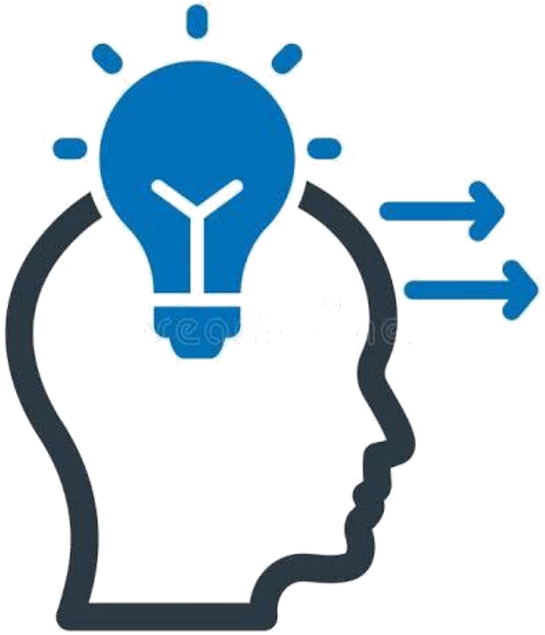




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Looking Ahead

- **BESHOM has built the business foundation over 5 decades and is well positioned with established assets, capabilities and experience across the Group that give us a unique competitive advantage**



- **We will continue to execute productivity initiatives and investments in technology to digitise operations to**
  - **ensure our product offering resonate with the customers and markets we serve**
  - **deliver consistent quality and product availability;**
  - **continue to improve customer experience across our stores and online channels; and**
  - **manage our cost base effectively**




THANK YOU
Building Resilience
For Tomorrow

Appendix II

BESHOM

THE BEST STARTS FROM HOME

6th ANNUAL GENERAL MEETING
8 October 2026

Reply to Questions from Minority Shareholders Watch Group (MSWG)

A. Operational & Financial Matters

1. The Group's revenue declined from RM209.6 million in FY2022 to RM144.8 million in FY2026, while profit before tax (PBT) fell from RM40.3 million to RM10.3 million, return on equity (ROE) declined from 8.9% to 2.5%, and earnings per share (EPS) fell from 9.46 sen to 2.58 sen (Source: Page 6 of AR2026).

   Despite the weaker PBT, ROE and EPS, the Group declared total dividends of 2.5 sen per share for FY2026, representing a payout ratio of approximately 102% (Source: Page 17 of AR2026).

   a) Does the Board view the prolonged decline in earnings and ROE as a long-term concern, despite the measures taken to manage costs and drive sales growth? (Source: Page 16 of AR2026).

      What targets have been set to improve performance, and if revenue and PBT do not recover within the next two financial years, will the Board consider restructuring or discontinuing underperforming businesses or assets, or further reducing costs?

   b) With the Group's FY2026 dividend payout exceeding its earnings, how does the Board intend to sustain the current payout without putting pressure on the Group's cash flow and financial position?

Answer to Q1 (a):

The Board acknowledges the declining trend in earnings and ROE, particularly amid the challenging and increasingly competitive business environment, and recognises this as an area requiring continued monitoring and assessment. The Board and Management remain focused on improving the Group's performance by refining business strategies; optimising costs; improving operational efficiency; revamping underperforming business units, and pursuing new products, markets and business opportunities with growth potential.

The Board will continue to closely monitor each business segment's performance and implement timely and appropriate measures to address performance challenges and enhance shareholders' returns over the longer term.

Each business segment is assigned specific annual performance targets, with Management closely monitoring the performance and adjusting strategies and action plans where necessary during the year.

For business with persistent underperformance, the Group will consider appropriate measures, including restructuring, rationalisation and cost optimisation, taking into consideration their overall prospects and contribution to the Group.

Answer to Q1 (b):

While the FY2026 dividend payout slightly above the Group's reported earnings, the earnings included non-cash items such as depreciation and provisions. As such, the higher payout is not expected to materially impact the Group's cash flow or financial position. The Group has maintained a stable liquidity position, with cash and short-term investments of over RM90 million over the past few financial years. This has enabled the Board to strike an appropriate balance between rewarding shareholders while retaining sufficient funds to support the Group's operations.

2. The MLM segment recorded a significant decline in revenue from RM53.5 million in FY2025 to RM40.5 million in FY2026, while PBT fell from RM4.4 million to RM2.7 million. The Group attributed the weaker performance in recent years to cautious consumer spending on discretionary products and increasing competitive pressure from other MLM players, particularly in member recruitment and retention. (Source: Page 23 of AR2026).

   a) The Group's MLM distributor network declined from approximately 39,000 in FY2025 to 29,000 in FY2026 (Source: Page 23 of Sustainability Statement 2026). Meanwhile, almost 1,600 participants joined the leadership training programmes, with over 20% advancing to the next ranking level within six months (Source: Pages 23–25 of AR2026).

      In this context, what was the distributor retention rate and number of active distributors in FY2026 compared with FY2025? To date, to what extent have the training programmes improved distributor retention and productivity, and is the current distributor base sufficient to support a sustainable recovery in MLM profitability?

Question 2 (continued):

b) Despite cautious consumer spending on discretionary products and the continued decline in MLM revenue, the Group has launched several new products and product extensions (Source: Page 25 of AR2026). What criteria does the Group use to assess their sales and profitability potential and decide whether to retain or discontinue them?

c) If MLM revenue continues to decline despite the Group's efforts and initiatives, has the Board reassessed whether the current MLM business model remains sustainable? If not, what other strategic options would the Board consider?

Answer to Q2 (a):

Distributor retention and engagement are monitored through active distributor base and members activation through new and renewed memberships. The active distributor base declined from approximately 39,000 in FY2025 to 29,000 in FY2026. While the active base has contracted, purchase activation among new and renewed members has improved, indicating encouraging progress in members acquisition and engagement.

The MLM segment will continue to strengthen the effectiveness of its training programmes, focusing on measurable business outcomes. The approach follows a structured progression involving customer acquisition, sales, recruitment and development of new leaders, with the aim of translating training outcomes into sustained productivity and developing new business leaders.

The current active distributor base has yet to reach the desired level to support a sustainable recovery in MLM profitability. The segment will therefore continue to intensify recruitment, reactivation and structured network-building initiatives, while developing more consumer distributors into active business builders and leaders.

Answer to Q2 (b):

The Group adopts a systematic product evaluation process, taking into consideration overall market demand, commercial viability, customer and distributor acceptance, and the product's potential contribution to the Group's financial performance. The assessment focuses on products with recurring consumer demand and the potential to strengthen the Group's product portfolio.

Answer to Q2 (c):

The direct-selling industry continues to evolve amid changing consumer behaviour, the growing adoption of digital and social commerce channels, and increasing competition for active and productive distributors. In response, the Group continues to refine and adapt its MLM business model towards a more hybrid and consumer-driven approach, incorporating digital channels, social media adoption and physical community engagement, while further strengthening the core fundamentals of network building and leadership development.

The Board will continue to monitor the effectiveness of the business strategies, and refine and adjust them where appropriate, supported by appropriate resource allocation, in response to market developments and changes.

3. The Group's inventories declined from RM74.7 million in FY2025 to RM63.8 million in FY2026 (Source: Note 12, Page 119 of AR2026). However, inventory valuation remained a Key Audit Matter due to the significant judgement involved in assessing slow-moving inventories and their net realisable value (NRV) (Source: Page 153 of AR2026), while the Wholesale segment also recognised additional provisions for slow-moving inventories (Source: Page 26 of AR2026).

   a) Inventory write-offs increased from RM264,509 in FY2025 to RM510,606 in FY2026, despite inventories declining to RM63.8 million (Source: Note 12, Page 119 of AR2026).

      i. How much of the RM510,606 write-off came from the Wholesale segment, given its additional provisions for slow-moving inventories?

      ii. Of the RM510,606 inventory write-off, how much is related to obsolete, damage or slow-moving stock?

   b) The Group continues to carry RM5.55 million of finished goods and trading goods at NRV. How does the Board assess whether the remaining inventory can be sold at its carrying value, and whether further discounts are needed to clear slow-moving stock?

Answer to Q3 (a)(i):

Approximately 65% of the RM510,606 inventory write-off was attributable to the Wholesale segment.

Answer to Q3 (a)(ii):

Of the RM510,606 inventory write-off, approximately 20% related to obsolete stock, 74% to damaged stock, and the remaining 6% to slow-moving stock.

Answer to Q3 (b):

The Board and Management regularly assess the recoverability of the inventories, taking into consideration factors such as the condition and ageing of the products, product category, market demand and expected selling prices, to ensure that inventories are carried at values that are expected to be recoverable through sale.

To complement the above, various promotional strategies targeted at relevant customer segments will also be implemented to expedite the sale of the inventories, including tailored discount programmes based on product category and market demand.

B. Sustainability Matters

1. During FY2026, the MLM segment experienced a data privacy breach arising from a cross-site code injection attack on the SHOM Trip Registration Portal, affecting personal data records of up to 250 distributors. The incident was classified as a minor case, with no immediate financial risk to the affected distributors or the Group. (Source: Page 36 of Sustainability Statement 2026)

   a) Up to 250 distributors were affected by the data breach. Please explain why the incident was considered a "minor case" and what factors were used to assess its impact.

   b) Despite the Group's ongoing cybersecurity monitoring and controls, why did the Group fail to detect the cyber threats earlier? What weaknesses allowed the breach to occur and what improvements have been made to prevent a similar breach from affecting more distributors?

   c) Following the breach, the Group removed the affected application and migrated to a new server.

      Does the Board consider these measures sufficient to address the root cause of the breach, and ensure that all cybersecurity weaknesses have been fully addressed?

   d) What is the total cost incurred to date from the cyberattack, including remediation and system upgrades, and does the Group expect any further costs or liabilities arising from the incident?

Answer to Q1 (a):

The incident was assessed as a minor case based on the overall scale, nature and assessed impact of the incident, taking into consideration the following factors:

- **Scope of exposure**: The incident was limited to approximately 250 distributors and confined to a non-core system that is not part of the Group's key operational, financial or payment systems, and did not affect the continuity of its core business operations.
- **Nature of the data involved**: The affected information included distributor codes, names, identification numbers, contact details, addresses and certain passport information. No financial information, banking details or payment credentials were compromised.
- **Assessed impact**: Based on the Group's assessment of the incident, there was no indication of any immediate financial loss or other direct harm to the affected individuals arising from the breach.

Accordingly, the incident was assessed as having a relatively limited impact. Nevertheless, the Group treated the data breach seriously and took the necessary remedial and preventive measures to contain the incident and strengthen its data security controls.

Answer to Q1 (b):

The cyber threat was not detected earlier because the attack was targeted on “SHOM Trip Registration Portal”, a standalone web application. The threat actor exploited a vulnerability in the application’s input validation controls through a cross-site injection technique, which enabled unauthorised access to and extraction of certain data without being detected by the existing monitoring systems.

Upon becoming aware of the incident, the Company took immediate containment and preventive measures, including:

- Immediate removed the affected application;
- Infrastructure and system upgrade;
- Independent security assessment;
- Distributor protection and awareness; and
- Regulatory reporting

Following the incident, the Group has further strengthened its cybersecurity controls and monitoring, including a review of the security measures for standalone and non-core applications, to enhance the prevention and early detection of potential cyber threats.

Answer to Q1 (c):

The Board views the immediate removal of the affected application and the subsequent server migration as the critical first step, while continuing to implement further measures to address all cybersecurity weaknesses. These actions have therefore been supplemented by further security measures, including:

- Eliminating the identified vulnerability;
- Strengthening the system infrastructure; and
- Independent security assessment.

With these measures in place, the Board is reasonably satisfied that the identified vulnerabilities have been appropriately addressed. Nevertheless, cybersecurity risks continue to evolve, and the Group will therefore continuously review and strengthen its controls to protect against emerging threats.

Answer to Q1 (d):

The total cost incurred to date in relation to the cyber incident, including remediation and system upgrade costs, amounted to approximately RM11,700.

Based on the information currently available, the Group does not expect any material additional costs or liabilities arising directly from the incident. Nevertheless, the Group will continue to monitor the situation and undertake necessary cybersecurity enhancements as part of its ongoing security measures.


B E S H O M
THE BEST STARTS FROM HOME
THANK YOU

Appendix III

BESHOM HOLDINGS BERHAD
6TH ANNUAL GENERAL MEETING
BALLROOM I, LEVEL 2, THE FEDERAL HOTEL KUALA LUMPUR, NO. 35, JALAN BUKIT BINTANG, 55100 KUALA LUMPUR.
THURSDAY, 08 OCTOBER 2026 AT 10.30 A.M.

Polling Results

	VOTE FOR			VOTE AGAINST			TOTAL VOTE	
	NO. OF			NO. OF			NO. OF	
RESOLUTION	RECORDS	SHARES	%	RECORDS	SHARES	%	RECORDS	SHARES
ORDINARY RESOLUTION 1	456	98,220,673	99.9506	29	48,515	0.0494	485	98,269,188
ORDINARY RESOLUTION 2	464	98,672,110	99.9603	24	39,196	0.0397	488	98,711,306
ORDINARY RESOLUTION 3	448	85,336,402	99.9013	32	84,311	0.0987	480	85,420,713
ORDINARY RESOLUTION 4	444	98,603,909	99.9109	37	87,931	0.0891	481	98,691,840
ORDINARY RESOLUTION 5	466	98,665,647	99.9649	21	34,659	0.0351	487	98,700,306
ORDINARY RESOLUTION 6	458	98,664,262	99.9565	28	42,891	0.0435	486	98,707,153
ORDINARY RESOLUTION 7	449	98,630,322	99.9233	35	75,690	0.0767	484	98,706,012
ORDINARY RESOLUTION 8	457	98,660,267	99.9537	27	45,748	0.0463	484	98,706,015

