NOTIONVTEC NOTION VTEC BERHAD Registration No. 200301035125 (637546-D) (Incorporated in Malaysia) Annual Report 2021

OUR VISION AND MISSION

To Provide Creative
Solutions in Precision
Manufacturing
Technology and High
Quality Personal
Protective Equipment











This annual report is available on the web at www.notionvteo.com

18th **Annual General Meeting**



▶ Broadcast Venue,

Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur



3 March 2022, Thursday



9.30 a.m.

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Corporate Information

BOARD OF DIRECTORS

THOO CHOW FAH

Executive Chairman

WILLIAM CHOO WING HONG

Managing Director

JOHN CHOO WING ONN

Executive Director

LEE TIAN YOKE

Executive Director

CHOO WING YEW

Executive Director

ANITA CHEW CHENG IM

Independent

Non-Executive Director

DATO' ABU BAKAR BIN MOHD NOR

Independent

Non-Executive Director

TEH SU-CHING

Independent

Non-Executive Director



AUDIT AND RISK MANAGEMENT COMMITTEE

Anita Chew Cheng Im (Chairperson)

Dato' Abu Bakar Bin Mohd Nor

Teh Su-Ching

REMUNERATION COMMITTEE

Dato' Abu Bakar Bin Mohd Nor (Chairman)

Anita Chew Cheng Im Teh Su-Ching

NOMINATION COMMITTEE

Anita Chew Cheng Im (Chairperson)

Dato' Abu Bakar Bin Mohd Nor

Teh Su-Ching

COMPANY SECRETARIES

Tai Yit Chan (MAICSA 7009143) (SSM PC No. 202008001023) Tan Ai Ning (MAICSA 7015852) (SSM PC No. 202008000067)

HEAD / MANAGEMENT OFFICE

Lot 6123 Jalan Haji Salleh Batu 5 1/2, Jalan Meru, 41050 Klang Selangor Darul Ehsan

Tel : (603) 3361 5615 Fax : (603) 3361 5618

WEBSITE

www.notionvtec.com

PRINCIPAL BANKERS

Standard Chartered Bank Malaysia Berhad

Level 16, Menara Standard Chartered 30 Jalan Sultan Ismail 50250 Kuala Lumpur

Tel : (603) 2781 7013 Fax : (603) 2142 8933

HSBC Bank Malaysia Berhad

2, Jalan Tiara 2A, Bandar Baru Klang 41150 Klang, Selangor Darul Ehsan

Tel: (603) 3343 6111 Fax: (603) 3344 4249

Hong Leong Islamic Bank Berhad

Level 1, Wisma Hong Leong 18 Jalan Perak. 50450 Kuala Lumpur

Tel : (603) 2164 3939 Fax : (603) 2161 1278

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01, Level 32, Tower A Vertical Business Suite, Avenue 3 Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia

Tel : (603) 2783 9299 Fax : (603) 2783 9222

Tricor's Customer Service Centre

Unit G-3, Ground Floor Vertical Podium, Avenue 3 Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur, Malaysia

REGISTERED OFFICE

12th Floor, Menara Symphony No. 5, Jalan Professor Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan

Tel : (603) 7890 4800 Fax : (603) 7890 4650

AUDITORS

Crowe Malaysia PLT Chartered Accountants

Suite 50-3, Setia Avenue No. 2, Jalan Setia Prima S U/13S Setia Alam, Seksyen U13 40170 Shah Alam Selangor Darul Ehsan

Tel : (603) 3343 0730 Fax : (603) 3344 3036

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad

Shares

Stock Name : Notion Stock Code : 0083

Warrants

Stock Name : Notion-WC Stock Code : 0083WC

(637546-D)

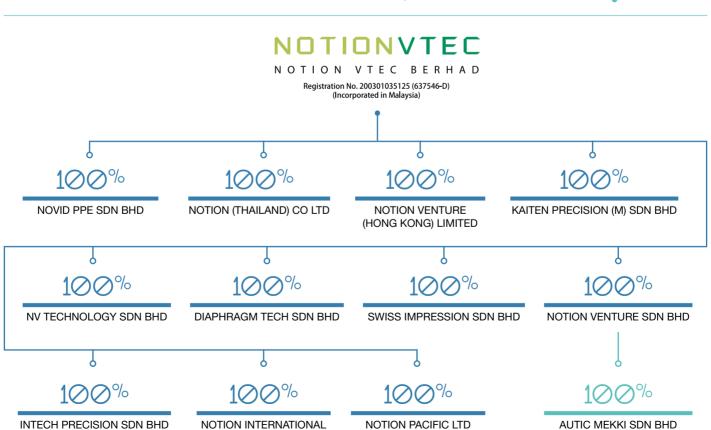
Financial Highlights

The table below sets out a summary of the audited consolidated results of the Notion Group for the financial years ended 30 September 2017 to 2021:

	2021	2020	2019	2018	2017
Revenue (RM'000)	352,915	242,747	237,687	255,946	275,232
(Loss)/Profit before Tax (RM'000)	(10,272)	6,840	14,090	67,188	14,375
(Loss)/Profit after Tax (RM'000)	(7,810)	6,323	7,543	47,584	12,958
(Loss)/Profit attributable to owners of the Company (RM'000)	(7,810)	6,323	7,543	47,584	12,958
Earning before interest, taxes, depreciation and amortisation (EBITDA) (RM'000)	27,922	40,987	44,925	96,826	47,717
No. of shares in issue ('000)	515,370*	504,744*	499,733^	497,394^	446,453^
Net (loss)/profit per share (Sen)	(1.5)	1.3*	1.5^	9.6^	2.9^

^{*} Based on weighted average paid up share capital.

Corporate Structure



(M) SDN BHD

[^] Restated for FYE 2017 to FYE 2019 to reflect the retrospective adjustments arising from the bonus issue completed in FYE 2020.

Board of Directors

THOO CHOW FAH | Aged 69, Malaysian, Male

Executive Chairman

Mr Thoo Chow Fah was first appointed to the Board on 8 February 2005. In his capacity as Executive Chairman, Mr Thoo's key role is the macro management and investors' relation of the Group.

He commenced his career with Sime Darby Plantations in 1978.

Subsequently, in 1990 he joined Sinar Mas group, one of the largest private plantation groups in Indonesia.

He left the Group in 1995 before setting up his own palm oil factory engineering consultancy.

Mr Thoo graduated from the University of Strathclyde, Glasgow, Scotland with a Bachelor's degree in Mechanical Engineering. He also has a Master's degree in Management Science from Imperial College, University of London.

Other than Notion VTec Berhad, he does not hold any directorship in other public companies and listed issuers.

WILLIAM CHOO WING HONG | Aged 57, Malaysian, Male

Managing Director

Mr William Choo Wing Hong was first appointed to the Board on 8 February 2005. In his capacity as Managing Director, Mr William Choo plays a key role in executing the strategic growth and development plans of the Group. He is the key technical person of the Group.

Prior to setting up Notion Venture Sdn Bhd, the principal manufacturing arm of the Group in 1995, he has garnered more than 21 years of CNC precision machining experience at Fujitsu Electronics Sdn Bhd, Johor, TPK Engineering Pte Ltd, Singapore, Motorola (M) Sdn Bhd, Sungei Way, Yamazen Sdn Bhd, Selangor and Preciturn Sdn Bhd, Bangi.

He also heads the R&D division of the Notion Group which provides technical research on and development of new machining methods, new production methods and engineering processes.

Mr William Choo obtained his Diploma in Mechanical Engineering from the Federal Institute of Technology, Kuala Lumpur in 1985.

Other than Notion VTec Berhad, he does not hold any directorship in other public companies and listed issuers.

JOHN CHOO WING ONN | Aged 55, Malaysian, Male

Executive Director

Mr John Choo Wing Onn was first appointed to the Board on 8 February 2005. His key role is in maintaining key HDD manufacturer accounts and the constant monitoring and satisfying customer's need of quality components.

He has worked at American Express Malaysia Sdn Bhd, Kuala Lumpur and Schering AG Petaling Jaya and subsequently joined Schering Plough Sdn Bhd in various sales capacity. He obtained his Certificate in Marketing from the Chartered Institute of Marketing, United Kingdom, in 1993.

Other than Notion VTec Berhad, he does not hold any directorship in other public companies and listed issuers.

Board of Directors (Cont'd)

LEE TIAN YOKE | Aged 51, Malaysian, Male

Executive Director

Mr Lee Tian Yoke was first appointed to the Board on 8 February 2005. He heads the marketing team of the Notion Group, where his concentration is on non-HDD projects.

Mr Lee commenced his sales career in Mechcraft Trading Sdn Bhd, Kuala Lumpur. During his tenure with Mechcraft, he had made valuable contacts with many MNCs wanting to localize the manufacture and supply of component parts. In 1995, he moved to Preciturn Sdn Bhd where he was in charge of customer relations and new project development.

He received his Certificate in Marketing from HELP Institute, Kuala Lumpur in 1994.

Other than Notion VTec Berhad, he does not hold any directorship in other public companies and listed issuers.

CHOO WING YEW | Aged 60, Malaysian, Male

Executive Director

Mr Choo Wing Yew was first appointed to the Board on 10 November 2009.

He is a member of the Chartered Institute of Management Accountants, United Kingdom and the Malaysian Institute of Accountants. He started his professional career with Deloitte Kassim Chan & Co., a public accounting firm in 1983. Later in 1990, he moved into financial management positions in various corporations including public companies.

Mr Choo joined the Notion Group as Financial Controller in May 2005 and is the key financial person of the Group.

Other than Notion VTec Berhad, he does not hold any directorship in other public companies and listed issuers.

ANITA CHEW CHENG IM | Aged 55, Malaysian, Female

Independent Non-Executive Director

Ms Anita Chew Cheng Im was appointed to the Board on 29 June 2007. She is the Chairperson of the Audit and Risk Management and Nomination Committees as well as a member of the Remuneration Committee.

She started her career as an audit assistant at KPMG, Melbourne in 1989. In 1992, she joined the corporate finance department of Bumiputra Merchant Bankers Berhad and subsequently worked at Alliance Investment Bank Berhad and HwangDBS Investment Bank Berhad. She was involved in most related areas of corporate finance work during her 15 years tenure in the various investment banks, having advised clients on IPO, fund raising and corporate restructuring exercises. Her last held position at HwangDBS was senior vice president, equity capital market.

Ms Anita Chew graduated from Monash University, Australia with a Bachelor of Economics degree majoring in Accounting.

She also sits on the Boards of MK Land Holdings Berhad, K-One Technology Berhad, SKP Resources Berhad, Kim Lun Corporation Berhad and Fortress Minerals Ltd, a Company listed on the Singapore Stock Exchange.

Board of Directors (Cont'd)

DATO' ABU BAKAR BIN MOHD NOR | Aged 68, Malaysian, Male

Independent Non-Executive Director

Dato' Abu Bakar Bin Mohd Nor was appointed to the Board on 7 May 2018. He is also a Chairman of the Remuneration Committee as well as a member of the Audit and Risk Management and Nomination Committees.

Dato' Abu Bakar started his career as Deputy Chief Internal Auditor in Bank Bumiputra Malaysia Bhd for a year. Subsequently, he joined Malaysia Mining Corporation in the Tin Marketing Department in 1981. In 1982, he joined Perbadanan Nasional Berhad (PERNAS) as a General Manager in Corporate Services for a period of 8 years. He was formerly the Chief Executive Officer of Peremba Berhad for three years. He then joined Landmarks Berhad as an Executive Director for one year. He was also served as Managing Director of Tradewinds (M) Berhad from 1994 to 1996. During the same year, he joined

Saujana Consolidated Berhad as Managing Director and also act as a member of the Audit Committee until March 2009. Currently, he serves on the Board of Saujana Hotel Sdn Bhd, which owns The Saujana Kuala Lumpur. He also sits on board of various other private limited companies involved in the hotel and leisure industry. He is also a Director of University Technology Malaysia (UTM).

He graduated with a B. Sc (Hons) in Business Administration Accounting from University of Wales in 1976, and is a Chartered Accountant, Institute of Chartered Accountant, England and Wales.

Other than Notion VTec Berhad, he does not hold any directorship in other public companies and listed issuers.

TEH SU-CHING | Aged 48, Malaysian, Female

Independent Non-Executive Director

Ms Teh Su-Ching was appointed to the Board on 2 August 2021. She is a member of the Audit and Risk Management, Nomination and Remuneration Committees.

She has 25 years of working experience in audit, corporate advisory, business development, corporate finance, accounting and financial management. Ms Teh started her career in Crowe Malaysia PLT as a Senior Audit and thereafter promoted to a Director for provision of Corporate Advisory service.

In 2010, she joined Tonik Asia Group as a Chief Finance Officer. Thereafter, she joined Tradewinds Plantation Berhad ("Tradewinds") as a Head of Business Development. Midway in her career in Tradewinds, she switched her role to a General

Manager of Finance and involved in project management and handled several key initiatives in Information Technology, Human Resources, Legal and Finance Department.

Currently, she is a Director of Capers Management Group, a private healthcare management and an advisor to Signature Snack Sdn Bhd and Signature Market Sdn Bhd.

Su-Ching is a fellow member of the Association of Chartered Certified Accountants (ACCA), a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).

She also sits on the board of Sern Kou Resources Berhad.

Notes to Directors' profile:

1. Family Relationships

William Choo Wing Hong, John Choo Wing Onn and Choo Wing Yew are siblings. They are also brothers-in-law of Mr Thoo Chow Fah.

The other Directors do not have any family relationship with any Director and/or major shareholders of the Company.

2. Conflict of Interest

None of the Directors has any conflict of interest with the Company.

3. Conviction of Offences

None of the Directors has any conviction for offences within the past 5 years.

4. Attendances at Board Meetings

The details of the Directors' attendance at Board Meetings are set out on page 22 of this Annual Report.

5. Shareholdings

The details of the Directors' interest in the securities of the Company are set out on page 95 of this Annual Report.

Key Senior Management

THOO CHOW FAH | Aged 69, Malaysian, Male

Executive Chairman

Mr Thoo Chow Fah was first appointed to the Board on 8 February 2005. In his capacity as Executive Chairman, Mr Thoo's key role is the macro management and investors' relation of the Group.

He commenced his career with Sime Darby Plantations in 1978.

Subsequently, in 1990 he joined Sinar Mas group, one of the largest private plantation groups in Indonesia.

He left the Group in 1995 before setting up his own palm oil factory engineering consultancy.

Mr Thoo graduated from the University of Strathclyde, Glasgow. Scotland with a Bachelor's degree in Mechanical Engineering, He also has a Master's degree in Management Science from Imperial College, University of London.

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Managing Director

Mr William Choo Wing Hong was first appointed to the Board on 8 February 2005. In his capacity as Managing Director, Mr William Choo plays a key role in executing the strategic growth and development plans of the Group. He is the key technical person of the Group.

Prior to setting up Notion Venture Sdn Bhd, the principal manufacturing arm of the Group in 1995, he has garnered more than 21 years of CNC precision machining experience at Fujitsu Electronics Sdn Bhd, Johor, TPK Engineering Pte Ltd, Singapore,

Motorola (M) Sdn Bhd, Sungei Way, Yamazen Sdn Bhd, Selangor and Preciturn Sdn Bhd, Bangi.

He also heads the R&D division of the Notion Group which provides technical research on and development of new machining methods, new production methods and engineering processes.

Mr William Choo obtained his Diploma in Mechanical Engineering from the Federal Institute of Technology, Kuala Lumpur in 1985.

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Mr Lee commenced his sales career in Mechcraft Trading Sdn Bhd, Kuala Lumpur. During his tenure with Mechcraft, he had made valuable contacts with many MNCs wanting to localize the

manufacture and supply of component parts. In 1995, he moved to Preciturn Sdn Bhd where he was in charge of customer relations and new project development.

He received his Certificate in Marketing from HELP Institute, Kuala Lumpur in 1994.

CHOO WING YEW | Aged 60, Malaysian, Male

Executive Director

Mr Choo Wing Yew was first appointed to the Board on 10 November 2009.

He is a member of the Chartered Institute of Management Accountants, United Kingdom and the Malaysian Institute of Accountants. He started his professional career with Deloitte

Kassim Chan & Co., a public accounting firm in 1983. Later in 1990, he moved into financial management positions in various corporations including public companies.

Mr Choo joined the Notion Group as Financial Controller in May 2005 and is the key financial person of the Group.

Management Discussion & Analysis





Our Group supplies high precision, engineered, ready to assemble turned, milled, drilled and ground parts to renowned multi nationals all over the world.

We stand for complete service with a fast response time to customers' needs. We provide a complete spectrum of services from design to production, tooling development, quality assurance, surface coating and finishing, heat treatment and logistics.

Recently we diversifed into the Personal Protective Equipment (PPE) business, predominantly masks and nitrile gloves.

With approximately 2,000 employees, we currently operate at 6 facilities. Three factories located on 17 acres, collectively on our own freehold land in Meru, Klang, three separate factories occupying in total 12 acres of land, collectively in Ayutthaya, Thailand, and rented premises in Gelang Patah, Johor to serve the southern region and Singapore.

Our Products

Our products can be broken down to four main segments:

- (1) Hard Disk Drive ("HDD");
- (2) Personal Protective Equipment ("PPE");
- (3) Automotive (Braking System); and
- (4) Engineered Products (Camera SLR interchangeable lens, Electronics Manufacturing Services ("EMS") and others).

FINANCIAL AND OPERATIONS REVIEW

For the financial year ended 30 September 2021 (FY2021), our Group posted sales revenue of RM352.9 million which was 45% higher than FY2020 but unfortunately we recorded a loss of RM7.8 million compared to a profit of RM6.3 million in the previous year.

The breakdown of our Group's revenue are shown below:

	Revenue					
	202 ⁻	1	2020	0		
	RM'000	%	RM'000	%		
HDD	99,253	28.1	98,184	40.4		
Automotive	94,912	26.9	78,962	32.5		
Engineered Products						
- Camera	10,608	3.0	11,826	4.9		
- Others (including EMS)	59,738	16.9	50,171	20.7		
PPE	88,404	25.1	3,604	1.5		
Total	352,915	100	242,747	100		

Earnings before interest, taxes, depreciation and amortisation (EBITDA) stood at RM27.9 million for the FY2021.

Borrowings of our Group as at FY2021 was approximately RM69.4 million, a relatively low gearing ratio of approximately 17%.

For the financial year, our Group invested RM62.9 million in capital expenditure.

Cash and cash equivalent as at FY2021 is RM22.7 million.

NOTION VTEC BERHAD 200301035125 (637546-D)

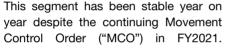
Management Discussion & Analysis (Cont'd)

A difficult year

Our Group's operations were not spared during the the various lockdowns.

Delays in approval from the authorities, higher aluminium prices, interruption to global supply chain, partial operations and infected workers, labour crunch in the Klang factories caused unnecessary disruptions, all of which contributed to the loss for FY2021.





Even the month on month numbers were fairly even except for February where there were labour shortage and infected workers. The main components for Western Digital were still the spacers and clamps for High Capacity Drives. Notion (Thailand) which is supplying base plates, has performed relatively well this year. There was higher demand for Cloud computing but was unfortunately off set by the disruptions caused by the pandemic and lockdowns.



We pivoted to PPE during the MCO in 2020. We started with the production of masks and subsequently the nitrile gloves.

Masks took a while to gain acceptance. We are distributing them online and also to selective pharmacies under our own "Novid" brand. We are currently waiting for certifications so that we can export to Europe and the US.

We started production of nitrate gloves in 2020 and since then we have completed 3 lines by August 2021. The remaining 3 lines should be completed by early 2022. Meanwhile in FY2021 we secured a contract with a European company which we supplied approximately RM70 million worth of gloves, the main contributor to our PPE division.

EMS

This was unexpectedly a dismal year for our EMS division. Although there was growth in revenue, the division reported

a loss mainly due to higher than expected rejects of a certain new product although we are confident that we can resolve the issue in this coming FY2022, the higher raw material prices that we could not immediately passed to the customers and the lockdown disruptions.

Automotive

The revenue for the EBS parts was higher by approximately 20% from the previous year but was faced with the challenge of much higher shipping costs and global supply chain problems.

Camera

We do not expect any growth from the camera segment.

DIVIDEND

Due to the global economic uncertainty, our Board has taken a prudent stance and will not be declaring any dividend for FY2021.

We would like to assure our shareholders that when the situation improved and stabilized, we will resume implementing our 30% dividend policy, where a minimum of 30% of our group's Profit after tax shall be distributed to shareholders.







Management Discussion & Analysis (Cont'd)

RISKS

Some immediate key risks related to our Group's operations are as follows:

- Over reliance on a few key customers. We have over the last few years started supplying to other customers in different sectors and will actively continue to do so.
- 2. The strength/weakness of USD will bear strongly on the Group's future as an exporter.
- 3. Quality Assurance (QA) and Quality Control. The failure to address this risk could result in higher percentage of rejects which could affect the profit margins. To further improve on our existing controls, we will assess if there is a need for a central plant QA function to include oversight and control over the plants and to establish a core team of relevant leaders to conduct regular monthly review.
- 4. Fluctuating prices of aluminium (our main raw material).
- Some of our customers may be affected by the ongoing trade war between the USA and China.
- 6. Diversification into PPE and the risks associated with that such as competition, licensing, technological advancement.
- 7. Emergence of new Covid-19 variants which may cause further discruptions to our production.



OUTLOOK

According to Conference Board's Global Overview, the threat of the Omicron notwithstanding, the near term of the economic outlook is promising. There should be continuation of well above long-term trend GDP growth in 2022 (3.9% year-over-year), led by continued expansions in the US and Asia, and recoveries from the pandemic throughout much of the rest of the World. However, elevated inflation globally is likely to persist in 2022 and potentially into 2023.

At Notion, we expect to face challenges such as global chain supply, high transportation costs, labour issues and potential lockdowns should the Omicron variant be more menacing than what it appears to be now.

At the same time while the pandemic is still raging in Europe and the US, we will also seize the opportunity to enhance the sales of our PPE and take advantage of the still on-going trade war to increase sales of our products in the various segments. We hope to take advantage of Singapore's burgeoning high tech hub through Notion international to widen our EMS customer base. As for the automotive segment, we will focus on the growing businesses relating to Electric Vehicles.

We are grateful that that our management and staff worked diligently through a difficult period and we will continue to intensify our efforts to innovate and improve our processes. We seek the patience of our Shareholders while we work towards turning our Group to profitability in the near future.

Sustainability Statement

OUR SUSTAINABILITY

In responding to the demand from stakeholders, where sustainability has to be given prominence, we update our sustainability efforts to better report relevant sustainability activities to stakeholders.

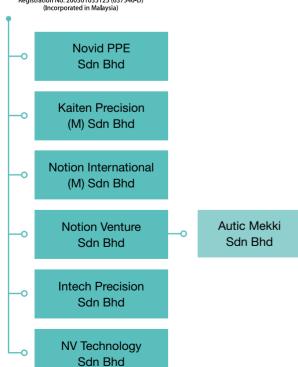
This Sustainability Statement ("the Statement") is prepared in accordance with Sustainability Reporting Guide issued by the Bursa Malaysia Securities Berhad ("Bursa Malaysia") and using guidance from Global Reporting Initiative ("GRI") frameworks and standards. Efforts were made to meet the core principles of the GRI standards and improve the sustainability disclosure.

REPORTING SCOPE

Unless otherwise stated, this Sustainability Statement covers our sustainability performance of the operations of Notion VTec Berhad ("Notion" or "the Company") and its Malaysian subsidiaries ("the Group", "we" or "our"). The Company and following active subsidiaries ("the Group") are located in Malaysia and covers a reporting period from 1 October 2020 to 30 September 2021. The overseas entity was excluded from this reporting scope due to its minimal revenue contribution to the Group.

NOTIONVTEC





SUSTAINABILITY GOVERNANCE

Notion has established a governance structure in the Group to manage sustainability, which we believe is key to conserve a sustainable business. The structure effectively empowers us to manage our businesses, our decision-making processes, and implement sustainable actions across the Group.

SUSTAINABILITY STRUCTURE

While the Board of Directors sets the tone in determining our Group's sustainability strategies and goals, a Sustainability Working Group ("Working Group"), comprising of the Chairman, Executive Director, Operations Manager and Accounts Executive, manages and monitors the implementation of initiatives whilst developing sustainability practices.

We experienced a daunting challenge in FY2021. The year began with the world in crisis, with the second wave of Covid-19 pandemic and Delta variant, bringing our daily operations to a halt and the escalating effects on our business growth. The pandemic did not intimidate the Group from moving forward but instead it pulled through successfully with the team's effort.

Board of Directors ("Board")

- Comprises of Group Executive Chairman, Group Managing Director, Executive Directors and Independent Non-Executive Directors.
- Oversees the formation of strategies and their implementation.



Management Committee

- Led by Group Executive Chairman.
- Determines the strategies and action plans relating to sustainability matters to be presented to the Board for approval.



Divisional Management

- Operation Manager and Accounts Executive.
- Consolidate, develop, coordinate and implement sustainability initiatives across the Group.



SUSTAINABILITY POLICIES

The Group established rules and guidelines to supplement legislation governing how the Company intends to act as a trusted business partner in social, economic, governance, and environmental matters. They include:

- Anti-Bribery and Corruption Policy
- Whistleblowing Policy & Procedures
- Corporate Disclosure Policy
- External Auditors Assessment Policy
- Directors' Remuneration Policy
- Code of Ethics
- Code of Conduct
- · Health, Safety and Environment Policy

- Employees' Handbook
- Disciplinary rules and procedures for misconduct
- Grievances policy
- Human rights and labour practices policy
- Risk Management Framework
- Corporate Social Responsibility Policy
- Procurement policy and procedure
- · Waste management and recycling policy and procedure

STAKEHOLDERS' ENGAGEMENT

To ensure the Group operates effectively, engagement with our various stakeholders, who understand the business imperative for the Group. We believe that ongoing engagement with stakeholders allows us to understand needs and exceed expectations. We engage with our stakeholder groups through various communication channels - from web-based media platforms, meetings and seminars to in-person interactions, as listed below:

The following table outlines our key stakeholders, as well as the method of engagement and the frequency of engagement.

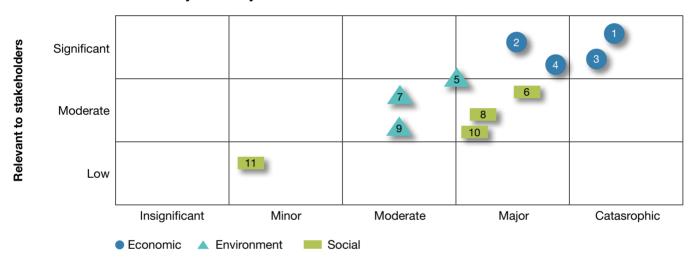
No.	Key Stakeholders	Methods of Engagement	Frequency
1	Shareholders or Investors	 Annual General Meetings Extraordinary general meetings Investors Briefing Corporate announcements Media releases 	Periodically
2	Customers	Daily engagementsBriefingsSite visitsAdvertisements and media releases	Regularly
3	Suppliers	Regular visitsSupplier evaluations and registration	Regularly
4	Financiers / banks / analysts	Corporate announcementsMedia	 Periodically
5	Local authorities/ Municipalities/Regulators/ Government Ministries	 Compliance efforts, i.e. submission of reports Regular visits Events, i.e. corporate, government and conferences Media releases 	 Periodically
6	Employees	 Performance evaluation Trainings and developments Compensations and benefits Corporate and community activities 	Regularly
7	Local community/non- governmental organisations/ industry associations	 Corporate social responsibilities activities Industry associations Sponsorships and donations Media releases Website/social media 	Ad hoc

MATERIALITY ASSESSMENT AND KEY SUSTAINABILITY MATTERS

The coronavirus-COV-2 or "Covid-19" pandemic in FY2021 until now, has elevated the materiality importance and increased scrutiny on how Notion managed and responded to any immediate impact to the business from various internal and external events. We had carefully reviewed with our top key Senior Management and the overall business environment on the Group's business operations and risk areas, covering various internal and external exposures, as well as the degree of impact each sustainability matter has on Notion.

Through the exercise, no material changes were made to the materiality of sustainability matters. A total of eleven (11) key material sustainability matters were identified as outlined in the graph below and profitability remained rated as highly important to stakeholders and has strategic influence to the Group.

Sustainability Materiality Profile



No.	Sustainability Material	No.	Sustainability Material
1	Direct economic impact	7	Energy and water
2	Product and service quality	8	Diversity and equal opportunity
3	Supply chain	9	Emission and waste management
4	Anti-bribery and anti-corruption	10	Training and development
5	Compliance with environmental laws and regulations	11	Engagement with community
6	Safety and health		

ACHIEVEMENTS OF KEY SUSTAINABILITY

Categories	Sustainability Achievement
Economic	Our subsidiaries have been certified with ISO 9001:2015, IATF 16949 and ISO 13485 certification in relation to Quality Management System.
Environmental	We have improved energy efficiency by 27% and water efficiency by 17% in FY2021.
	Installed Precious Plastic Machine to recycle plastic waste. A total of 12,600kg plastic recycling was recorded.
Social	Employee turnover rate achieved at 2% in FY2021 (FY2020:1%)
	Training time recorded at 322 hours, which is 44% more than last year.
	Accident case reduced by 20% to 4 cases in FY2021 (FY2020:5 accident cases)
	No fatality case reported in FY2021 (FY2020: Zero fatality case)

ECONOMIC

1. Direct Economic Impact

Notion acknowledges the fact now it is time to live with uncertainties. Over the past 2 years, pandemic has changed the world, be it in business or personal capacity. We embrace resiliency, agility and gradually transform to adapt to changing times.

For details of our financial results, please refer to the Management Discussion and Analysis and the Audited Financial Statements in this Annual Report.

2. Product and service quality

ISO standards provide effective tools to contribute to the GRI and the three pillars of sustainable development, and certification is a powerful demonstration of the Group's commitment towards improving sustainability.

The Group effortlessly explore ways to increase the customers' satisfaction in ensuring the business sustainability via a two-pronged approach to quality management, based on quality control ("built -in quality activities") and quality assurance ("activities that win over customers' trust"). In this regard, Notion has identified the following commitment:

- To deliver defect-free, competitive products on time to meet the requirements of our customers;
- To document and measure quality objectives through internal audits, corrective actions and management review;
- To comply to applicable regulatory and customer requirements, including the quality specifications for our activities, products and services; and
- To continually improve the effectiveness of the Quality Management System.



We successfully renewed the ISO 9001 and ISO 14001 certification. ISO 9001 is an international standard that specifies requirements for a quality management system whereas ISO 14000 standards provide a framework for organisations to systemise and improve their environmental management rules. These certification helps us to develop and improve performance, as well as demonstrate high levels of service quality when promoting our branding.

To take us one step further, we are certified with the IATF 16949, a global Quality Management System Standard for the Automotive Industry sector. This certification is our commitment to supply to our automotive clients in Europe. We have also started early adoption of RBA standard - Responsible Business Alliance, as standard that requires to be met by most multinational customers.

Our subsidiary has also recently obtained a certification of registration from US based Registrar Corp stating that it is registered with the US FDA as a face mask manufacturer. In addition, we have obtained ISO 13485 certification proven that Notion has established and maintained a quality management system for production of surgical face mask.

Detail of certification renewed listed below:-

Name of Accreditation & Standards	Name of Our Subsidiaries	Scope Applicable
ISO 9001:2015 (Quality Management System)	Notion Venture Sdn Bhd	Manufacturing of precision mechanical parts and related components.
ISO 14001:2015 (Environmental Management System)	Notion Venture Sdn Bhd	Manufacture of automotive, camera parts, HDD, surface treatment component.
IATF 16949:2016 (Quality Management System)	Notion Venture Sdn Bhd	Manufacturing of precision mechanical parts for brake systems and absorbers.
ISO 13485:2016 (Quality Management System)	Notion Venture Sdn Bhd	Production of surgical face mask.

Achieving these certifications facilitate consistent quality improvement that enhances confidence in Notion's products and services besides boosting the trust between our associate partners and suppliers in a supply chain.

We engaged with our customers and customise our solutions to meet their needs, which processes involve all departments including the Senior Management. This will not only strengthen our relationship with customers but to also understand their requirements. Meetings were held monthly to discuss challenges and non- achievement of targets, identification of root causes and improvement action plans, and to monitor the progress of implementation to achieve production efficiency, eliminate waste and reducing redundancies.

3. Supply Chain

Our vendors and suppliers are our most important resources to achieve customer satisfaction and quality product.

Our procurement procedure encompasses the business conduct of our employees to ensure all suppliers are treated fairly and in the best interest of Notion. The procurement policy is designed to maintain confidentiality and avoid conflict of interest when transacting with our suppliers. We engage with local suppliers where possible to support local economy and minimise environmental impacts from our business activities with suppliers.

New vendors and suppliers are assessed via a set of established criteria including quality, pricing, payment terms, production capacity, history records and manpower resources to ensure that raw materials and services purchased by Notion for use to produce quality products. We conduct annual existing supplier assessment that aims to assess our suppliers based on aspects such as quality, timeliness on delivery, after services and complaints. The assessment serves as benchmarking tool for Notion to ensure its suppliers registered in the Approved Vendor List ("AVL") meets our operational needs and quality standard at all times.

4. Anti-bribery and anti-corruption

The introduction of Anti-Bribery and Anti-Corruption Policy complements its existing Code of Business Conduct and Ethics. This policy establishes a common framework and share the expectations for enforcement and at the same time empowers staff. It covers the key guidelines governing areas such as the conduct with employees in relation to entertainment, and the receipt and giving of gifts. The implementation of such policy is in line with the Guidelines on Adequate Procedures issued by the Prime Minister's Office pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The said policy and Code of Business Conduct and Ethics reinforce the Group's zero-tolerance stance against any acts of bribery and corruption, and the commitment to act professionally, fairly and with integrity in all business dealings and relationships.

The Company's Anti-Bribery and Corruption Policy is available on our corporate website at http://www.notionvtec.com/.

Whistle-Blowing Policy

Notion does not condone any malpractice, impropriety, non-compliance with its policies, statutory violations or any manner of wrongdoing by employees, directors, associates and external parties. The Whistle-Blowing Policy provides a framework for responsible and secure whistle-blowing without fear or favour.

The Whistle-Blowing Policy aims to provides an avenue for all employees of the Group and business associates to report any genuine concern in accordance with the procedures:

- a) build and strengthen a culture of transparency, and accountability in day-to-day business operations;
- b) provide an avenue for all employees of the Group and business associates to report any genuine concern in accordance with the procedures;
- provide protection for the whistleblower(s) who report such allegations; and
- d) ensure that any investigations will be conducted fairly and independently.

Reports under this Policy shall be brought to the Chairman of Audit and Risk Management Committee (for financial reporting, unethical or illegal conduct) and Head of Human Resources (for employment-related) via any one of the following channels:

 By Email: <u>anita_chew@yahoo.com</u> and jerrychoowy@notionventure.com.

By Post : The Audit and Risk Management Committee.

The Whistle-Blowing Policy is available on our corporate website at http://www.notionytec.com/.

Code of Conduct and Code of Ethics

The Company has also set out Code of Conduct and Code of Ethics ("the Codes") for its Directors, management and employees. The Codes are established to promote the corporate culture which engenders ethical conduct that permeates throughout the Group. With the adoption of the Anti-Bribery and Corruption Policy, updated in August 2020, the Group manages bribery and corruption risks of the Group as guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009.

The Code of Conduct, revised in August 2020, to ensure it is aligned with the Anti- Bribery and Corruption Policy. The Codes shall be reviewed as and when required, summary of which is available on the corporate website at http://www.notionytec.com/.

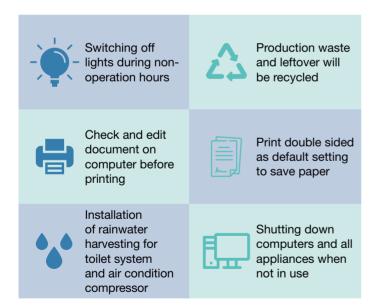
ENVIRONMENT

Environmental Footprint Management and Climate Change

Climate change is inevitable and irreversible. Notion recognises the significance of adapting to climate change and embarked on incorporating the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") to deepen our commitment to sustainability. Our approach to climate change is aligned with the TCFD's key pillars and recommended disclosures.

Notion continues to work with industry peers and suppliers to identify technologies and processes that will help to reduce hazardous substances in our manufacturing processes and products. We ensure that our suppliers understand and are also committed to comply with the policy. Reusing and recycling of office stationery and paper, switching off the lights and air conditioners when they are not in use are among some of the conservation measures taken by our Group.

Amongst some of the measures taken by all Notion employees are as following:



At Notion, we actively implement measures to ensure that the employees comply with the protocols by highlighting the importance of actions during the induction course for new employees, the monthly briefing session, in our employment contracts and periodically conduct environmental awareness training and education sessions.

5. Compliance with environmental laws and regulations

Notion consistently strives to comply with the requirements under the environmental laws and regulations and take proactive steps to continuously address the current and potential issues related to Notion's environment. Employees are equipped with the relevant knowledge and train to understand the environmental standards and all sustainability aspects. Standard operating procedures ("SOPs"), internal, external audits, and inspections by local authorities are in place among others, to reinforce compliance to meet regulatory mandates, minimising regulatory exposures to our business.

With the recent fines which were issued by the Department of Environment ("DOE"), totaling an amount of RM10,500, for not complying with the Environmental Quality (Scheduled Wastes) Regulations 2007, had made us more vigilant in our operations. Hence, we strive towards preventing environmental pollution at out operation sites. We are aware of the legal punishment of a fine for every offence of improper hazardous waste disposal, emissions and discharges. Any violations of environmental regulatory compliance damages Notion's reputation.

Hazardous Waste

Notion's hazardous waste includes spent lubricating oil, spent hydraulic oil, spent mineral oil-water emulsion and used chemical containers.

Due to the Covid-19 pandemic and the various MCOs, Notion experienced shortage of operators mainly the foreign workers who completed their services in Malaysia. Notion, however, committed to monitor this closely and continually reducing our scheduled waste generation as good stewardship in environmental protection and conservation. We plan to achieve this through continuously educate our employees during the daily briefing as reminders, the importance of handling and reducing waste. Our dedicated team who monitors the schedule waste management ensures compliance to environmental laws and regulation and prevent pollution to environment.

6. Energy efficiency management

We are mindful in managing the use of our clean water and electricity. We improvise the design of our processes and explore avenues to constantly monitor our energy consumption across our operations and to improve our energy efficiency. The Board and Senior Management are looking into installation of solar panel system within our factory premises to lower our energy consumption and reduce carbon emission.

FY2020

FY2021

Other initiatives that we implemented to reduce the overall electricity consumption:



Switch off lights, air condition and other electrical appliances when they are not in use. "Switch off lights" label on the switches as reminder to the employees



Digitalisation process where the process of converting the used of paper into electronic version and the photocopy machines and computer are preset with power saving settings.



Work efficiently wihtin working hours to minimise the use of electricty

In FY2021, our electricity consumption (MWh) increased by 7% to 33,987 MW/h as compared to 31,872 MW/h in FY2020, the increased was due to higher production output and we have obtained approval from authorities to continue our operation despite the implementation of MCO.





We continue to explore new methods and technologies to reduce our carbon footprint and improve energy efficiency across our business operations.

Water Management

For Notion, responsible water management means using water efficiently and safely throughout the lifecycle of our products, including in our supply chain. Wherever we operate, we work to achieve water sustainability and helping ensure sufficient and safe water. We ensure no leakage and rainwater is being harvested for toilet system and air condition compressor.

In FY2021, our water consumption increased by 21% to 398,271m³ as compared to 328,900m³ in FY2020. The water consumption increased, as indicated by revenue increased, signifies increase in production volume and indicated higher water efficiency within our operation.

We will continuously improve our electricity and water consumption efficiency and to identify more meaningful metrics for monitoring both electricity and water consumption.

WATER CONSUMPTION 328,900

Water consumption (m³)

7. Emission and waste Management

As part of the Group's commitment to reducing environmental pollution, we continue to work with industry peers and suppliers to identify technologies and processes that reduce hazardous substances in our manufacturing processes and products.

We remain committed towards expanding our recycling policy to cover other types of wastes, proper disposal method of all the waste and to reducing and reusing relevant materials whenever it is practical to do so.

For Notion, ensuring strict compliance with local waste regulations to managing waste generated by our business units is a mechanism to help prevent potential risks arise. Licensed external disposal contractors were engaged to collect wastes generated from our production processes and disposed through stringent processes at approved facilities. In addition, our employees are certified as Competent Person for Certified Environmental Professional in Scheduled Waste Management ("CePSWaM") to manage and ensure compliance with the environmental requirements and standards.

Both our scheduled and unscheduled wastes generated are as follows:

Scheduled Wastes

We installed a R.O water filter as well as hoppers to filter sludges bi-weekly, extending the life span of chemicals and achieve waste reduction for one of the subsidiary companies. In FY2021, total scheduled wastes generated from our business units were 178,771 metric tonnes, an increase by 73% as compared to 103,513 metric tonnes in FY2020. The increased of waste generation mainly due to higher volume of production. We are committed to ensuring continuous improvement to the control of waste management to reduce waste generation in our production processes.

SCHEDULED WASTES



Unscheduled Wastes

Through the adoption of a green and healthy practices, Notion installed in-house waste treatment to remove contaminants and preventing water pollution. In FY2021, a total of 1,264m3 wastewater (FY2020: 908 m3) which consist of used coolant and dirty water generated from our production have been treated. In addition, Notion recycled its used papers, glasses, and plastics by selling them to waste collectors. Recycled materials have value, motivating our employees to collect them for sale to recycling centres. In February 2021, we have installed Precious Plastic Machine to recycle plastic waste subsequently sell to recycling centre. A total of 12,600kg plastic recycling was recorded. Recycling of papers, glasses, and plastics encourage our employees to reduce consumption. Most importantly, it saves costs and allows us to reduce our production expenses while creating more additional revenue for the Company.

SOCIAL

Diversity and equal opportunities 8.

Diversity contributes to sustainable, dynamics, and allow for creativity and improved results. With that in mind, Notion strives to attract employees with different backgrounds, age and experience. Our management apply fair labour practices, while respecting the laws of countries and communities in which we operate. We treat our employees fairly and with dignity. We also take their goals and aspirations into consideration while ensuring that diversity in the workplace is embraced.

Notion has a formal policy formulated in 2019 for its workforce, where we embrace equal opportunity in all aspects of employment and will not tolerate unlawful workplace conducts, including discrimination, intimidation, or harassment at workplace. Notion is committed to manage diversity, which may result from a range of factors including age, gender, ethnicity, nationality, sexual orientation, cultural background or other personal factors, as a means of enhancing the Group's performance by recognising and utilising contribution of diverse skills and talents from its directors, officers, and employees.

At Notion, we believe that we create the best working environment to ensure their talents are utilised to their full potential allowing them to demonstrate and apply their skills and knowledge. We care for our employees and ensure that they have a sense of belonging. This is the only way the Group can achieve sustainable development while remain focus to achieve our goals.

Gender diversity

Recognition of gender diversity as an issue that must be addressed for the sustainable development of businesses. Predominately, engineering and manufacturing industries have historically been male-dominated at all levels. from leadership roles to operations in major division. consistently throughout both FY2021 at 82%:18% (FY2020: 73%:27%). Nonetheless, we continue to put in our efforts to encourage female employees to participate in all aspects of our business operations.

Existing Employees (Gender)

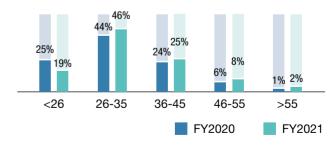


Age diversity

Notion's workforces comprise of 19% (FY2020: 25%) young people below the age of 25 and 46% (FY2020: 44%) of our workforce are between the age of 26 to 35 years, 25% (FY2020: 24%) are between the age of 36 to 45 years, 8% (FY2020: 6%) are between 46 to 55 years. Remaining 2% (FY2020: 1%) of our employees are represented by our experienced employees aged 55 vears and above, they are our source of wisdom capital. providing guidance, direction, and mentorship to our young employees.

The following chart shows the number of employees by age category:

Existing Employees (Age Profile)



Employees' Retention, Turnover & Hire

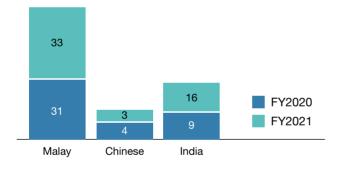
Notion supports strong employee relations proposition to boost employees' morale and satisfaction. Such actions address the widening gap between executives' and workforces' understanding which is directly linked to productivity and branding. Fair incentive structures are offered to Notion employees to help drive an inclusive culture and employee engagement, which ultimately enhances the abilities to meet the Group's goals and objectives.

In FY2021, we hired a total of 52 new employees (FY2020: 44 new hires), while the employee turnover rate in FY2021 was increased to 2% (28 resigned employees) as compared to 1% (35 resigned employees) in FY2020. The below chart showed the new employee profile by gender, age and ethnicity.

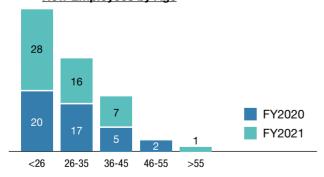
New Employees by Gender



New Employees by Ethnicity



New Employees by Age



9. Training and Development

The training courses are conducted for all employees at all levels, including management. The course will cover various aspects of safety, quality, waste management and human resource management including leading practices, compete and professional skill.

It is a common understanding that investing in employee training and development benefits their personal development and growth, and generate improve performance as indicated by our improved results. The Group has established a yearly budget for different divisions to identify and design suitable trainings and development plans for our employees besides offering external training programmes to ensure our employees stay abreast of the latest issues.

During the FY2021, we provided our employees with a total of 322 hours (FY2020: 224 hours) of various types of training courses, including professional and personal development, conducted from many in-house internal and external trainers, webinars, and public programs.

Types and number of training programmes carried out in FY2021 and FY2020 are highlighted in the table below.

Training		FY2021		FY2	020
Types	Number of pax	Training hours	Total cost (RM)	Number of pax	Training hours
Internal	39	273	20,150	2	32
External	2	14	550	12	192
Virtual	5	35	4,090	-	
TOTAL	46	322	24,790	14	224

Internship

The Group established an Internship Programme creating internship opportunity for undergraduate students who hope to experience and undertake practical trainings and potentially to be absorbed as part of our Group in the future as permanent employees after the internship. In FY2021, one (1) student completed their internship with Notion in Information Technology Department.

10. Safety and Health

At Notion, we provide a safe and healthy working environment. This includes all individuals affected by our activities, including our employees, contractors and the public. We promote safety and health at work, using the most effective measures i.e. to actively involved and care for the employees' health and safety which addresses the underlying problems of irregular and low-quality employment, and lack of safety protection etc.

We are committed to continuously improve our safety and health practices to reduce workplace accident rate and maintain a safe working environment for our workers.

Notion established a Health, Safety and Environment ("HSE") Committee for each of its subsidiaries across the Group comprising representatives from both the employer and employees. Each HSE Committee meets quarterly to facilitate management of occupational HSE related initiatives. Every meeting requires the attendance from both representatives of employer and employee and cover topics from the latest accident statistics, safety improvement measures and all safety and health related matters. The HSE Committees also shared safety and health tips and knowledge with each other.

Among the initiatives and measures in place to minimise the safety and health risk and hazards includes:

- Policy and procedures:
- Provision of personal protective equipment;
- · Supervision by line leader and supervisor; and
- Competent person in handling machinery and equipment (i.e. Boiler)

Employees are nominated by the individual business department heads to attend periodic internal and external training programmes. All external trainings were conducted by outsourced consultants while our internal trainings were conducted by our own Notion's employees, focused mainly on safety at workplace. These constant emphasis on safety during trainings and awareness sessions help to identify ways to improve the safety and health of our employees.

The internal safety trainings carried out by Notion for FY2021 included:







Four (4) minor accident cases (FY2020: Five (5) minor accident case) reported in FY2021 whereas zero major accident case reported in FY2021. Minor accident case was reduced by 20% as compared with FY2020. Overall, the total number of accident case resulting in loss time injury ("LTI") was reported 51 days within the Group, as summarised below:

Details	Major (No. of cases)		Minor (No. of cases)		Near misses (No. of cases)	
	2021	2020	2021	2020	2021	2020
Total accidents	-	-	4	5	-	-

Definition:

- Major accidents that cause employees to be on a medical leave for more than four (4) days.
- Minor accidents that cause employees to be on medical leave less than 4 days or without any injuries
- Near miss accident an unplanned accident that has the potential to cause but does not result in human injury, environmental or equipment damage, or an interruption to the Group's normal operations.

Work-related accidents are categorised into 'major' and 'minor' to enable swift responses and to accurately support our performance data on injury frequency rate for industrial accidents.

A near-miss accident is based on the report from the employees to management. For all accidents recorded, we investigate its root causes and implement corrective as well as preventive action plans to prevent the re-occurrence of accidents/ incidents in the future.

COVID-19 Pandemic

Following the Covid-19, which was declared as a global pandemic and a public health emergency, we launched Notion's Standard Operating Procedure ("SOP") to take preventive control measures as well as complying with the recommended policies and guidelines issued by the Malaysia's National Security Council or Majlis Keselamatan Negara ("MKN"), Ministry of Health ("MOH"), and the Ministry of International Trade and Industry ("MITI").

Notion immediately implemented the compliance measures, issued by MKN, MOH and MITI requirements included:

- Daily health self-declaration and temperature screening at all entrance;
- Provide sufficient personal protective equipment ("PPE") for disinfection team and mask to all our employees;
- Provide signage and mark social distancing in the public areas;
- Staggered break hours and rotation schedule by section:
- Daily disinfection at all operation areas at every shift changes, common areas, and hostels;
- Submit compliance record to JKKP on a weekly basis;
- Strictly control and minimise hostel occupant outing movement to reduce infection risk; and
- Restricted movement such as deferring non-essential overseas business travels.

We continue to take the necessary steps ensuring our employees aware, remain healthy and safe and minimise any disruption to our operations. Notion plays its leader role to combat with Covid-19 by encouraging our employees to register vaccination in Mysejahtera application. Our Group also registered with Public-Private Partnership Covid-19 Immunisation Programme ("PIKAS") launched by the Malaysian Government which allowed our employees to get vaccination at Setia City Convention Centre Vaccination Centre. In FY2021, all our employees were fully vaccinated receiving their 2 doses vaccines requirement.

11. Engagement with Community

Covid-19 has put Notion's Corporate Social Responsibility ("CSR") to the test. The mandatory Movement Control Orders resulting in Notion being unable to conduct its community programmes and Notion expected these activities to be ramped up in FY2022 through a series of activities such as donation to charitable organisations and non-governmental organisations.

Corporate Governance Overview Statement

NOTION VTEC BERHAD 200301035125 (637546-D)

The Board of Directors recognises the importance of adopting high standards of corporate governance throughout the Company and the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and the Group's financial performance.

The Board is committed to implement the Malaysian Code on Corporate Governance 2017 ("MCCG 2017" or "the Code") wherever applicable and appropriate in the best interest of the shareholders of the Company.

This Corporate Governance Overview Statement ("Statement") sets out how the Company has applied the Principles of the Code and observed the Recommendations supporting the Principles and is to be read together with the Corporate Governance Report 2021 ("CG Report"), which is available for reference on the Company's corporate website at www.notionvtec.com as well as announcement made on the website of Bursa Malaysia Securities Berhad ("Bursa Securities") and in conjunction with the other statements in the Annual Report (for example, Statement on Risk Management and Internal Control, Audit and Risk Management Committee Report and Sustainability Statement). Where a specific Recommendation of the MCCG 2017 has not been observed during the financial year under review, the non-observance - including the reasons thereof and where appropriate, the alternative practice, if any, is mentioned in this Statement.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

1. Board's Roles and Responsibilities

The Board is led by the Executive Chairman and is supported by experienced Board members with a wide range of expertise, who play an important role in the stewardship of the direction and operations of the Group.

The Board is primarily responsible for the strategic direction of the Group. It delegates to and monitors the implementation of these directions by the Management.

The responsibilities of the Board include, inter-alia, the following:

- (a) Review and adopt a strategic plan for the Group.
 - The Board reviews the annual business plan and budgets and regularly monitors their progress throughout the year, using appropriate financial indicators and industry benchmarks.
 - The Board reviews the challenges of the Group's business and approves the Management's proposed strategic plan for the Group.
- (b) Oversee the conduct of the Group's businesses to evaluate whether the businesses are being properly managed.
 - The Board guides the performance of the Group's business, not just year-to-year but in the long term.
- (c) Identify principal risks and ensure the implementation of appropriate systems to manage these risks.
 - The Board reviews the system and processes as well as the key responsibilities and assesses for reasonable assurance that the risks have been managed.
- (d) Review the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines. Please refer to Statement on Risk Management and Internal Control for further details.
- (e) Ensure the integrity of the Company's financial and non-financial reporting.
- (f) Succession planning including appointing, training, fixing the compensation of and, where appropriate, replacing key management.
- (g) Develop and implement a Corporate Disclosure Policy for the Group.
 - The Company's Executive Chairman, Executive Directors and Non-Executive Directors communicate with shareholders and respond to questions in relation to, amongst others, the corporate vision, strategies and developments, future prospects, financial results, business plans and operational matters during the Company's Annual General Meeting ("AGM").
 - The Board reviews the Corporate Disclosure Policy and Procedures as and when need arises.

In discharging its duties, the Board delegates certain of its responsibilities to the Board Committees, namely Audit and Risk Management Committee ("**ARMC**"), Nomination Committee ("**NC**") and Remuneration Committee ("**RC**") which operate within defined Terms of Reference. The Chairmen of the respective Board Committees report to the Board on key matters deliberated at the respective Board Committee meetings and makes recommendations to the Board for final decision, where necessary.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

1. Board's Roles and Responsibilities (Cont'd)

The Board conducts at least five meetings in each financial year. An annual meeting calendar is prepared and circulated to the Directors before the beginning of each year to help the Directors plan their schedule ahead. Additional meetings are also held as and when required. Scheduled Board meetings are structured with pre-set agendas. Board and Board Committee papers prepared by the Management provide the relevant facts and analysis for the Directors' information. The meeting agenda, the relevant reports and Board papers are furnished to the Directors and Board Committee members before the meeting to allow the Directors sufficient time to read for effective discussion and decision making at the meetings.

The Board adheres to the Recommendation of the Code, which requires the Directors to notify the Chairman, including an indication of time that will be spent in the new appointment, before accepting any new directorship. The information on their directorships will be shared with the Board in a quarterly update. None of the Directors hold more than 5 directorships each in listed corporations which ensures that they devote sufficient time to their duties as Directors.

The Board is satisfied with the level of time commitment given by the Directors in fulfilling their roles and responsibilities. Details of the Board members' attendance at the Board and Board Committee meetings for the financial year ended 30 September 2021 are as follows:

Director	Board	ARMC	NC	RC
Thoo Chow Fah	8/8	-	-	-
William Choo Wing Hong	6/8	-	-	-
John Choo Wing Onn	7/8	-	-	-
Lee Tian Yoke	8/8	-	-	-
Choo Wing Yew	8/8	-	-	-
Anita Chew Cheng Im	8/8	5/5	2/2	2/2
Dato' Abu Bakar Bin Mohd Nor	8/8	5/5	2/2	2/2
Teh Su-Ching#	1/1	1/1	0/0	0/0
Saw Tat Loon*	5/5	3/3	1/1	1/1

Remarks:

- # Ms Teh Su-Ching was appointed as Independent Non-Executive Director and member of the ARMC, RC and NC on 2 August 2021.
- * Mr Saw Tat Loon had resigned as Independent Non-Executive Director and ceased as Chairman of the ARMC and member of the NC and RC on 4 May 2021.

2. Board Charter

The Board adopts the Board Charter which outlines the manner in which its constitutional powers and responsibilities are exercised and discharged, having regard to principles of good corporate governance, international best practices and applicable laws.

It also established to provide guidance and clarity on the Board's roles and responsibilities as well as the powers between the Board and the Management, the different committees established by the Board, as well as between the Chairman and Managing Director.

The Board Charter can be viewed on our website at www.notionvtec.com. The Board will review the Board Charter and make necessary amendments as and when required to ensure they remain consistent with the Board's objectives, current law and practices. Any updates to the principles and practices set out in this Charter will be made available on the Company's website.

NOTION VTEC BERHAD 200301035125 (637546-D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

3. Code of Conduct and Code of Ethics

The Company has also set out Code of Conduct and Code of Ethics ("**the Codes**") for its Directors, management and employees. The Codes are established to promote the corporate culture which engenders ethical conduct that permeates throughout the Group. In May 2020, the Company has adopted Anti Bribery and Corruption Policy to manage bribery and corruption risks of the Group as guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009.

The Code of Conduct has subsequently been reviewed and revised in August 2020 to ensure it is aligned with the Anti Bribery and Corruption Policy. The Codes shall be reviewed as and when required, summary of which is available on the corporate website at www.notionvtec.com.

4. Whistleblowing Policy and Procedure

The Company has adopted a Whistleblowing Policy and Procedure as the Board believes that a sound whistleblowing system will strengthen, support good management and at the same time, demonstrate accountability, good risk management and sound corporate governance practices. The policy is to encourage reporting of any major concerns over any wrongdoings within the Group.

The Whistleblowing Policy and Procedure, which was adopted by the Board in May 2013 and reviewed by the Board in June 2020, provides an avenue for any directors, managers, officers and employees to report on any allegations of suspected improper activities, including those relating to financial reports, unethical or illegal conduct on a confidential basis.

The policy outlines the relevant procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of wrongdoing at the Company and its subsidiaries. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal or retaliation. All such concerns shall be set forth in writing and forwarded in a sealed envelope to either the Chairman of the ARMC (for matter relating to financial reporting, unethical or illegal conduct) or Head of Human Resources (for employment-related concerns).

5. Sustainability of Business

The Board is mindful/aware of the importance of business sustainability, and takes into consideration the impact on the environment, economics and social aspects in conducting the Group's businesses. The Group also embraces sustainability in its operations.

6. Clear Functions of the Board and Management

The Executive Chairman leads the Board and is responsible for the leadership, effectiveness, conduct and governance of the Board.

The Managing Director executes the Group's business plans, policies and decisions adopted by the Board and oversees as well as manages the day-to-day operations of the Group. The heads of divisions are responsible for supporting and assisting the Managing Director in implementing and running the Group's day to day business.

The Independent Non-Executive Directors are actively involved in the various Board Committees and contribute significantly to areas such as performance monitoring and enhancement of corporate governance and controls. They provide a broader view, independent assessment and opinions on management proposals.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

7. Clear Division of Roles

There is a clear division of responsibilities between the Chairman and Managing Director, who also assumes the role of the Chief Executive Officer ("**CEO**"), to ensure that there is a balance of power and authority. In ensuring this balance, the positions of the Chairman and Managing Director are held by separate members of the Board as recommended under the Code.

Mr Thoo Chow Fah, the Chairman of the Board, is responsible for, among others, the exercise of control over quantity, quality and timeliness of the flow of information between the management of the Company and the Board. He also schedules Board meetings, oversees the preparation of the agenda for Board meetings and assists in ensuring adherence to the Group's guidelines on corporate governance.

He is assisted by the Managing Director, Mr William Choo Wing Hong, who also assumes the role of the CEO. Mr William Choo, together with the other Executive Directors and Management comprising each subsidiary's general managers and key senior managers, are responsible for the day-to-day management of the Group.

The separation of the roles of the Chairman and CEO ensures a balance of power and authority such that considerable concentration of power does not lie with any one individual.

8. Directors' Training

All Directors have completed the Mandatory Accreditation Programme as required by Bursa Securities.

The Board believes that continuous training for Directors is vital for the Board members to enhance their skills and knowledge and to enable them to discharge their duties effectively. As such, the Directors will continuously attend the necessary training programmes, conferences, seminars, exhibitions and/or forums to keep abreast with the current developments in the various industries as well as the current changes in laws and regulatory requirements.

During the financial year, our Board members attended several relevant seminars, exhibitions, forums and training programmes as follows:

- Updates on the Malaysian Code on Corporate Governance 2021
- HSBC Asian Outlook 2021
- SCB Global Market Outlook H2 2021 (Ride the Recovery Wave)
- Virtual InvestSmart(R) Fest 2021
- SCxSC Fintech Conference 2021

The Board will continuously evaluate and determine the training needs of its members to assist them in the discharge of their duties as Directors.

9. Qualified and Competent Company Secretary

The Board believes that the current Company Secretaries are capable of carrying out their duties to ensure effective functioning of the Board. The terms of their appointment permits their removal and appointment of successor as a matter for the Board as a whole to decide. The Company Secretaries ensure that all Board and Board Committee meetings are properly convened and that records of the deliberations, proceedings and resolutions passed are properly recorded and statutory registers are properly maintained at the registered office of the Company.

The full Board or in their individual capacity in furtherance of their duties, shall be able to obtain an independent professional advice at the Company's expense through an agreed procedure laid down formally.

NOTION VTEC BERHAD 200301035125 (637546-D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. BOARD RESPONSIBILITIES (CONT'D)

10. Access to Information and Advice

The Board has access to information within the Group and the advice and services of the Company Secretary. The Directors may obtain independent professional advice to enhance their duties whenever necessary at the Company's expense, subject to approval by the Chairman or the Board and depending on the quantum of the fees involved.

Board members are provided with all meeting materials including updates on operational, financial and corporate issues as well as minutes of meetings of the various Board Committees at least seven (7) days prior to the meetings to enable Directors to obtain further explanations/clarifications, if necessary, in order to ensure the effectiveness of the proceeding of the meetings.

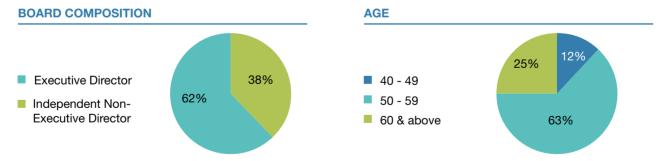
II. BOARD COMPOSITION

1. Composition and Diversity

During the financial year, the Board consists of eight (8) members comprising an Executive Chairman, four (4) Executive Directors and three (3) Independent Non-Executive Directors. This composition fulfills the requirements as set out in Paragraph 15.02(1) of the Main Market Listing Requirement ("**MMLR**") of Bursa Securities, which requires that at least two or one-third of the Board members, whichever is the higher, comprises Independent Non-Executive Directors.

The Board has every intention of meeting the Corporate Governance Blueprint 2011 on increasing women's participation to reach 30%. A Diversity Policy was adopted by the Board on 21 January 2015. The Board however believes that it is more important to have the right mix and skills at the Board instead of merely looking at percentages in order to carry out its duties effectively. The Board had in August 2021 appointed Ms Teh Su-Ching as Independent Non-Executive Director in place of Mr Saw Tat Loon, who had resigned in May 2021. Hence, there are two (2) female Independent Directors on Board.

The Directors, with their diverse backgrounds and specialisation, collectively bring with them a wide range of experience and expertise in relevant fields which are vital for the strategic success of the Group. The profile of each Director is presented on page 4 to 6 of this Annual Report. The summary of Board composition as at 20 January 2022 is set out below:-



The strength of the Board lies in the composition of its members, who have a wide range of expertise, extensive experience and diverse background in engineering, business, finance and technical knowledge.

The Board acknowledges that the current composition of the Board does not meet the recommendation of Practice 4.1 of the MCCG 2017, which requires at least half of the Board comprises Independent Directors. However, the NC is of the view that the current Board size and composition is appropriate and effective, taking into account the nature and scope of the Company's operations. The Board opines that there is sufficient balance of independent and non-independent directors on the Board such that decisions made are fully discussed and examined, taking into account the interests of all stakeholders. The Board has been able to discharge its duties professionally and effectively, and uphold good governance in its conduct. The Board will constantly review the recommendations and work towards adoption of corporate governance best practices. The Board is also satisfied that the current Board composition fairly reflects the interests of the minority shareholders in the Company and provides the appropriate balance and size to govern the Company effectively. Nevertheless, the Board will consider increasing the number of Independent Directors should there be a suitable candidate.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

П. **BOARD COMPOSITION (CONT'D)**

2. Non-Independent Chairman

Our Executive Chairman, although not an independent member of the Board, provides strong leadership and objective judgement with regard to ensuring the adequacy and effectiveness of the Board's governance process. He is a founding member of the Group and has vast knowledge and experience in the industry that we are operating in. He has also been actively engaging with the investing community since the listing of our Company. Our Board is of the view that the separation of the positions of the Chairman and the Managing Director together with the independent directors, provide further assurance that there is a balance of power and authority on the Board, and effective stewardship of the Company in terms of strategies and business performance.

3. NC

The role of the NC is to assist the Board in ensuring that the Board comprises individuals with the requisite skills, knowledge, professional expertise and character.

The NC comprises exclusively Non-Executive Directors who are independent. Currently, the members are as follows:-

Chairperson : Ms Anita Chew Cheng Im Member

: Dato' Abu Bakar Bin Mohd Nor

: Ms Teh Su-Ching

The Board does not consider it necessary to appoint a Senior Independent Director as all current members of the Board are always available and issues are discussed openly in Board meetings.

During the financial year ended 30 September 2021, the NC undertook the following activities in the discharge of its duties:

- Reviewed and assessed the performance and effectiveness of the Board as a whole and Board committees;
- Reviewed the terms of office and performance of the ARMC and each of its members to determine such ARMC and members have carried out their duties in accordance with their terms of reference:
- Reviewed the independence of Independent Directors;
- Reviewed and recommended to the Board to put forth the proposal for the re-election of directors at the forthcoming AGM;
- Reviewed and recommended the continuation in office as an Independent Non-Executive Director for Ms Anita Chew Cheng Im who has served as Independent Non-Executive Director of the Company for a cumulative term of more than twelve (12) years;
- Reviewed and discussed the succession planning of the Board and Senior Management in order to ensure that there are appropriate plans in place to fill vacancies and to meet the Group's future needs;
- Reviewed and assessed Directors' training needs; and
- Identified, assessed and recommended the appointment of Ms Teh Su-Ching as the Independent Non-Executive Director and member of the ARMC, NC and RC.

4. Appointment to the Board and Re-election of Directors

The Board delegates to the NC the responsibility of recommending the appointment of any new Director. The NC is responsible to ensure that the procedure for appointing new Directors is transparent and that appointments are made on merit. In evaluating the suitability of candidates for the Board, the NC shall ensure that the candidates possess the necessary background, skills, professional expertise and character.

Ms Teh Su-Ching was appointed as Independent Non-Executive Director on 2 August 2021. In proposing its recommendation, the NC has considered and evaluated her skills, knowledge, expertise, time commitment and diversity before recommending to the Board for approval. Subsequent to the appointment, the Management has also conducted an Induction Programme for Ms Teh Su-Ching to familiarise with the Group business strategy and operational matters. She has also completed the Mandatory Accreditation Programme (MAP) within for months from the date of her appointment.

NOTION VTEC BERHAD 200301035125 (637546-D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

4. Appointment to the Board and Re-election of Directors (Cont'd)

The Company's Constitution provides that at least one-third of the Directors be subject to retirement by rotation at each AGM, and that all Directors retire once every three years and be eligible to offer themselves for re-election. The Constitution also provides that a Director who is appointed during the year be subject to re-election at the next AGM following his appointment.

At the forthcoming AGM, two Directors namely Mr Choo Wing Yew, and Dato' Abu Bakar Bin Mohd Nor will be retiring by rotation pursuant to Clause 95 of the Company's Constitution and being eligible, offered themselves for re-election. Whilst the newly appointed Director, Ms Teh Su-Ching will be retiring pursuant to Clause 102 of the Company's Constitution and being eligible, offered herself for re-election.

5. Annual Evaluation

The assessment criteria of the Board and Board committees include an evaluation of the size and composition of the Board and Board committees, access to information, accountability, processes, Board's and Board committees' performance in relation to discharging its principal responsibilities, communication with Management and standards of conduct by the directors and committee members.

The evaluation process is led by the NC Chairman and supported by the Company Secretary via questionnaire on a yearly basis. The NC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement and also for them to form the basis of recommending relevant directors for re-election at the AGM.

The NC assessed the effectiveness of the Board, its Committees and the contribution of each Director by identifying the strengths and weaknesses of the Board on 24 November 2021.

6. Annual Assessment of Independence

The Board recognises the importance of independence and objectivity in its decision-making process. The presence of the Independent Non-Executive Directors is essential in providing unbiased and impartial opinions, advice and judgement to ensure the interests of the Group, shareholders, employees, customers and other communities where the Group conducts its businesses are well represented and taken into account.

On 24 November 2021, the Board through the NC, has assessed the independence of its Independent Non-Executive Directors based on the criteria set out in the MMLR for the financial year ended 30 September 2021.

The current Independent Directors of the Company have fulfilled the criteria for "independence" as prescribed under Paragraph 1.01 and Practice Note 13 of the MMLR. The Company has also fulfilled the requirement of at least one-third of its Board members being Independent Non-Executive Directors.

7. Tenure of Independent Directors

The Board does not have term limits for its Independent Directors and is of the view that the independence of the Independent Directors should not be determined solely or arbitrarily by their tenure of service. The Board believes that the Independent Directors' continued contribution, especially their invaluable knowledge of the Group and its operations gained through the years, will provide stability and benefits to the Board and the Company as a whole. The calibre, qualification, experience and personal qualities, and more importantly, the Director's integrity and objectivity in discharging his/ her responsibilities in the best interest of the Company, predominantly determines the ability of the Director to serve effectively as an Independent Director.

The Board is also confident that the Independent Directors themselves, after having provided all the relevant confirmation on their independence, will be able to determine if they can continue to bring independent and objective judgement on Board deliberations and decision making.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. BOARD COMPOSITION (CONT'D)

7. Tenure of Independent Directors (Cont'd)

Ms Anita Chew Cheng Im has served the Company as independent director for a cumulative term of fourteen (14) years. The Nomination Committee and the Board have determined that Ms Anita Chew Cheng Im remained unbiased, objective and independent in expressing her opinion and participating in decision-making of the Board.

The Board will seek the approval of the shareholders of the Company at the forthcoming AGM through a single-tier voting process to support the Board's decision to retain her as Independent Directors based on the following justifications:-

- (a) she has fulfilled the criteria under the definition of Independent Director as stated in the MMLR, and therefore would be able to bring independent and objective judgment to the Board;
- (b) her experience in accounting and corporate finance enables her to provide the Board with a diverse set of experience, expertise, skills and competence;
- (c) she has been with the Company long and therefore understand the Company's business operations which enable her to participate actively and contribute during deliberations or discussions at ARMC and Board meetings;
- (d) she has contributed sufficient time and efforts and attended all the NC, RC, ARMC and Board meetings for informed and balanced decision making;
- (e) she has exercised due care during her tenure as Independent Non-Executive Director of the Company and carried out her professional duties in the interest of the Company and shareholders; and
- (f) her continuation in office is also to ensure adequate plan in place for orderly succession planning for independent directors to the Board.

III. REMUNERATION

Member

The RC currently comprises the following members:

Chairman : Dato' Abu Bakar Bin Mohd Nor

: Ms Teh Su-Ching

: Ms Anita Chew Cheng Im

The primary functions of the RC are setting up the policy framework and recommending remuneration packages and other terms of employment of the executive directors to the Board. The remuneration of Executive Directors who incidentally are also our top 5 key management is determined at levels which enable the Company to attract and retain Directors with the relevant experience and expertise to effectively manage the business of the Group. The Executive Directors' remuneration are structured to link rewards to corporate and individual performance. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken. The RC shall also abide to the Directors' Remuneration Policy in recommending the remuneration packages of the Directors.

The remuneration for the Independent Non-Executive Directors is decided by the Board as a whole, with the Director concerned abstaining from deliberations and voting on the decision of his/her individual remuneration package. The Board recommends the Directors' fees and benefits payable to Independent Non-Executive Directors on a yearly basis to the shareholders for approval at the AGM. There are no proposed increase of fees and remuneration for directors for the financial year ending 30 September 2022.

NOTION VTEC BERHAD 200301035125 (637546-D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. REMUNERATION (CONT'D)

Details of the Director Remuneration for the financial year ended 30 September 2021 are as follows:

Name	Salary (RM)	Fee (RM)	Other Emolument (RM)	Defined Contribution Plan (RM)	Share Based Payment (RM)
Mr Thoo Chow Fah	800,000	-	189,200	106,600	-
Mr Choo Wing Hong	1,080,000	-	189,584	143,000	-
Mr Choo Wing Onn	800,000	-	115,800	106,600	-
Mr Lee Tian Yoke	800,000	-	115,000	106,600	-
Mr Choo Wing Yew	800,000	-	115,500	106,600	-
Ms Anita Chew Cheng Im	-	92,400	11,000	-	-
Dato' Abu Bakar Bin Mohd Nor	-	92,400	11,000	-	-
Ms Teh Su-Ching#	-	38,500	-	-	-
Mr Saw Tat Loon*	-	53,900	10,000	-	-
Total	4,280,000	277,200	757,084	569,400	-

Remarks:

- * Appointed as Independent Non-Executive Director on 2 August 2021.
- * Resigned as Independent Non-Executive Director on 4 May 2021.

For the financial year under review, the Directors of the Company did not receive any remuneration from the subsidiaries.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. ARMC

The ARMC comprises three (3) Independent Non-Executive Directors and all of them are financial literate and have sufficient understanding of the Group's business. The Chairman of the ARMC is not the Chairman of the Board ensuring that the impairment and objectivity of the Board's review of the ARMC findings and recommendations remain intact. The ARMC assesses the performance (including independence) and recommends to the Board annually the appointment or re-appointment of the external auditors guided by the factors as prescribed under Paragraph 15.21 of the MMLR.

The ARMC's Term of Reference sets out its rights, duties, responsibilities and criteria on the composition of ARMC which includes a former key audit partner of the Group to observe cooling-off period of at least 2 years before being able to be appointed as member of ARMC.

The NC reviews the composition of the ARMC annually and recommends to the Board for approval ensuring that only Non-Executive Directors, majority of whom shall be Independent Directors, who are financially literate and are able to understand matters under the purview of the ARMC including financial reporting process are considered for membership on ARMC. All members of the ARMC undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

The external auditors had met the ARMC without the presence of the executive Board members and management twice during the financial year (i.e. 14 January 2021 and 29 September 2021 respectively) on matters relating to the Group and its audit activities. During such meetings, the external auditors highlighted and discussed the nature and scope of the audit, audit programme, internal controls and any other issues that may require the attention of the AC or the Board.

The Company has also adopted the External Auditors Assessment Policy which outlined the guidelines and procedures for the ARMC to review, assess and monitor performance, suitability and independence of the external auditors. The ARMC ensures the external audit function is independent of the activities it audits and reviews the contracts for the provision of non-audit services by the external auditors in order to ensure that does not give rise to a conflict of interest situation.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

1. ARMC (CONT'D)

For the financial year ended 30 September 2021, fees paid to the external auditors, Crowe Malaysia PLT and its affiliated firms by the Company and the Group are stated in the table below:-

Nature of Services	Company (RM)	Group (RM)
Audit	63,000	281,500
Non-Audit	24,000	108,100
Total	87,000	389,600

2. Risk Management and Internal Control Framework

The Board acknowledges the significance of a sound system of risk management and internal control to manage the overall risk exposure of the Group. The Company had in August 2020 adopted Group Risk Management Policies and Procedures which articulates the organisation's risk management philosophy, the processes and practices that are in place to identify, communicate and manage material risk across the organisation.

The Group has engaged Cirrus Consulting Sdn Bhd to review the key risks over the strategic operation, reporting and compliance aspects to ensure proper management and mitigation of weakness.

Tricor Axcelasia Sdn Bhd (the succeeding firm to NGL Tricor Governance Sdn Bhd) was also appointed to carry out internal audit function and reports directly to the ARMC. The resources and scope of work covered by the internal audit function during the financial year under review, including its observation and recommendations, is provided in the Audit & Risk Management Committee Report of this Annual Report. Tricor Axcelasia Sdn Bhd assigned five (5) staffs to provide internal audit services for our Group for the financial year ended 30 September 2021. Details on the person responsible for the internal audit are set out below:-

Name	: Chang Ming Chew
Qualification	 : Mr Chang's qualification and membership with professional associations are as follows:- i) Certified Internal Auditor of the Institute of Internal Auditors; ii) Professional member of the Institute of Internal Auditors Malaysia; iii) Member of the Association of Chartered Certified Accountants (UK); and iv) Member of Malaysian Institute of Accountants
Independence	: Does not have any family relationship with any director and/or major shareholder of the Company
Public Sanction or penalty	: Has no convictions for any offences within the past 5 years and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year

Details of the internal audit function together with the scope of the Group's internal control functions are set out in the Statement on Risk Management and Internal Control and ARMC Report of this Annual Report.

The Board affirms its overall responsibility with established and clear functional responsibilities and accountabilities which are carried out and monitored by the ARMC. The adequacy and effectiveness of the internal controls and risk management framework were reviewed by the ARMC.

Further information may be found in the Statement of Risk Management and Internal Control.

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Corporate Governance Overview Statement (Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communication with Stakeholders

The Company has established a corporate disclosure policy, which is made available on the corporate website, to ensure accurate, clear, timely and high quality disclosure of material information. To augment the process of disclosure, the Board has a section on the Company's website that provides the salient features of the Board Charter, Terms of Reference of each committee and the Company's Annual Report.

2. Conduct of general meeting

The AGM is the principal forum for dialogue and interaction with shareholders. At the AGM, the Board provides opportunities for shareholders to raise questions pertaining to the business activities of the Group. The Executive Chairman, Managing Director, and Chairmen of each Board Committee and when necessary, the external auditors, are available to provide explanations on queries raised by shareholders and proxies during the general meetings. Shareholders who are unable to attend are allowed to appoint proxies to attend and vote on their behalf. The Notice of AGM was circulated more than 28 days before the date of the meeting to enable shareholders to make the necessary arrangements to attend the AGM and go through the Annual Report and papers supporting the resolutions proposed. Such practice is in line with Practice 12.1 of the MCCG 2017.

3. Poll Voting

The Company has implemented poll voting for all the resolutions set out in the Notice of the general meetings of the Company to expedite verification and counting of votes. In addition, the Company appointed scrutineer to validate the votes cast at the general meetings.

Due to the Covid-19 outbreak and as part of the safety measures, the Company had conducted its fully virtual Extraordinary General Meeting and Seventeenth AGM in 2021 through live streaming from broadcast venue using Remote Participation and Voting ("**RPV**") facilities. This is in line with the Guidance Note on the Conduct of General Meeting for Listed Issuers issued by the Securities Commission Malaysia. Shareholders used the RPV facilities to participate and vote remotely at both meetings. Shareholder who is unable to participate in the meeting is allowed to appoint his/her proxy or Chairman of the meeting as his/her proxy and indicate the voting instruction in the proxy form.

4. Communication and Engagement with Shareholders and Prospective Investors

The Group recognises the need to inform the shareholders of all significant developments concerning the Group on a timely basis, with strict adherence to the MMLR. Shareholders and prospective investors are kept informed of all major developments within the Group by way of announcements via the Bursa Link, the Company's Annual Reports, website and other circulars to shareholders with an overview of the Group's financial and operational performance.

FOCUS AREA ON CORPORATE GOVERNANCE

Corporate governance was clearly imperative for the Group against the backdrop of regulatory changes in the domestic corporate governance realm and a relatively challenging economic environment that is characterised by volatile market conditions and commodity prices. Against the aforementioned setting, during the year under review, the Board directed its focus on the core duties of the Board which is grounded on the creation of long-term value for stakeholders and addressing sustainability risks and opportunities for the Group.

The Board will continue to enhance the corporate disclosure requirements in the best interest of the Company's shareholders and stakeholders in the upcoming years. The areas to be prioritised by the Board will be those principles which have not been adopted by the Company as disclosed in the CG Report.

This Statement together with the CG Report was approved by the Board on 20 January 2022.

Audit and Risk Management Committee Report

The Board of Directors ("Board") is pleased to present the report of the Audit and Risk Management Committee ("ARMC") for the financial year ended 30 September 2021.

MEMBERSHIP

The members of ARMC are Non-Executive Directors with all of them being Independent Directors, namely:

Chairperson : Ms Anita Chew Cheng Im (Independent Non-Executive Director)

Member : Dato' Abu Bakar Bin Mohd Nor (Independent Non-Executive Director)

: Ms Teh Su-Ching (Independent Non-Executive Director)

Ms Anita Chew Cheng Im, who is the Chairperson of the ARMC, holds a Bachelor of Economics Degree, majoring in Accounting. Dato' Abu Bakar Bin Mohd Nor is a Chartered Accountant, Institute of Chartered Accountant, England and Wales, whilst Ms Teh Su-Ching is a fellow member of the Association of Chartered Certified Accountants (ACCA), a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA). This statement is made in compliance with Paragraph 15.09 (1)(c)(i) of the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

MEETINGS OF THE ARMC

The ARMC met 5 times during the financial year ended 30 September 2021. The details of their attendance at meetings are as follows:-

Audit Committee	Number of Meetings Attended
Anita Chew Cheng Im (Chairperson)	5/5
Dato' Abu Bakar Bin Mohd Nor	5/5
Teh Su-Ching*	1/1
Saw Tat Loon#	3/3

- * Ms Teh Su-Ching was appointed as member of the ARMC on 2 August 2021.
- * Mr Saw Tat Loon had resigned as Chairman of the ARMC on 4 May 2021.

The Terms of Reference of the ARMC is made available on the corporate website at www.notionvtec.com.

SUMMARY OF WORK OF THE ARMC

In discharging its functions and duties in accordance with its Terms of Reference, the ARMC had carried out the following work during the financial year ended 30 September 2021:-

- At their meetings held on 14 January 2021 and 29 September 2021, the ARMC met with the external auditors in the absence
 of the Executive Board Members and Management to discuss on any significant audit issues which may have arisen in the
 course of their audit of the Group.
- 2. The ARMC had ensured that the quarterly financial results of the Group complied with the Malaysian Financial Reporting Standard ("MFRS") and Appendix 9B of the MMLR. The quarterly financial results for the fourth quarter ended 30 September 2020, first quarter ended 31 December 2020, second quarter ended 31 March 2021 and third quarter ended 30 June 2021 were reviewed by the ARMC at their meetings held on 24 November 2020, 15 March 2021, 29 June 2021 and 29 September 2021.

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF THE ARMC (CONT'D)

- 3. The ARMC received and discussed the Internal Audit Reports containing the audit findings and recommendations made by the internal auditors on weaknesses in the systems of internal control and the Management responses on those issues. The ARMC monitored the progress on the corrective actions taken by the Management on a quarterly basis until it is satisfied that the weaknesses identified had been adequately addressed.
- 4. The ARMC reviewed the Enterprise-Wide Risk Management Report of the Group which prepared by the outsourced Risk Management Advisers so that to understand the risk profiles and performance of the business units.
- 5. At their meeting held on 29 September 2021, the ARMC met with the internal auditors in the absence of the Executive Board Members and Management to discuss on any significant audit issues which may have arisen in the course of their audit of the Group.
- 6. The Related Party Transactions ("RPTs"), if any of the Group was reviewed by the ARMC at every quarterly meeting. The ARMC was satisfied that all RPTs were within arm's length, fair, reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders.
- 7. At their meetings held on 24 November 2020, the ARMC reviewed and discussed the following, amongst others:
 - a. The Audit Review Memorandum by the External Auditors on the significant audit findings in respect of their audit of the Group for the financial year ended 30 September 2020.
 - b. The assessment of the performance and independence of the External Auditors for the financial year ended 30 September 2020.
 - c. The Internal Audit Reports.
 - d. Internal Audit Planning Memorandum for year 2021.
 - e. The assessment of the adequacy of the scope, functions, competency and resources of the internal audit functions.
 - f. Update on the Enterprise Risk Management Report.
 - g. The quarterly financial results of the Group for the period ended 30 September 2020.
 - h. Related Party Transactions.
- 8. At their meeting held on 14 January 2021, the ARMC reviewed and discussed the following:
 - a. The Audited Financial Statements for the financial year ended 30 September 2020.
 - b. The Audit Review Memorandum for the financial year ended 30 September 2020 by the External Auditors.
 - c. Reports for inclusion in the 2020 Annual Report, i.e. Audit and Risk Management Committee Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and Corporate Governance Report.
 - d. Audit Fee and non audit services and fees for the financial year ended 30 September 2020.
 - e. Proposed re-appointment of Messrs Crowe Malaysia PLT as External Auditors for the financial year ended 30 September 2021 to the Board of Directors and subsequently to obtain the shareholders' approval.
 - f. Met with External Auditors without presence of the Executive Board members and management of the Company.
- 9. At their meeting held on 15 March 2021, the ARMC reviewed and discussed the following:
 - a. The quarterly financial results of the Group for the period ended 31 December 2020.
 - b. Related Party Transactions.
 - c. The Internal Audit Reports.
 - d. Update on the Enterprise Risk Management Report.

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF THE ARMC (CONT'D)

- 10. At their meeting held on 29 June 2021, the ARMC reviewed and discussed the following:
 - a. The quarterly financial results of the Group for the period ended 31 March 2021.
 - b. Internal Audit Reports.
 - c. Related Party Transactions.
 - d. Update by Internal Auditor on the MCCG 2021.
 - e. Registers in relation to the Anti-Bribery and Corruption Policy.
- 11. At their meeting held on 29 September 2021, the ARMC reviewed and discussed the following:
 - a. Internal Audit Reports.
 - b. Scope of work by the Risk Management Advisors
 - c. The quarterly financial results of the Group for the period ended 30 June 2021.
 - d. Audit Plan by the External Auditors for the financial year ended 30 September 2021.
 - e. Met with Internal Auditors without presence of the Executive Board members and management of the Company.
 - f. Met with External Auditors without presence of the Executive Board members and management of the Company.
 - g. Related Party Transactions.
 - h. Registers in relation to the Anti-Bribery and Corruption Policy.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is carried out by an independent external firm of professional Internal Auditors, Tricor Axcelasia Sdn Bhd (the succeeding firm to NGL Tricor Governance Sdn Bhd) - headed by its Director, Mr Chang Ming Chew, who is a certified internal auditor and a professional member of the Institute of Internal Auditors Malaysia (IA), which reports directly to the ARMC on its activities based on the approved annual Internal Audit Plan. The approved annual Internal Audit Plan is designed to cover entities across all level of operations within the Group.

The principal role of IA is to provide the ARMC with reports on the state of internal controls of the operating entities within the Group and the extent of compliance of such entities within the Group's established policies and procedures.

During the financial year under review, IA conducted series of audit assignments on entities in all operating segments of the Group. The Internal Audit assignments are designed to review and assess the procedures, systems and controls whether they are adequate and effective to meet the requirement of:

- Compliance with applicable laws and regulations and Standard Operation Procedures (SOP);
- Reliability and integrity of information;
- · Safeguarding of assets financial; and
- Operational efficiency and effectiveness.

The main audit assignments were:

- Review of information security risk;
- Review of the quality assurance/quality control functions (HDD segment only);
- Review of the operation and maintenance of the production machinery and equipment; and
- Review of new product development and supply chain management.

Further details of the activities of internal audit function are set out in the Statement on Risk Management and Internal Control.

The cost incurred for the internal audit function of the Group for the financial year ended 30 September 2021 was RM72,000.

Statement on Risk Management and Internal Control

INTRODUCTION

The Board is committed to maintain a sound system of risk management and internal control within the Group in order to safeguard shareholders' investments and the Group's assets. Pursuant to Paragraph 15.26(b) of the MMLR, the Board is pleased to provide this statement on risk management and internal control which is prepared in accordance with the guidelines set out in the Institute of Internal Auditors Malaysia's Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

RESPONSIBILITY OF THE BOARD

The Board affirms its overall responsibility for maintaining a sound system of risk management and internal control and for reviewing their adequacy and integrity so as to safeguard all its stakeholders' interests and protecting the Group's assets. These systems cover inter-alia, financial, operational and compliance systems controls and risk management. However, in view of the limitations that are inherent in any system of risk management and internal control, the system is designed to manage rather than to totally eliminate the risk of failure to achieve the Group's business activities.

Accordingly, the system of risk management and internal controls can only provide reasonable but not absolute assurance against material misstatement of losses and fraud.

The Board is pleased to disclose that there is an on-going systematic process in place for identifying, evaluating and managing the various diverse risks faced by the Group throughout the financial year under review. This process includes enhancing and regularly reviewing the system of risk management and internal control as and when there are changes to the business environment or regulatory guidelines.

The Board has received assurance from the Managing Director and Executive Director in charge of Finance that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.

RISK MANAGEMENT FRAMEWORK

The Board acknowledges that the management of principal risks plays an important and integral part in achieving the Group's corporate objectives. The Group has an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. This is to ensure that all potential risks are adequately addressed at various levels within the Group including but not limited to the effects of natural disasters, rioting by workers, fire, acts of sabotage and other debilitating incidents.

The Board believes that the sound system of risk management and internal control is built on a clear understanding and appreciation of the Group's risk management framework with the following key elements:

- risk management is embedded in the Group's management and operational framework and the employees are exposed and subjected to training on the Group's policies and procedures;
- risk management processes applied should aim to take advantage of opportunities, manage uncertainties and minimize threats; and
- regular reporting and monitoring activities emphasise accountability and responsibility for managing risks.

The Board appointed Cirrus Consulting Sdn Bhd, an independent firm to assist the management in improving the current Risk Management Framework.

THE SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The system of Group's risk management and internal control which is in placed during the financial year, encompasses, interalia, the following:

• ISO 9001:2008 Quality Management Systems has been implemented for the Company's main subsidiary, Notion Venture Sdn Bhd where documented internal procedures and standard operating procedures have been put in place. Internal quality audits are carried out by management and annual surveillance audits are conducted by an independent certification body to provide a high assurance of compliance;

Statement on Risk Management and Internal Control (Cont'd)

THE SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

- A strategic planning and an annual budgeting process has been established and monitored on a regular basis;
- An organisational structure with defined responsibilities and delegation of authorities for committees of the Board and the management committee;
- Companies policies and procedures, which set out guidelines and the expected standards for the Group's operations are under regular review and update so as to maintain its effectiveness at all times;
- Operational review meetings are held and attended by the executive directors and the department heads to access the performance of the Group's operations; and
- Regular production meetings which involved the senior production management and related units to promptly address any production problems faced.

INTERNAL AUDIT FUNCTION

The internal audit function has the primary objective of carrying out reviews of the internal control systems to determine if the internal control procedures have been complied with as well as to make recommendations to strengthen the system so as to foster a strong management control environment.

The Board is fully aware of the importance of the internal audit function and has engaged an independent professional firm (IA Firm) to provide independent assurance the Board requires on the effectiveness and efficiency of the group's system of risk management and internal control.

The IA Firm adopts a risk based approach and prepares its audit strategy and plan based on the risk profiles from the risk assessment of the business units of the Group. Scheduled internal audits are carried out based on the annual audit plan approved by the ARMC. On a quarterly basis the IA Firm presents the ARMC with the internal audit reports which summarise the audit approach, scope, key risks, significant audit findings, the overall opinion for the internal control review, management comments on the audit findings and recommendations.

During the year under review, there were some weaknesses detected in certain divisions. The management has subsequently addressed some of the issues and the others are being attended to for which a follow up of the findings will be conducted. Deadlines have been provided to ensure all issues will be addressed effectively.

The cost of internal audit function for the financial year ended 30 September 2021 was RM72,000.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this statement on risk management and internal control for inclusion in the Annual Report of the Company for the financial year ended 30 September 2021 and reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control ("the Statement") intended to be included in the Annual Report is not prepared, in all material respects, 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, nor is the Statement factually inaccurate.

STATE OF RISK MANAGEMENT AND INTERNAL CONTROL

The existing system of risk management and internal control has operated adequately for the year ended 30 September 2021 and up to the date of issuance of the financial statements. Although there were certain weaknesses detected during the process of the internal audit function, the management is committed to rectify these weaknesses and follow up reviews will be constantly performed. The Board is committed towards operating a sound system and will strive for continuous improvement where necessary, to further enhance the said system.

The Board is satisfied with the adequacy, effectiveness and integrity of the Group's system of risk management and internal control system.



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Directors' Report

The directors hereby submit their report and the audited financial statements of the Group and the Company for the financial year ended 30 September 2021. All values shown in this report are rounded to the nearest thousand ("RM'000") except where otherwise indicated.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and providing management services to its subsidiaries. The principal activities and other details of the subsidiaries are disclosed in Note 7 to the financial statements.

RESULTS	Group RM'000	Company RM'000
Loss for the financial year	(7,810)	(1,906)

DIVIDENDS

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year have been disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up share capital from RM208,850,108 to RM211,145,120 by way of:-

(i) issuance of 2,595,892 new ordinary shares pursuant to the Employees' Share Option Scheme ("ESOS") as follows:

Number of Shares	Exercise Price RM	Cash Consideration RM
148,330	0.53	78,615
330,362	0.29	95,805
2,117,200	0.68	1,439,695
2,595,892		1,614,115

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

The Company did not issue any debentures during the financial year.

SHARE OPTIONS

The shareholders of the Company, by a resolution passed at the Extraordinary General Meeting held on 23 February 2017, approved the Long Term Incentive Plan comprising ESOS and Executive Share Grant Scheme. The ESOS became effective on 24 February 2017. The Board had subsequently approved for an extension of Long Term Incentive Plan to another five (5) years commencing 24 February 2022.

The principal features of the ESOS and the movements in the number of options during the financial year are disclosed in Note 12 to the financial statements.

WARRANTS

On 14 March 2018, the Company issued 33,063,385 free Warrants-C on the basis of 1 warrant for every 10 existing ordinary shares held by shareholders of the Company.

The salient features of Warrants-C are as follows:

- (i) The warrants may be exercised at any time after the date of issue of the warrants until the expiry date which is the date occurring on the fifth (5th) anniversary of the issue of the warrants.
- (ii) Subject to adjustments, in accordance with the Deed Poll, during the exercise period each warrant entitles its registered holder to subscribe for one (1) new ordinary share at an exercise price of RM0.84 at any time from the date of issue up to the expiry date

Pursuant to the Bonus Issue and Free Warrants Issue, an additional 16,529,337 Warrants-C ("Additional Warrants-C") were issued, whereby a holder of 2 existing Warrants-C received 1 new Warrants-C, and the exercise price of the Warrants-C was revised from RM0.84 to RM0.56 per Warrants-C with effect from 18 May 2020.

During the financial year, none of the Warrants-C was converted to ordinary shares. The number of outstanding Warrants-C as at 30 September 2021 was 49,588,723.

BAD AND DOUBTFUL DEBTS

Before the financial statements were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for impairment losses on receivables inadequate to any substantial extent.

CURRENT ASSETS

Before the financial statements were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

No contingent or other liability 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 the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

DIRECTORS

The names of the directors who served since the beginning of the financial year and up to the date of this report are as follows:-

Thoo Chow Fah
Choo Wing Hong
Choo Wing Onn
Choo Wing Yew
Lee Tian Yoke
Anita Chew Cheng Im
Dato' Abu Bakar Bin Mohd Nor
Teh Su-Ching (Appointed on 2 August 2021)
Saw Tat Loon (Resigned on 4 May 2021)

The name of director of the Company's subsidiaries who served since the beginning of the financial year and up to the date of this report, not including those directors mentioned above, is as follows:-

Kamalakrishnan A/L Krishnan (Appointed on 19 March 2021 and resigned on 11 May 2021)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interests in shares in the Company of the directors in office at the end of the financial year are as follows:-

	Balance at 1.10.2020/	 Number of Or 		
Name of Director	Date of appointment	Bought	Sold	Balance at 30.9.2021
Thoo Chow Fah - Direct - Indirect * Choo Wing Hong	19,871,301 1,582,962	-	-	19,871,301 1,582,962
- Direct Choo Wing Onn - Direct	51,582,939 42,521,766	1,000,000	(16,800,000)	35,782,939 42,521,766
Choo Wing Yew - Direct Lee Tian Yoke	13,649,887	-	- (1,000,000)	13,649,887
DirectDato' Abu Bakar Bin Mohd NorDirectAnita Chew Cheng Im	18,976,446 41,689	-	(1,000,000)	17,976,446 41,689
- Direct Teh Su-Ching # - Direct	450,000 5,000	-	-	450,000 5,000

^{*} Deemed interested through spouse's shareholdings in the Company.

[#] Appointed on 2 August 2021.

	◀				
	Balance at		Bonus		Balance at
Name of Director	1.10.2020	Granted	Issue	Exercised	30.9.2021
Thoo Chow Fah	2,100,000	_	-	-	2,100,000
Choo Wing Hong	3,600,000	-	-	-	3,600,000
Choo Wing Onn	1,500,000	-	-	-	1,500,000
Choo Wing Yew	2,400,000	-	-	_	2,400,000
Anita Chew Cheng Im	450,000	-	-	-	450,000
Dato' Abu Bakar Bin Mohd Nor	750,000	-	-	-	750,000
	•	Numl	per of Warrants	s-C	
	Balance at		Bonus		Balance at
Name of Director	1.10.2020	Bought	Issue	Sold	30.9.2021
Thoo Chow Fah					
- Indirect *	100,000	-	-	-	100,000
Choo Wing Hong	1 500 050			(1 500 050)	
- Direct Choo Wing Onn	1,589,250	-	-	(1,589,250)	_
- Direct	800,000	_	_	(800,000)	_
Choo Wing Yew	,			, , ,	
- Direct	323,208	-	-	-	323,208
Dato' Abu Bakar Bin Mohd Nor					
- Direct	4,168	-	-	-	4,168

^{*} Deemed interested through spouse's shareholdings in the Company.

Save as disclosed above, none of the other directors in office at the end of the financial year held any interests in shares, share options and Warrants-C in the Company or its related corporation during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration disclosed in Note 21 to the financial statements) 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, except for any benefits which may be deemed to have arisen by virtue of certain related party transactions as disclosed in Note 26 to the financial statements.

Neither during nor at the end of the financial year, was the Company a party to any arrangement, apart from the Company's ESOS, whose object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

During the financial year, the total amounts of indemnity coverage and insurance premium paid for the directors and officers of the Company were RM5,000,000 and RM13,000 respectively.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 32 to the financial statements.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 33 to the financial statements.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office. The auditors' remuneration are disclosed in Note 20 to the financial statements. There was no indemnity given to or liability insurance effected for the auditors during the financial year.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS DATED 26 JANUARY 2022

Thoo Chow Fah Choo Wing Hong

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

NOTION VTEC BERHAD 200301035125 (637546-D)

We, Thoo Chow Fah and Choo Wing Hong, being two of the directors of Notion VTec Berhad, state that, in the opinion of the directors, the financial statements set out on pages 48 to 91 give a true and fair view of the financial position of the Group and the Company as at 30 September 2021 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

SIGNED IN ACCORDANCE WITH A DATED 26 JANUARY 2022	A RESOLUTION OF THE DIRECTORS	
Thoo Chow Fah	Choo Wing Hong	
		9
	Statutory Declaration Pursuant to Section 251(1)(B) of the Companies Act 2016	

I, Choo Wing Yew (MIA membership no.: 10180), being the director primarily responsible for the financial management of Notion VTec Berhad, do solemnly and sincerely declare that the financial statements set out on pages 48 to 91 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 Choo Wing Yew at Klang in the State of Selangor Darul Ehsan on this 26 January 2022

Choo Wing Yew

Before me

Tee Hsiao Mei No: B 272

Commissioner for Oaths

Independent Auditors' Report

To the Members of Notion Viec Berhad (Incorporated In Malaysia)
Registration No: 200301035125 (637546 - D)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Notion VTec Berhad, which comprise the statements of financial position as at 30 September 2021 of the Group and the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 48 to 91.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 30 September 2021, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 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 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 judgment, were of most significance in our audit of the financial statements of the Group and the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

<u>Valuation of inventories (Refer to Notes 3 and 9 to the financial statements)</u>

The Group carries significant inventories. Management periodically reviews the inventories for potential writedowns by considering their aging profile, estimation of market price fluctuations and net realisable value. These reviews involve judgements and estimation uncertainty in forming expectations about future assumptions, sales and demands.

How our audit addressed the key audit matter

Our audit procedures included, among others:

- Obtaining an understanding of:
- the Group's inventory management process;
- how the Group identifies and assesses inventories write-downs; and
- how the Group ascertains the accounting estimates for inventories write down.
- Observing year end physical inventory count to examine physical existence and condition of the inventories.
- Reviewing certain ageing analysis of inventories and testing the reliability thereof.
- Examining the perpetual records for inventories movements and to identify slow moving items.
- Making inquiries of management regarding the action plans to clear slow moving and obsolete inventories.
- Reviewing net realisable value of certain inventories.
- Evaluating the reasonableness and adequacy of inventories written down and written off.

Independent Auditors' Report (Cont'd)

To the Members of Notion Viec Berhad (Incorporated In Malaysia) Registration No: 200301035125 (637546'- D)

How our audit addressed the key audit matter

NOTION VTEC BERHAD 200301035125 (637546-D)

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Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

rates, profit margins, discount rate, etc.

Key audit matter

Impairment of property, plant and equipment (Refer to	Our audit procedures included, among others:
Notes 3 and 4 to the financial statements)	• Evaluating whether the method used by the Group in measuring the
	recoverable amount is in accordance to the requirements of MFRS 136
The Group carries significant property, plant and	Impairment of Assets.
equipment. The Group reviewed its property, plant	Making enquiries of and challenging management on the key
and equipment for indications of impairment and	assumptions and inputs used in the measurement method.
where such indications exist, the Group performed	Evaluating whether the key assumptions and inputs used are reasonable
impairment test which involved significant judgements	and consistent by taking into consideration the past performance,
and estimation uncertainty in making key assumptions	future growth, market development, etc.

about future market and economic conditions, growth • Testing the mathematical accuracy of the impairment assessment

> Performing stress tests and sensitivity analysis to assess the impacts of those key assumptions and inputs on the measurement of recoverable amount.

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 the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and 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 this other information, 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 the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and the Company, the directors are responsible for assessing the Group's and the Company's ability 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.

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Independent Auditors' Report (Cont'd)

To the Members of Notion Viec Berhad (Incorporated In Malaysia)
Registration No: 200301035125 (637546 - D)

Report on the Audit of the Financial Statements (Cont'd)

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 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 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 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Group's or the Company's ability 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 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 the Company, including the disclosures, and whether the financial statements of the Group and the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance 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, related safeguards.

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 the Company for the current financial 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 report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report (Cont'd)

To the Members of Notion Viec Berhad (Incorporated In Malaysia) Registration No : 200301035125 (637546 - D) 47 NOTION VTEC BERHAD 200301035125 (637546-D)

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 7 to the financial statements.

Other Matters

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.

Crowe Malaysia PLT 201906000005 (LLP0018817-LCA) & AF 1018 Chartered Accountants

Shah Alam

26 January 2022

Cheah Siong Hon 03538/11/2022 J Chartered Accountant

Statements of Financial Position As at 30 September 2021

		Group		Co	Company		
		2021	2020	2021	2020		
	Note	RM'000	RM'000	RM'000	RM'000		
ASSETS							
NON-CURRENT ASSETS							
Property, plant and equipment	4	309,088	290,141	2	_		
Right-of-use assets	5	54,949	47,675	_	_		
Intangible assets	6	-	5,931	_	_		
Investments in subsidiaries	7	_	_	83,779	83,779		
Other investment	8	_	_	, -	-		
		364,037	343,747	83,781	83,779		
CURRENT ASSETS		,	2 12,1	,	,		
Inventories	9	69,380	46,913	_	_		
Receivables	10	82,738	79,675	154,718	123,497		
Prepayments		1,003	2,687	-	-		
Current tax assets		11,741	10,971	_	11		
Cash and cash equivalents	11	22,707	82,712	1,345	32,677		
		187,569	222,958	156,063	156,185		
TOTAL ASSETS		551,606	566,705	239,844	239,964		
EQUITY AND LIABILITIES							
EQUITY							
Share capital	12	211,145	208,850	211,145	208,850		
Share option reserve	12	4,949	5,630	4,949	5,630		
Currency translation reserve		3,244	8,372	-,5-5	5,000		
Capital reserve		4,800	4,800	_	_		
Revaluation reserve		,000 -	1,960	_	_		
Retained profits		191,812	197,662	20,562	22,468		
TOTAL EQUITY		415,950	427,274	236,656	236,948		
NON-CURRENT LIABILITIES							
Loans and borrowings	13	14,184	20,421	_	_		
Lease liabilities	14	22,648	26,046	_	_		
Retirement benefits	15	693	627	_	_		
Deferred tax liabilities	16	4,991	8,622	_	_		
Deferred income on government grants	17	4,731	5,019	-	_		
		47,247	60,735	-	-		
CURRENT LIABILITIES							
Loans and borrowings	13	18,802	6,800	-	_		
Lease liabilities	14	13,806	11,000	_	_		
Payables	18	55,757	60,529	3,187	3,016		
Current tax liabilities		44	367	1	-		
		88,409	78,696	3,188	3,016		
TOTAL LIABILITIES		135,656	139,431	3,188	3,016		
			566,705	239,844	239,964		

The annexed notes form an integral part of these financial statements.

NOTION VTEC BERHAD 200301035125 (637546-D)

Statements of Comprehensive Income For the Financial Year Ended 30 September 2021

		Gre	oup	Company	
		2021	2020	2021	2020
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	19	352,915	242,747	6,240	10,240
Cost of sales		(313,526)	(215,971)	-	-
Gross profit		39,389	26,776	6,240	10,240
Other income		16,545	33,713	114	1,123
Marketing and distribution expenses		55,934 (10,168)	60,489 (4,493)	6,354	11,363
Administrative and other operating expenses		(51,523)	(44,633)	(8,238)	(10,526)
Finance costs		(4,515)	(4,523)	(2)	(2)
(Loss)/Profit before tax	20	(10,272)	6,840	(1,886)	835
Tax reversal/(expense)	22	2,462	(517)	(20)	(18)
(Loss)/Profit for the financial year		(7,810)	6,323	(1,906)	817
Other comprehensive income:-					
Item that will not be reclassified subsequently to profit or loss:-					
Fair value changes of intangible assets		-	1,409	-	-
Item that will be reclassified subsequently to profit or loss:-					
Currency translation differences for foreign operation		(5,128)	(5,031)	-	-
Total other comprehensive expense for the financial year		(5,128)	(3,622)	-	-
Total comprehensive (expenses)/income for					
the financial year		(12,938)	2,701	(1,906)	817
(Loss)/Earnings per share:	23				
- Basic (sen)		(1.52)	1.25		
- Diluted (sen)		(1.52)	1.21		

Statements of Changes in Equity For the Financial Year Ended 30 September 2021

	•	Share	Non-distributable Currency			Distributable	
Group	Share Capital RM'000	Option Reserve RM'000	Translation Reserve RM'000	Capital Reserve RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	Total Equity RM'000
Balance at 30 September 2019/ 1 October 2019 Initial application of MFRS 16	200,023	2,416 	13,403	4,800	952	194,411 (116)	416,005 (116)
Balance at 30 September 2019/ 1 October 2019 (restated)	200,023	2,416	13,403	4,800	952	194,295	415,889
Fair value changes of intangible assets Currency translation differences	-	-	- (5.004)	-	1,409	-	1,409
for foreign operation	-		(5,031)		-	-	(5,031)
Total other comprehensive expense for the financial year Profit for the financial year	-	-	(5,031)	-	1,409	- 6,323	(3,622) 6,323
Total comprehensive income for the financial year	-	-	(5,031)	-	1,409	6,323	2,701
Share-based payments	-	5,932	-	-	-	-	5,932
Issuance of shares pursuant to ESOS	8,824	(2,718)	-	-	-	-	6,106
Issuance of shares pursuant to Warrants Dividends to owners of the Company	3	-	-	-	-	-	3
(Note 24)	-	-	-	-	-	(3,357)	(3,357)
Realisation of revaluation reserve	-	-	-	-	(401)	401	-
Total transactions with owners	8,827	3,214	-	-	(401)	(2,956)	8,684
Balance at 30 September 2020/ 1 October 2020	208,850	5,630	8,372	4,800	1,960	197,662	427,274
Currency translation differences for foreign operation	-	_	(5,128)	_	-	-	(5,128)
Total other comprehensive expense for the financial year	_	_	(5,128)	_	_	_	(5,128)
Loss for the financial year	-	_	-	_	_	(7,810)	(7,810)
Total comprehensive expense for the financial year	_	_	(5,128)	_	_	(7,810)	(12,938)
Issuance of shares pursuant to ESOS	2,295	(681)	-	_	_	-	1,614
Realisation of revaluation reserve	-	(001)	-	_	(1,960)	1,960	-
Total transactions with owners	2,295	(681)	-	-	(1,960)	1,960	1,614
Balance at 30 September 2021	211,145	4,949	3,244	4,800	-	191,812	415,950

NOTION VTEC BERHAD 200301035125 (637546-D)

Statements of Changes in Equity (Cont'd) For the Financial Year Ended 30 September 2021

	<u>Non-distributable</u> Share		<u>Distributable</u>		
Company	Share Capital RM'000	Option Reserve RM'000	Retained Profits RM'000	Total Equity RM'000	
Balance at 1 October 2019 Profit for the financial year	200,023	2,416	25,008	227,447	
(representing total comprehensive income)	_	-	817	817	
Share-based payments Issuance of shares pursuant to ESOS	- 8,824	5,932 (2,718)	-	5,932 6,106	
Issuance of shares pursuant to Warrants	3	(2,710)	-	3	
Dividends to owners of the Company (Note 24)	-	-	(3,357)	(3,357)	
Total transactions with owners	8,827	3,214	(3,357)	8,684	
Balance at 30 September 2020/1 October 2020	208,850	5,630	22,468	236,948	
Loss for the financial year (representing total comprehensive expense)	-	-	(1,906)	(1,906)	
Issuance of shares pursuant to ESOS	2,295	(681)	-	1,614	
Total transactions with owners	2,295	(681)	-	1,614	
Balance at 30 September 2021	211,145	4,949	20,562	236,656	

Statements of Cash Flows For the Financial Year Ended 30 September 2021

	Group		Cor	Company	
	2021	2020	2021	2020	
	RM'000	RM'000	RM'000	RM'000	
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES					
(Loss)/Profit before tax	(10,272)	6,840	(1,886)	835	
Adjustments for:-					
Amortisation of deferred income on government grants	(288)	(166)	-	-	
Bad debts written off	-	4	-	-	
Deposit written off	6	-	-	-	
Depreciation of property, plant and equipment	30,503	27,958	-	-	
Depreciation of right-of-use assets	4,171	3,293	-	-	
Dividend income	-	-	-	(4,000)	
Loss on fair value adjustment of intangible assets	-	430	-	-	
Gain on disposal of intangible assets	(1,121)	-	-	-	
Gain on disposal of plant and equipment	(121)	(550)	-	-	
Gain on disposal of right-of-use assets	(26)	(5)	-	-	
Impairment loss on investment in subsidiaries	-	-	41	-	
Fair value loss on other investment	500	-	500	-	
Impairment loss on plant and equipment	-	72	-	-	
Impairment loss on receivables	923	774	58	500	
Increase in liabilities for retirement benefits	104	120	-	-	
Insurance claims	(365)	(12,217)	-	-	
Interest expense	4,039	4,329	-	-	
Interest income	(231)	(1,267)	(114)	(1,123)	
Inventories written down	3,159	1,771	-	-	
Inventories written off	491	-	-	-	
Plant and equipment written off	1	109	-	-	
Reversal of impairment loss on receivables	(194)	-	-	-	
Reversal of impairment loss on plant and equipment	-	(6,951)	-	-	
Reversal of inventories written down	(844)	(4,474)	-	-	
Share-based payments	-	5,932	-	2,493	
Unrealised gain on foreign exchange	(87)	(36)	-	-	
Operating profit/(loss) before working capital changes Changes in:-	30,348	25,966	(1,401)	(1,295)	
Inventories	(25,273)	(136)	_	_	
Receivables and prepayments	(2,114)	(10,747)	(58)	(500)	
Payables	(4,772)	29,550	130	75	
CASH (FOR)/FROM OPERATIONS	(1,811)	44,633	(1,329)	(1,720)	
Payment for retirement benefits	(1,011)	(9)	(1,023)	(1,720)	
Interest paid	(4,039)	(4,329)	_	_	
Tax paid	(2,262)	(5,025)	(8)	(3)	
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(8,112)	35,270	(1,337)	(1,723)	

Statements of Cash Flows (Cont'd) For the Financial Year Ended 30 September 2021

		Group		Company		
		2021	2020	2021	2020	
	Note	RM'000	RM'000	RM'000	RM'000	
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES						
Increase in intangible assets		_	(343)	_	_	
Advances to subsidiaries		_	-	(31,221)	(24,290)	
Grant received		_	2,567	-	-	
Dividend received		_	_	_	4,000	
Interest received		231	1,267	114	1,123	
Insurance claims received		365	12,217	_	_	
Proceeds from disposal of plant and equipment		1,278	2,208	_	_	
Proceeds from disposal of right-of-use assets		498	340	-	_	
Proceeds from disposal of intangible assets		7,052	-	-	-	
Purchase of property, plant and equipment	25	(62,894)	(32,429)	(2)	-	
Purchase of other investment		(500)	-	(500)	-	
Purchase of right-of-use assets	25	-	(582)	-	-	
NET CASH FOR INVESTING ACTIVITIES		(53,970)	(14,755)	(31,609)	(19,167)	
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES						
Repayment to subsidiaries		_	_	_	(867)	
Dividend paid		_	(3,357)	_	(3,357)	
Drawdown of lease liabilities	25	8,458	5,538	_	_	
Increase in short-term loans and borrowings (net)	25	12,000	_	-	_	
Proceeds from issuance of shares		1,614	6,109	1,614	6,109	
Payment for lease liabilities	25	(12,117)	(9,593)	_	_	
Repayment of term loans	25	(6,235)	(3,093)	-	-	
NET CASH FROM/(FOR) FINANCING ACTIVITIES		3,720	(4,396)	1,614	1,885	
NET (DECREASE)/INCREASE IN CASH						
AND CASH EQUIVALENTS		(58,362)	16,119	(31,332)	(19,005)	
CASH AND CASH EQUIVALENTS						
BROUGHT FORWARD		82,712	68,834	32,677	51,682	
CURRENCY TRANSLATION DIFFERENCES		(1,643)	(2,241)	_	_	
			. , ,			
CASH AND CASH EQUIVALENTS						
CARRIED FORWARD	11	22,707	82,712	1,345	32,677	

Notes to the Financial Statements

For the financial year ended 30 September 2021

1. GENERAL INFORMATION

The Company is a public company limited by shares, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are those of investment holding and providing management services to its subsidiaries. The principal activities and other details of the subsidiaries are disclosed in Note 7 to the financial statements.

The registered office of the Company is located at 12th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan and its principal place of business is located at Lot 6123, Jalan Haji Salleh, Batu 5½ Jalan Meru, 41050 Klang, Selangor Darul Ehsan.

The presentation currency of the financial statements is Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 January 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

The impact of the COVID-19 pandemic ("COVID-19") on the global economy and the operating activities of many businesses has resulted in a climate of considerable uncertainty. The ultimate impact of this pandemic on the Group is uncertain at the date of approval these financial statements.

The directors of the Group have assessed and concluded that the application of the going concern basis in preparing the financial statements of the Group for the financial year ended 30 September 2021 is appropriate.

The financial statements of the Group are prepared under the historical cost convention, modified to include other bases of measurement as disclosed in other sections of the significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The following MFRSs became effective for the financial year under review:-

MFRSs	Effective for annual periods beginning on or after
Amendments to MFRS 3 Definition of a Business	1 January 2020
Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 16 COVID-19 Related Rent Concessions	1 June 2020
Amendments to MFRS 101 and MFRS 108 Definition of Material	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

The initial application of the above MFRSs did not have any significant impacts on the financial statements of the Group.

For the financial year ended 30 September 2021

NOTION VTEC BERHAD 200301035125 (637546-D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.1 Basis of Preparation of Financial Statements (Cont'd)

The Group has not applied the following MFRSs which have been issued as at the end of the reporting period but are not yet effective:-

MFRSs (issued as at the end of the reporting period)	beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16 COVID-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 - Comparative Info	ormation 1 January 2023
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Disclosure of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended U	Jse 1 January 2022
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

Management foresees that the initial application of the above MFRSs will not have any significant impacts on the financial statements.

2.2 Basis of Consolidation

A subsidiary is an entity that is controlled by another entity. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to the end of the reporting period using the acquisition method. Under the acquisition method, the consideration transferred, the identifiable assets acquired and the liabilities assumed are measured at their acquisition-date fair values. The components of non-controlling interests that are present ownership interests are measured at the present ownership instruments' proportionate share in the recognised amounts of the identifiable net assets acquired. All other components of non-controlling interests are measured at their acquisition-date fair value and any resulting gain or loss is recognised in profit or loss. All acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss as incurred.

Goodwill at the acquisition date is measured as the excess of (i) over (ii) below:

- (i) the aggregate of:
 - (a) the acquisition-date fair value of the consideration transferred;
 - (b) the amount of any non-controlling interests; and
 - (c) in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree.
- (ii) the net of the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed.

Goodwill is recognised as an asset at the aforementioned amount less accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.7. When the above (ii) exceeds (i), the excess represents a bargain purchase gain and, after reassessment, is recognised in profit or loss.

For the financial year ended 30 September 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Basis of Consolidation (Cont'd)

A subsidiary is consolidated from the acquisition date, being the date on which control is obtained, and continues to be consolidated until the date when control is lost. Intragroup balances, transactions, income and expenses are eliminated in full on consolidation. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Upon loss of control of a subsidiary, the assets (including any goodwill) and liabilities of, and any non-controlling interests in the subsidiary are derecognised. All amounts recognised in other comprehensive income in relation to the subsidiary are accounted for on the same basis as would be required if the related assets or liabilities had been directly disposed of. Any consideration received and any investment retained in the former subsidiary is recognised at their fair values. The resulting difference is then recognised as a gain or loss in profit or loss.

2.3 Property, Plant and Equipment

Property, plant and equipment, other than freehold land and capital work-in-progress, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land and capital work-in-progress are stated at cost less impairment losses, if any. The impairment policy is disclosed in Note 2.7.

Capital work-in-progress and freehold land are not depreciated. Other property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets using the following annual rates:-

Factory buildings	2% - 11%
Factory equipment and machinery	5% - 25%
Furniture, fittings and office equipment	10% - 30%
Motor vehicles	20%
Renovation	20%

The residual value, useful life and depreciation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

Fully depreciated plant and equipment are retained in the financial statements and no further charge for depreciation is made, until they are no longer in use.

2.4 Leases

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration.

Lessee Accounting

Initial Recognition and Measurement

When the Group acts as a lessee, it recognises a right-of-use asset (representing its right to use the underlying leased asset) and a lease liability (representing its obligation to make lease payments) at the commencement date. The Group has elected not to apply such recognition principle to short-term leases (which have a lease term of 12 months or less) and leases of low-value assets. The lease payments associated with those leases are recognised as an expense on a straight-line basis over the lease term.

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Notes to the Financial Statements (Cont'd)

For the financial year ended 30 September 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Leases (Cont'd)

Lessee Accounting (Cont'd)

Initial Recognition and Measurement (Cont'd)

A right-of-use asset is initially recognised at cost, which comprises the initial amount of lease liability, any lease payments made at or before the commencement date (less any lease incentives), any initial direct costs and any estimated dismantling, removing and restoring costs.

A lease liability is initially recognised at the present value of the unpaid lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. The unpaid lease payments included in the measurement of lease liability comprise fixed payments (less any lease incentives), variable lease payments linked to an index or a rate, expected amounts payable under residual value guarantees, the exercise price of a purchase option reasonably certain to be exercised and the penalties of a termination option reasonably certain to be exercised.

Subsequent Measurement

A right-of-use asset is subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of lease liability. The impairment policy is disclosed in Note 2.7.

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that a purchase option will be exercised, the right-of-use asset is depreciated on a straight-line basis from the commencement date to the end of its useful life. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of its useful life or the end of the lease term.

A lease liability is subsequently measured at amortised cost, and remeasured to reflect any reassessment (arising from changes to the lease payments) or lease modifications.

Lessor Accounting

When the Group acts as a lessor, it classifies each lease as either an operating lease or a finance lease. A finance lease or a finance lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, whereas an operating lease does not.

Lease payments from operating leases are recognised as income on a straight-line basis over the lease term. The Group has not entered into any finance lease.

2.5 Investments in Subsidiaries

As required by the Companies Act 2016, the Company prepares separate financial statements in addition to the consolidated financial statements. In the separate financial statements of the Company, investments in subsidiaries are stated at cost less impairment losses, if any. The impairment policy is disclosed in Note 2.7.

2.6 Intangible Assets

Intangible assets of the Group consist of digital assets. Intangible assets are stated at valuation less accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.7.

Revaluations are made with sufficient regularity at the end of each reporting period such that the carrying amounts of the assets do not differ materially from their fair values at the end of the reporting period.

A revaluation increase is recognised in other comprehensive income and accumulated in equity as revaluation surplus or recognised in profit or loss to the extent that the increase reverses a revaluation decrease of the same asset previously recognised in profit or loss. A revaluation decrease is recognised in profit or loss or recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of the same asset.

For the financial year ended 30 September 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Impairment of Non-financial Assets

At the end of the reporting period, the Group assesses whether there is any indication that a non-financial asset, other than inventories, may be impaired. If any such indication exists, the recoverable amount of the asset, being the higher of its fair value less costs of disposal and its value in use, is estimated. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually. Any excess of the carrying amount of the asset over its recoverable amount represents an impairment loss and is recognised in profit or loss or in respect of a revalued asset, treated as a revaluation decrease.

An impairment loss on an asset, other than goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised. The reversal is recognised in profit or loss or in respect of a revalued asset, treated as a revaluation increase. An impairment loss on goodwill is not reversed.

2.8 Inventories

Inventories are valued at the lower of cost (determined principally on the weighted average basis) and net realisable value. Cost consists of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

2.9 Financial Assets

Financial assets of the Group consist of receivables and cash and cash equivalents.

Initial Recognition and Measurement

A financial asset is recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Trade receivables that do not contain a significant financing component are initially recognised at their transaction price (as defined in Note 2.14). Other financial assets are initially recognised at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent Measurement

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss in accordance with their classification on the basis of both the business model within which they are held and their contractual cash flow characteristics.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All receivables and cash and cash equivalents are classified under this category. Any gain or loss is recognised in profit or loss when the financial asset is derecognised, reclassified, through the amortisation process or in order to recognise impairment gains or losses.

Impairment

At each reporting date, the Group recognises a loss allowance for expected credit losses on a financial asset measured at amortised cost. The loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses. Any adjustment to the loss allowance is recognised in profit or loss as an impairment gain or loss.

Irrespective of whether there is any significant increase in credit risk since initial recognition, the loss allowance for trade receivables is always measured at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9 *Financial Instruments*. Such lifetime expected credit losses are calculated using a provision matrix based on historical credit loss experience and adjusted for reasonable and supportable forward-looking information that is available without undue cost or effort.

For the financial year ended 30 September 2021

NOTION VTEC BERHAD 200301035125 (637546-D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial Assets (Cont'd)

Impairment (Cont'd)

The expected credit losses for a credit-impaired financial asset are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The gross carrying amount of a credit-impaired financial asset is directly written off when there is no reasonable expectation of recovery.

Derecognition

A financial asset is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or all the risks and rewards of ownership are substantially transferred. A direct write-off of gross carrying amount when there is no reasonable expectation of recovering a financial asset constitutes a derecognition event.

2.10 Financial Liabilities

Financial liabilities of the Group consist of payables, loans and borrowings and financial guarantee contracts.

Initial Recognition and Measurement

A financial liability is recognised in the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. A financial liability is initially recognised at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs.

Subsequent Measurement

All payables and loans and borrowings are subsequently measured at amortised cost. Any gain or loss is recognised in profit or loss when the financial liability is derecognised and through the amortisation process.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance and the amount initially recognised less any cumulative income recognised.

Derecognition

A financial liability is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires.

2.11 Functional and Foreign Currencies

Foreign Currency Transactions and Translation

The consolidated financial statements and separate financial statements of the Company are presented in Ringgit Malaysia, which is also the Company's functional currency, being the currency of the primary economic environment in which the entity operates. Items included in the financial statements of each individual entity within the Group are measured using the individual entity's own functional currency.

A foreign currency transaction is recorded in the functional currency using the exchange rate at transaction date. At the end of the reporting period, foreign currency monetary items are translated into the functional currency using the closing rate. Foreign currency non-monetary items measured at cost are translated using the exchange rate at transaction date, whereas those measured at fair value are translated using the exchange rate at valuation date. Exchange differences arising from the settlement or translation of monetary items are recognised in profit or loss. Any exchange component of the gain or loss on a non-monetary item is recognised on the same basis as that of the gain or loss, i.e. in profit or loss or in other comprehensive income.

For the financial year ended 30 September 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Functional and Foreign Currencies (Cont'd)

Foreign Operations

Assets and liabilities of foreign operations are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity as currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or partial disposal involving loss of control over a subsidiary that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation are reclassified to profit or loss as part of the gain or loss on disposal.

In addition, in relation to partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss.

In the consolidated financial statements, when the settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

2.12 Share Capital

Ordinary shares are classified as equity. Transaction costs that relate to the issue of new shares are accounted for as a deduction from equity.

Dividends on shares declared and unpaid at the end of the reporting period are recognised as a liability whereas dividends proposed or declared after the reporting period are disclosed in the notes to the financial statements.

2.13 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The valuation techniques used include the following or a combination thereof:

- (i) Market approach which uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities.
- (ii) Cost approach which reflects the amount that would be required currently to replace the service capacity of an asset.
- (iii) Income approach which converts future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount.

For the financial year ended 30 September 2021

NOTION VTEC BERHAD 200301035125 (637546-D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Fair Value Measurement (Cont'd)

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:

- (i) Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- (ii) Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3 unobservable inputs for the asset or liability.

Any transfers between the levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.

Financial Assets and Financial Liabilities

The carrying amounts of receivables, cash and cash equivalents, payables and loans and borrowings which are short-term in nature or repayable on demand are reasonable approximations of fair values. The fair values of long-term loans and borrowings are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2).

The fair values of financial guarantee contracts are estimated based on probability-adjusted discounted cash flow analysis after considering the probability of default by the debtors (i.e. Level 3).

2.14 Revenue from Contracts with Customers

The Group recognises revenue (by applying the following steps) to depict the transfer of promised goods or services to customers at the transaction price.

- (i) Step 1: Identify contract A contract is an agreement between two or more parties that creates enforceable rights and obligations.
- (ii) Step 2: Identify performance obligations Each promise to transfer distinct goods or services is identified as a performance obligation and accounted for separately.
- (iii) Step 3: Determine transaction price The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. It is adjusted for the effects of variable consideration (e.g. discounts, rebates, incentives or penalties), significant financing component, non-cash consideration and consideration payable to customer.
- (iv) Step 4: Allocate transaction price to performance obligations The transaction price is allocated to each performance obligation on the basis of the relative (estimated) stand-alone selling prices of each distinct good or service promised in the contract.
- (v) Step 5: Recognise revenue Revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). Revenue is recognised either over time or at a point in time depending on the timing of transfer of control.

Sales of Goods

The Group determines that the transfer of control of promised goods generally coincides with the transfer of risks and rewards of ownership. Accordingly, revenue from the sale of goods is recognised at a point in time when the significant risks and rewards of ownership have been transferred to the customer upon delivery.

For the financial year ended 30 September 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Revenue from Contracts with Customers (Cont'd)

Rendering of Services

The Company determines that the transfer of control of promised services generally coincides with the Company's performance as the customer simultaneously receives and consumes the benefits of the performance as the Company performs. Accordingly, revenue from the rendering of services is recognised over time when the services are performed. The Company measures the progress towards complete satisfaction of the performance obligation using an output method, i.e. time elapsed.

2.15 Other Income

Dividend income is recognised in profit or loss only when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

Interest income is recognised in profit or loss using the effective interest method.

Operating lease income is accounted for on a straight-line method over the lease term.

2.16 Government Grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to the grants and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Grants related to assets are presented in the statements of financial position as deferred income which is amortised on a straight-line basis over the estimated useful lives of the assets. Grants related to income are presented under "other income" in the statements of comprehensive income.

2.17 Employee Benefits

Short-term Employee Benefits

Short-term employee benefits such as wages, salaries, bonuses and social security contributions are recognised in profit or loss in the period in which the associated services are rendered by the employee.

Defined Contribution Plans

Contributions to defined contribution plans are recognised in profit or loss in the period in which the associated services are rendered by the employee.

Defined Benefit Plans

The Group operates an unfunded final salary defined benefit plan for their employees in accordance with the local requirement prevailing in Thailand. The liability in respect of the defined benefit plan is the present value of the future benefits that employees have earned in return for their services rendered in the current and prior periods. The calculation is performed using the projected unit credit method, with actuarial valuations being carried out with sufficient regularity at an interval of not more than three years such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period. All components of defined benefit costs are recognised in profit or loss in the period in which they are incurred, except for re-measurements of the defined benefit liability which are recognised in other comprehensive income.

For the financial year ended 30 September 2021

NOTION VTEC BERHAD 200301035125 (637546-D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Employee Benefits (Cont'd)

Share-based Payments

The Employees' Share Option Scheme ("ESOS") of the Company grants the Group's eligible employees options to subscribe for shares in the Company at pre-determined subscription prices. These equity compensation benefits are treated as equity-settled share-based payment transactions and recognised in profit or loss with a corresponding increase in equity over the vesting period as share option reserve. The total amount to be recognised is determined by reference to the fair value of the share options at grant date and the estimated number of share options expected to vest on vesting date.

Upon expiry or exercise of the share option, the share option reserve is transferred to retained profits and to share capital if new ordinary shares are issued, respectively.

2.18 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset, until such time as the asset is substantially ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.19 Income Taxes

Income taxes for the financial year comprise current tax and deferred tax.

Current tax represents the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided for under the liability method in respect of all temporary differences between the carrying amount of an asset or liability and its tax base except for those temporary differences associated with goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and affects neither accounting nor taxable results at the time of the transaction.

A deferred tax liability is recognised for all taxable temporary differences, whereas a deferred tax asset is recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.20 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, term deposits that are withdrawable on demand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

For the financial year ended 30 September 2021

3. JUDGEMENTS AND ESTIMATION UNCERTAINTY

Judgements Made in Applying Accounting Policies

In the process of applying the accounting policies of the Group, management is not aware of any judgements, apart from those involving estimations, that can significantly affect the amounts recognised in the financial statements.

Sources of Estimation Uncertainty

The COVID-19 has had a major impact on the global economy. At the date of signing these financial statements, the ultimate impact of COVID-19 remains uncertain as the pandemic rages on in Malaysia and the rest of the world.

As a result, management have assessed the assets held by the Group as at 30 September 2021 to identify any indicators of impairment. Where a potential impairment is identified as a result of COVID-19 or otherwise, an estimate of the expected recoverable value of the asset has been made and compared to the current carrying value of the said asset, to account for such ensuing impairment, if any. These estimates, where applicable, have been derived from management's planning assumption of the likely business performance over the next two years, taking into account their assumption of the impact of COVID-19 and reflecting impact of a protracted lockdown, footfall decline across key regions and gradual improvement in the following year. Where material, these significant estimates have been disclosed below and in the relevant notes to the financial statements.

Due to the significant uncertainty regarding the ultimate impact of COVID-19, the assumptions used in these estimates include an increased risk level of inherent uncertainty.

The key assumptions about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:-

Valuation of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates may result in revisions to the valuation of inventories. Any changes in these accounting estimates will result in revisions to the valuation of inventories (Note 9).

Impairment of Receivables

The Group recognises loss allowance for expected credit losses on receivables based on an assessment of credit risk. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecasts of future economic conditions. Any changes in these accounting estimates will affect the carrying amounts of receivables (Note 10).

Impairment of Non-financial Assets

The Group reviewed its non-financial assets for indications of impairment and where such indications exist, the Group performed impairment test which involved significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc. Any changes in these accounting estimates will affect the carrying amounts of non-financial assets (Note 4, Note 5, Note 6 and Note 7).

Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land and buildings RM'000	Factory equipment and machinery RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work-in- progress RM'000	Total RM'000
Cost							
Balance at							
1 October 2019	91,038	371,192	26,851	6,982	36,032	47,426	579,521
Additions	497	19,843	1,362	348	5,874	4,505	32,429
Disposals	_	(5,538)	-	(145)	(41)	-	(5,724)
Write-offs	_	(113)	(9,551)	-	-	_	(9,664)
Transfer/Reclassification	46,596	1,360	-	75	_	(47,956)	75
Currency translation	10,000	1,222				(11,000)	
differences	(1,439)	(2,132)	(62)	(38)	(21)	(70)	(3,762)
	(1,100)	(2,102)	(02)	(00)	(=:)	(1.0)	(0,102)
Balance at	100 000	204.010	10.000	7,000	41 044	2.005	F00 07F
30 September 2020	136,692	384,612	18,600	7,222	41,844	3,905	592,875
Additions	124	56,380	2,706	291	3,235	158	62,894
Disposals	-	(6,976)	- (0)	(15)	-	-	(6,991)
Write-offs	-	- (= 070)	(8)	-	-	(0.000)	(8)
Transfer/Reclassification	-	(5,978)	-	-	-	(3,366)	(9,344)
Currency translation	(0.01.0)	(0.000)	(0.0)	(==)	(70)	(0.7)	(=)
differences	(2,014)	(3,053)	(94)	(53)	(79)	(35)	(5,328)
Balance at							
30 September 2021	134,802	424,985	21,204	7,445	45,000	662	634,098
Depreciation and Impairment Losses Balance at 1 October 2019 Accumulated depreciation	8,136	224,965	13,102	5,802	22,301		274,306
Accumulated	0,100	224,300	10,102	3,002	22,001		214,000
impairment loss	_	11,178	9,342	193	1,169	_	21,882
•	8,136	236,143	22,444	5,995	23,470	_	296,188
Depreciation	1,638	20,081	1,195	262	4,782	_	27,958
Impairment loss	-	2	70	-	-	_	72
Reversal of							
impairment loss	-	(6,200)	(129)	(99)	(523)	-	(6,951)
Disposals	-	(3,921)	-	(145)	-	-	(4,066)
Write-offs	-	(4)	(9,551)	-	-	-	(9,555)
Transfer/Reclassification	-	-	-	75	-	-	75
Currency translation	(2.2)	(0.47)	(2.0)	(1.5)			(2.2.7)
differences	(99)	(845)	(24)	(19)	-	-	(987)
Balance at							
30 September 2020 Accumulated depreciation	9,675	2/1 65/	12 705	5,975	27 002		209 192
Accumulated depreciation	5,070	241,654	13,795	5,975	27,083	-	298,182
impairment loss	_	3,602	210	94	646	_	4,552
impairmont 1000	0.675						
	9,675	245,256	14,005	6,069	27,729	-	302,734

For the financial year ended 30 September 2021

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Freehold land and buildings RM'000	Factory equipment and machinery RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work-in- progress RM'000	Total RM'000
Depreciation and Impairment Losses (Cont'd)							
Balance at							
1 October 2020	9,675	245,256	14,005	6,069	27,729	-	302,734
Depreciation	1,694	21,871	1,450	372	5,116	-	30,503
Disposals	-	(5,820)	-	(14)	-	-	(5,834)
Write-offs	-	- (40.4)	(7)	-	-	-	(7)
Transfer/Reclassification	-	(494)	-	-	-	-	(494)
Currency translation	(4.55)	(4.000)		(0.1)			(1.000)
differences	(182)	(1,629)	(47)	(34)	-	-	(1,892)
Balance at 30 September 2021							
Accumulated depreciation Accumulated	11,187	255,634	15,191	6,299	32,199	-	320,510
impairment loss	-	3,550	210	94	646	-	4,500
	11,187	259,184	15,401	6,393	32,845	-	325,010
<u>Carrying Amount</u> Balance at							
1 October 2019	82,902	135,049	4,407	987	12,562	47,426	283,333
Balance at							
30 September 2020	127,017	139,356	4,595	1,153	14,115	3,905	290,141
Balance at 30 September 2021	123,615	165,801	5,803	1,052	12,155	662	309,088
oo oeptember 2021	120,010	103,001	J,003	1,002	12,100	002	309,000

The carrying amounts of property, plant and equipment acquired under term loan facilities which remained outstanding as at the end of the reporting period are as follows:-

Freehold land and buildings
Factory equipment and machinery

	Group
2021	2020
RM'000	RM'000
17,922	17,938
20,266	21,393
38,188	39,331

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Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Total RM'000
Cost			
Balance at 1 October 2019	12	587	599
Movement during the year	-	-	-
Balance at 30 September 2020	12	587	599
Movement during the year	2	-	2
Balance at 30 September 2021	14	587	601
Accumulated Depreciation Balance at 1 October 2019 Depreciation	12 -	587 -	599 -
Balance at 30 September 2020 Depreciation	12	587 -	599 -
Balance at 30 September 2021	12	587	599
Carrying Amount			
Balance at 1 October 2019	-	-	_
Balance at 30 September 2020	-	-	-
Balance at 30 September 2021	2	-	2

RIGHT-OF-USE ASSETS

Group	Factory buildings RM'000	Factory equipment and machinery RM'000	Motor vehicles RM'000	Total RM'000
Cost				
Balance at 1 October 2019	3,154	49,875	75	53,104
Additions	256	3,445	388	4,089
Disposals	-	(365)	-	(365)
Transfer/Reclassification	-	-	(75)	(75)
Balance at 30 September 2020	3,410	52,955	388	56,753
Additions	3,067	-	-	3,067
Disposals	-	(551)	-	(551)
Written off	(133)	-	-	(133)
Transfer/Reclassification	_	9,344	-	9,344
Balance at 30 September 2021	6,344	61,748	388	68,480

For the financial year ended 30 September 2021

5. RIGHT-OF-USE ASSETS

		Factory equipment		
Group	Factory buildings RM'000	and machinery RM'000	Motor vehicles RM'000	Total RM'000
•	11111 000	71117 000	11111 000	711VI 000
Accumulated Depreciation Balance at 1 October 2019 Depreciation Disposals Transfer/Reclassification	1,316 687 -	4,499 2,563 (30)	75 43 - (75)	5,890 3,293 (30) (75)
Balance at 30 September 2020 Depreciation Disposals Written off Transfer/Reclassification	2,003 1,269 - (133)	7,032 2,824 (79) - 494	43 78 - -	9,078 4,171 (79) (133) 494
Balance at 30 September 2021	3,139	10,271	121	13,531
Carrying Amount Balance at 1 October 2019	1,838	45,376	-	47,214
Balance at 30 September 2020	1,407	45,923	345	47,675
Balance at 30 September 2021	3,205	51,477	267	54,949

The Group acquired leases a factory building from a third party for 1 to 4 years. The rights to use the factory equipment and machinery and motor vehicles were acquired under hire purchase financing whereby ownership will be transferred by the end of the lease terms of 3 to 5 years.

6. INTANGIBLE ASSETS

	Group	
	2021 RM'000	2020 RM'000
Balance at 1 October 2020/2019	5,931	4,609
Additions	-	3,152
Disposal	(5,931)	(2,809)
Fair value gain on revaluation (Recognised in other comprehensive income)		1,409
Fair value loss on revaluation (Recognised in profit or loss) (Note 20)	-	(430)
Balance at 30 September	-	5,931

If the intangible assets were measured using the cost model, the carrying amounts would be as follows:-

	Group		
	2021 RM'000	2020 RM'000	
Balance at 1 October 2020/2019 Additions	4,401	3,657 3,152	
Disposal	(4,401)	(2,408)	
Balance at 30 September		4,401	

Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

NOTION VTEC BERHAD 200301035125 (637546-D)

7. **INVESTMENTS IN SUBSIDIARIES**

	Col	mpany
	2021 RM'000	2020 RM'000
Unquoted shares, at cost Employees' shares options granted to employees of subsidiaries Accumulated impairment losses	98,903 5,477 (20,601)	98,862 5,477 (20,560)
	83,779	83,779

The details of the subsidiaries are as follows:-

	Principal Place of Business/	Effective Equity Interest				
Name of Subsidiary	Country of Incorporation	2021 %	2020 %	Principal Activities		
Notion Venture Sdn. Bhd. ("NVSB")	Malaysia	100	100	Design and volume production of high precision metal machining of hard disk drive, computer, consumer electronic and electrical and automotive industries' components, and its related research and development activities; and manufacturing of the personal protective equipment and medical related materials, components, devices or products and other related activities.		
Notion International (M) Sdn. Bhd.	Malaysia	100	100	Manufacturing of high precision components; and production, sales and marketing of personal protective equipment and medical related components, devices and products; and plastic injection moulding and sub-assembly.		
Notion (Thailand) Co. Ltd. (a)	Thailand	100	100	Design and manufacture of precision components.		
Kaiten Precision (M) Sdn. Bhd.	Malaysia	100	100	Design and development leading to the mass-production of high precision micro-parts and related research and development activities.		
Novid PPE Sdn. Bhd.	Malaysia	100	100	Investment in digital and computing technology and production including sales and marketing of personal protective equipment and medical related components, devices and products.		
Intech Precision Sdn. Bhd.	Malaysia	100	100	Designing, developing, manufacturing and marketing of precision jigs and fixtures, tools and dies for stamping, precision mould parts for stamping, trim and form tools for the semiconductor industry, and precisioning machine parts for the automotive and other high value-added industries.		
NV Technology Sdn. Bhd.	Malaysia	100	100	Design, development and modification of cutting tool geometry, regrind and re-sharpening of special cutting tools using computer numerical control tools and cutter grinder and other grinding operations and also involved in the marketing of diamond abrasive grinding wheels, polycrystalline diamond and polycrystalline cubic nitride inserts.		

For the financial year ended 30 September 2021

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:- (Cont'd)

	Principal Place of Business/	Effective Equity Interest		
	Country of	2021	2020	
Name of Subsidiary	Incorporation	%	%	Principal Activities
Diaphragm Tech Sdn. Bhd.	Malaysia	100	100	Inactive.
Swiss Impression Sdn. Bhd.	Malaysia	100	100	Inactive.
Notion Venture (Hong Kong) Limited (b)	Hong Kong	100	100	Inactive.
Notion Pacific Ltd (b)	United Arab Emirates	100	-	Inactive.
Subsidiary of NVSB				
Autic Mekki Sdn. Bhd.	Malaysia	100	100	Provision of surface treatment, electrolysis nickel plating, chrome plating, electroplating and anodizing metal or other similar material.

⁽a) not audited by Crowe Malaysia PLT.

8. OTHER INVESTMENT

	Gro	oup	Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Unquoted investment in Malaysia: - unquoted shares at fair value through profit or loss Less: Fair value loss on financial instruments mandatorily	1,000	-	1,000	-
measured at fair value through profit or loss	(1,000)	-	(1,000)	-
	-	-	-	-

The fair values of unquoted investment were measured using the adjusted net asset method which involved deriving the fair values of the investee's equity instruments by reference to the fair values of their assets and liabilities (i.e. Level 3).

not required to be audited and consolidated using unaudited financial statements.

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Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

9. **INVENTORIES**

	G	roup
	2021 RM'000	2020 RM'000
Cost		
Raw materials	13,463	11,005
Work-in-progress	18,959	12,311
Consumables	6,690	5,341
Finished goods	29,156	17,253
Net realisable value		
Raw materials	12	26
Work-in-progress	266	379
Finished goods	834	598
	69,380	46,913
Recognised in profit or loss:-		
Inventories recognised as cost of sales	313,526	215,971
Inventories written down (Note 20)	3,159	1,771
Inventories written off (Note 20)	491	-
Reversal of inventories previously written down (Note 20)	(844)	(4,474)

10. RECEIVABLES

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Trade receivables:-				
- Unrelated parties	63,258	71,039	-	-
- Allowance for impairment loss	(556)	(497)	-	-
	62,702	70,542	-	-
Other receivables:-		·		
- Unrelated parties	20,744	9,171	-	-
- Related party	-	500	58	500
- Allowance for impairment loss	(708)	(538)	(58)	(500)
	20,036	9,133	_	_
- Subsidiaries	-	-	154,718	123,497
	20,036	9,133	154,718	123,497
	82,738	79,675	154,718	123,497

The currency profiles of receivables are as follows:-

	Group		Company		
	2021		2020	2021	2020
	RM'000	RM'000	RM'000	RM'000	
Euro	10,156	16,547	-	-	
Ringgit Malaysia	32,137	27,357	154,718	123,497	
Thai Baht	14,423	11,666	-	-	
United States Dollar	26,020	24,096	-	-	
Others	2	9	-		
	82,738	79,675	154,718	123,497	

For the financial year ended 30 September 2021

10. RECEIVABLES (CONT'D)

Trade Receivables

The Group determines credit risk concentrations in terms of counterparties and geographical areas. As at 30 September 2021, there were 3 (2020 - 2) major customers that accounted for 10% or more of the Group's trade receivables and the total outstanding balances due from these major customers amounted to RM34,304,758 (2020 - RM24,438,530). The credit risk concentration profile by geographical areas of trade receivables is as follows:-

	Group		
	2021 RM'000	2020 RM'000	
Belgium	1,880	1,487	
Brazil	815	316	
China	873	914	
Hong Kong	761	565	
Japan	1,779	1,851	
Malaysia	14,917	18,801	
Mexico	1,613	766	
Poland	1,828	8,476	
Thailand	28,884	25,437	
United States of America	8,175	10,736	
Others	1,177	1,193	
	62,702	70,542	

The credit terms of trade receivables range from 30 to 120 days (2020 - 30 to 90 days). The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status is as follows:-

	Group	
	2021 RM'000	2020 RM'000
Not past due	31,677	40,557
Past due 1 to 30 days	20,886	15,132
Past due 31 to 120 days	9,237	13,074
Past due more than 120 days	902	1,779
	62,702	70,542

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. The changes in the loss allowance are as follows:-

	Group		
	2021 RM'000	2020 RM'000	
Balance at 1 October 2020/2019	497	316	
Impairment loss recognised (Note 20)	253	274	
Impairment loss reversed (Note 20)	(194)	-	
Impairment loss written off	_	(93)	
Balance at 30 September	556	497	

For the financial year ended 30 September 2021

10. RECEIVABLES (CONT'D)

Trade Receivables (Cont'd)

The above loss allowance is in respect of individually assessed credit-impaired trade receivables. Based on the low historical observed default rates (adjusted for forward-looking estimates), the expected credit losses on trade receivables that are not credit-impaired are not considered to be material and hence, have not been recognised.

Other Receivables

Other receivables are unsecured and non-interest bearing. The amounts owing by subsidiaries are repayable on demand. The amounts owing by unrelated parties and related party mainly consist of advances and refundable deposits which have no fixed repayment terms.

The Group measures the loss allowance at an amount equal to lifetime expected credit losses. The changes in the loss allowance are as follows:-

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Balance at 1 October 2020/2019	538	38	500	500
Impairment loss recognised (Note 20)	670	500	58	
Transfer to other investment	(500)	-	(500)	
Balance at 30 September	708	538	58	500

The above loss allowance was individually determined after considering the adverse financial conditions of the other receivables who have defaulted in payments.

11. CASH AND CASH EQUIVALENTS

Group		Company	
2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
661	25,411	661	25,411
62	2,143	45	2,143
21,984	55,158	639	5,123
22,707	82,712	1,345	32,677
	2021 RM'000 661 62 21,984	2021 2020 RM'000 RM'000 661 25,411 62 2,143 21,984 55,158	2021 2020 2021 RM'000 RM'000 RM'000 661 25,411 661 62 2,143 45 21,984 55,158 639

The effective interest rates of term deposits as at 30 September 2021 ranged from 1.70% to 2.06% (2020 - 2.68%) per annum.

Cash and cash equivalents are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

The currency profiles of cash and cash equivalents are as follows:-

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Euro	1,580	1,527	-	-
Ringgit Malaysia	9,373	41,123	1,345	32,677
Thai Baht	9,333	4,117	_	_
United States Dollar	2,396	35,915	_	_
Others	25	30	-	-
	22,707	82,712	1,345	32,677

For the financial year ended 30 September 2021

12. SHARE CAPITAL

	No. of ordinary shares ('000) with no par value	RM'000
Issued and fully paid:-		
Balance at 1 October 2019	333,176	200,023
Issuance of shares pursuant to Warrants	4	3
Issuance of shares pursuant to ESOS	11,581	8,824
Bonus issue	168,325	_
Balance at 30 September 2020	513,086	208,850
Issuance of shares pursuant to ESOS	2,596	2,295
Balance at 30 September 2021	515,682	211,145

The shareholders of the Company, by a resolution passed at the Extraordinary General Meeting held on 23 February 2017, approved the Long Term Incentive Plan comprising ESOS and Executive Share Grant Scheme. The ESOS became effective on 24 February 2017. The Board has subsequently approved for an extension of Long Term Incentive Plan to another five (5) years commencing 24 February 2022.

The principal features of the ESOS are as follows:-

- (i) At any point of time when the offer is made, the maximum number of shares to be issued under the ESOS shall not exceed 15 % of the total issued and fully paid-up share capital of the Company during the duration of the ESOS.
- (ii) An employee (including executive directors) of the Group shall be eligible to participate in the ESOS if, as at the date of offer, the employee is at least 18 years of age and has been confirmed and serving on a full time basis.
- (iii) All non-executive directors who have been appointed to the Board shall be eligible to participate in the ESOS in accordance with the Listing Requirements of Bursa Malaysia Securities Berhad and subject to the Constitution of the Company.
- (iv) The ESOS shall be valid for a duration of 5 years from the effective date.
- (v) The exercise price shall be determined based on the weighted average market price of shares for the 5 market days immediately preceding the date of offer with a discount of not more than 10%.
- (vi) The employees' entitlement to the options is vested upon acceptance of the offer by the grantee, which shall be no later than 30 days from the date of offer.
- (vii) The new shares to be allotted and issued upon exercise of any options granted under the scheme will, upon allotment and issuance, rank pari passu in all respects with the then existing shares and paid-up shares in the Company, save and except that the new shares so allotted and issued will not be entitled to any right, dividend, allotment and/or distribution declared, made or paid, the entitlement date of which precedes the date of exercise of the options.

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Notes to the Financial Statements (Cont'd)

For the financial year ended 30 September 2021

12. SHARE CAPITAL (CONT'D)

The movements in the number of options during the financial year are as follows:-

Number of Options Over Ordinary Shares	Weighted Average Exercise Price RM	Weighted Average Share Price RM	Weighted Average Remaining Contractual Life
9,917,300	0.51		
21,000,000	0.68		
2,986,600			
(11,580,798)	0.53	0.74	
22,323,102	0.59		1.4 years
21,850,402			
22,323,102	0.59		
(2,595,892)	0.53		
19,727,210	0.59	0.81	0.4 years
19,254,510			
	Options Over Ordinary Shares 9,917,300 21,000,000 2,986,600 (11,580,798) 22,323,102 21,850,402 22,323,102 (2,595,892) 19,727,210	Options Over Ordinary Shares Average Exercise 9,917,300 21,000,000 (11,580,798) 0.51 0.68 0.68 0.53 22,323,102 21,850,402 0.59 0.59 0.53 22,323,102 (2,595,892) 0.59 0.53 19,727,210 0.59	Options Average Average Over Exercise Share Ordinary Price Price Shares RM RM 9,917,300 0.51 21,000,000 21,000,000 0.68 2,986,600 (11,580,798) 0.53 0.74 22,323,102 0.59 21,850,402 0.59 (2,595,892) 0.53 19,727,210 0.59 0.81

The fair value of share options granted since the effective date of the ESOS was measured using the Black Scholes Model with the following inputs:-

Grant date	Option 1 27.2.2017	Option 2 12.12.2017	Option 3 28.5.2020
Fair value at grant date (RM)	0.36	0.22	0.28
Weighted average share price (RM)	0.88	0.53	0.65
Exercise price (RM)	0.80	0.44	0.56
Expected volatility (%)	45.25	55.80	60.80
Option life (years)	4.4	4.2	3.0
Expected dividends (%)	2.26	5.66	1.14
Risk-free interest rate (%)	3.69	3.68	2.27

The expected volatility reflects the assumption that historical volatility is indicative of future trends but may not necessarily be the actual outcome. No other features of the share options granted were incorporated into the measurement of fair value.

13. LOANS AND BORROWINGS

	G	iroup
	2021 RM'000	2020 RM'000
Secured		
Term loans (floating rate)	20,986	27,221
Revolving credits	12,000	
	32,986	27,221
Disclosed as:-		
- Current liabilities	18,802	6,800
- Non-current liabilities	14,184	20,421
	32,986	27,221

For the financial year ended 30 September 2021

13. LOANS AND BORROWINGS (CONT'D)

Term loans are secured against certain property, plant and equipment (Note 4).

The effective interest rates of loans and borrowings as at 30 September 2021 ranged from 4.13% to 6.45% (2020 - 6.45%) per annum.

Except for term loans, loans and borrowings are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Term Loans

Term loans are repayable over 1 to 7 years. The repayment analysis are as follows:-

Group	
2021 RM'000	2020 RM'000
7,986	8,594
7,602	8,139
10,570	17,555
_	139
26,158	34,427
(5,172)	(7,206)
6,802	6,800
6,803	6,803
7,381	13,487
-	131
20,986	27,221
	2021 RM'000 7,986 7,602 10,570 - 26,158 (5,172) 6,802 6,803 7,381

The fair values of term loans are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2). The fair values measured were considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximate to the effective interest rates of term loans.

14. LEASE LIABILITIES

	G	roup
	2021 RM'000	2020 RM'000
Gross lease liabilities:-		
- Within 1 year	15,734	13,040
- 1 to 5 years	23,680	27,104
- After 5 years	499	923
Total contractual undiscounted cash flows	39,913	41,067
Future finance charges	(3,459)	(4,021)
Present value of lease liabilities	36,454	37,046
Disclosed as:-		
- Current liabilities	13,806	11,000
- Non-current liabilities	22,648	26,046
	36,454	37,046
Total contractual undiscounted cash flows Future finance charges Present value of lease liabilities Disclosed as: Current liabilities	39,913 (3,459) 36,454 13,806 22,648	41,067 (4,021) 37,046 11,000 26,046

The incremental borrowing rate applied to lease liabilities as at 30 September 2021 ranged from 1.32% to 6.54% (2020 - 1.32% to 6.54%) per annum.

For the financial year ended 30 September 2021

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15. RETIREMENT BENEFITS

The Group operates final salary defined benefits plan with guaranteed lump sum payment at retirement and early retirement for its eligible employees.

The present value of defined benefit obligation is as follows:-

	Group	
	2021 RM'000	2020 RM'000
Balance at 1 October 2020/2019	627	537
Defined benefit costs (Note 20)	104	120
Paid during the year	-	(9)
Currency translation differences	(38)	(21)
Balance at 30 September	693	627

The components of defined benefit costs are as follows:-

		Group
	2021 RM'000	2020 RM'000
Current service cost	95	106
Interest expense	9	14
	104	120

The principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:-

		Group	
	2021	2020	
	%	%	
Discount rate	1.86	1.36	
Future salary growth	3.50	3.50	

The following table demonstrates the sensitivity analysis of the defined benefit obligation if significant actuarial assumptions at the end of each reporting period changed by one hundred (100) basis points with all other variables held constant:-

		Group				
	2021					2020
	RM'000	RM'000				
Increase in discount rate by 1%	627	568				
Decrease in discount rate by 1%	762	692				
Increase in expected rate of salary by 1%	764	694				
Decrease in expected rate of salary by 1%	626	565				

The weighted average duration of the defined benefit obligations is 9.77 years.

Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

16. **DEFERRED TAX LIABILITIES**

	G	roup
	2021 RM'000	2020 RM'000
Balance at 1 October 2020/2019	8,622	12,099
Deferred tax expense relating to origination and reversal of temporary differences (Note 22)	(2,567)	865
Deferred tax liabilities overprovided in the prior year (Note 22)	(1,064)	(4,342)
Balance at 30 September	4,991	8,622
	G	roup
	2021 RM'000	2020 RM'000
In respect of (deductible)/taxable temporary differences of:-		
- Inventories	(1,760)	(1,152)
- Financial instruments	(3,569)	(2,505)
- Property, plant and equipment	21,304	12,279
- Unabsorbed capital allowances	(10,585)	_
- Unutilised tax losses	(399)	-
_	4.991	8.622

DEFERRED INCOME ON GOVERNMENT GRANTS

	Group	
	2021 RM'000	2020 RM'000
Balance at 1 October 2020/2019 Grants received during the financial year	5,019	2,618 2,567
Recognised in profit or loss (Note 20)	(288)	(166)
Balance at 30 September	4,731	5,019

The Group received grants from the Malaysian Investment Development Authority ("MIDA") for modernisation and upgrading of its existing manufacturing activities. The grants covered 50% of the costs of the assets subject to the limits approved.

PAYABLES 18.

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Trade payables	17,061	9,493	-	-
Other payables: Subsidiaries	-	-	2,274	2,232
- Unrelated parties	38,696	51,036	913	784
	38,696	51,036	3,187	3,016
	55,757	60,529	3,187	3,016

For the financial year ended 30 September 2021

18. PAYABLES (CONT'D)

The currency profiles of payables are as follows:-

	Group		Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Ringgit Malaysia	29,856	22,092	3,187	3,016
Thai Baht	2,470	2,475	-	_
United States Dollar	22,083	35,399	-	_
Others	1,348	563		
	55,757	60,529	3,187	3,016

Payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Trade Payables

Trade payables are unsecured, non-interest bearing and generally on 30 to 90 days terms.

Other Payables

Other payables are unsecured and non-interest bearing. The amount owing to subsidiaries is repayable on demand. The amounts owing to unrelated parties mainly consist of sundry payables for acquisition of plant and equipment, and accruals for operating expenses which are generally due within 30 to 90 days.

19. REVENUE

	Group		Company	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers:-				
Sale of goods	352,915	242,747	-	-
Rendering of services	-	-	6,240	6,240
	352,915	242,747	6,240	6,240
Other sources of revenue:-				
Dividend income	-	-	-	4,000
	352,915	242,747	6,240	10,240

The other information on the disaggregation of revenue is disclosed in Note 27. Information about disaggregation of revenue from contracts with customers of the Company has not been disclosed as the Company derives the revenue mainly from rendering management services to subsidiaries in Malaysia.

Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

20. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is arrived at after charging/(crediting):-

	Group Con		ompany	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Auditors' remuneration:-				
- Audit fee:-				
- Crowe Malaysia PLT	282	277	63	63
- Other auditors	28	26	-	-
- Non-audit fees:-	47	50	10	40
- Crowe Malaysia PLT- Member firms of Crowe Malaysia PLT	17 69	52 61	13 12	48
Bad debts written off	-	4	-	6
Depreciation of property, plant and equipment (Note 4)	30,503	27,958	_	_
Depreciation of right-of-use assets (Note 5)	4,171	3,293	_	_
Deposit written off	6	-	_	_
Personnel expenses (Note 21)	79,177	75,333	6,796	9,144
Impairment loss on receivables (Note 10)	923	774	58	500
Fair value loss on other investment	500	-	500	-
Impairment loss on investment in subsidiary	-	-	41	-
Impairment loss on plant and equipment	-	72	-	-
Interest expense for lease liabilities	2,414	2,499	-	-
Interest expense for financial liabilities not	1 605	1 000		
at fair value through profit or loss Inventories written down (Note 9)	1,625 3,159	1,830 1,771	-	-
Inventories written off (Note 9)	491	1,771	_	_
Loss on foreign exchange:	401			
- Realised	116	55	_	_
Loss on fair value adjustment of intangible assets (Note 6)	_	430	_	_
Plant and equipment written off (Note 4)	1	109	-	_
Rental expenses	1,068	819	-	-
Retirement benefits (Note 15)	104	120	-	-
Amortisation of deferred income on				
government grants (Note 17)	(288)	(166)	-	-
Dividend income from subsidiaries	-	- ()	-	(4,000)
Gain on disposal of plant and equipment	(121)	(550)	-	-
Gain on disposal of intangible assets Gain on disposal of right-of-use assets	(1,121)	- (E)	-	-
Gain on foreign exchange:	(26)	(5)	_	-
- Realised	(3,578)	(5,686)	_	_
- Unrealised	(87)	(36)	_	_
Insurance claim received	(365)	(12,217)	_	_
Interest income for financial assets not	,	, ,		
at fair value through profit or loss	(231)	(1,267)	(114)	(1,123)
Reversal of impairment loss on receivables (Note 10)	(194)	-	-	-
Reversal of impairment loss on plant				
and equipment (Note 4)	_	(6,951)	-	-
Reversal of inventories written down (Note 9)	(844)	(4,474)	-	-
Rental income	(21)	-	-	_

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Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

21. PERSONNEL EXPENSES (INCLUDING DIRECTORS' REMUNERATION)

	Gr	oup	Co	mpany
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Executive directors:-				
 Short-term employees' benefits 	5,020	5,027	5,009	5,027
- Defined contribution plan	570	570	570	570
- Share-based payments	-	1,864	-	1,864
	5,590	7,461	5,579	7,461
Non-executive directors:-				
- Short-term employees' benefits	299	311	309	311
- Share-based payments	-	466	-	466
	299	777	309	777
	5,889	8,238	5,888	8,238
Other employees:-				
- Short-term employees' benefits	70,414	61,337	808	661
- Defined contribution plans	2,874	2,156	100	82
- Share-based payments	-	3,602	-	163
	73,288	67,095	908	906
	79,177	75,333	6,796	9,144

TAX REVERSAL/(EXPENSE)

	Gro	oup	Company	
	2021 RM'000	2020 RM'000	2021 RM'000	2020 RM'000
Tax based on results for the year:-				
- Current tax	1,140	1,342	-	-
- Deferred tax (Note 16)	(2,567)	865	-	-
	(1,427)	2,207	-	-
Tax under/(over) provided in prior year:-				
- Current tax	29	2,652	20	18
- Deferred tax (Note 16)	(1,064)	(4,342)	-	-
	(2,462)	517	20	18

For the financial year ended 30 September 2021

22. TAX REVERSAL/(EXPENSE) (CONT'D)

The numerical reconciliation between the applicable tax rate, which is the statutory income tax rate, and the average effective tax rate on results for the year is as follows:-

2020	0001	
RM'000	2021 RM'000	2020 RM'000
6,840	(1,886)	835
1,642	(453)	200
4,036	472	1,008
(2,106)	(19)	(1,208)
310	-	-
(1,675)	-	-
-		
2,652	20	18
(4,342)	-	-
517	20	18
	RM'000 6,840 1,642 4,036 (2,106) 310 (1,675) - 2,652 (4,342)	RM'000 RM'000 6,840 (1,886) 1,642 (453) 4,036 472 (2,106) (19) 310 - (1,675) - 2,652 20 (4,342) -

The future availability of deductible temporary differences and unutilised tax credits for which no deferred tax assets have been recognised are as follows:-

	Group	
	2021 RM'000	2020 RM'000
Property, plant and equipment	194	2,863
Unabsorbed capital allowances	4,824	7,741
Unutilised tax losses	11,905	7,092
Others	1,189	364
	18,112	18,060

The Group's unutilised tax losses are imposed with a time limit of utilisation. Any accumulated unutilised tax losses brought forward from year of assessment 2020 can only be carried forward for another 10 (2020 - 7) consecutive years of assessment (i.e. from year of assessments 2021 to 2031). The unabsorbed capital allowances are allowed to be carried forward indefinitely.

For the financial year ended 30 September 2021

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23. (LOSS)/EARNINGS PER SHARE

The (loss)/earnings per share is calculated by dividing the Group's (loss)/profit for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:-

(Loss)/Profit for the financial year (RM'000) (7,810) 6,323		G	roup
(Loss)/Profit for the financial year (RM'000) (7,810) 6,323		2021	2020
	(Loss)/Profit for the financial year (RM'000)	(7,810)	6,323
Number of shares in issue at 1 October 2020/2019 ('000) 513,086 333,176 Effect of shares issued pursuant to ESOS and Warrants ('000) 2,284 3,865	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		•
Effect of shares issued pursuant to ESOS and Warrants ('000) 2,284 3,865 Effect of bonus issue ('000) - 167,703		2,204	-,
Weighted average number of shares for computing basic earnings per share ('000) 515,370 504,744 Number of shares under ESOS and Warrants deemed to have been		515,370	504,744
issued for no consideration* ('000) - 17,260	issued for no consideration* ('000)	-	17,260
Weighted average number of shares for computing diluted earnings per share ('000) 515,370 522,004	Weighted average number of shares for computing diluted earnings per share ('000)	515,370	522,004
Basic (loss)/earnings per share (sen) (1.52) 1.25	Basic (loss)/earnings per share (sen)	(1.52)	1.25
Diluted (loss)/earnings per share* (sen) (1.52) 1.21	Diluted (loss)/earnings per share* (sen)	(1.52)	1.21

^{*} The effects of potential ordinary shares arising from the conversion of ESOS and warrants are anti-dilutive and accordingly, they have been ignored in the calculation of dilutive loss per share. As a result, the diluted loss per ordinary share is the same as basic loss per share.

24. DIVIDENDS

	Group and Company	
	2021	2020
	RM'000	RM'000
Interim single tier tax-exempt dividend of 1 sen per ordinary share in respect		
of the financial year ended 30 September 2019		3,357

25. NOTES TO THE STATEMENTS OF CASH FLOWS

	Group	
	2021 RM'000	2020 RM'000
Purchase of Property, Plant and Equipment	00.004	00.400
Cost of property, plant and equipment purchased Amount financed through hire purchase	62,894 -	32,429
Net cash disbursed	62,894	32,429
Acquisition of Right-of-use Assets		
Cost of right-of-use assets acquired	3,067	4,089
Acquisition by means of leases	(3,067)	(3,507)
Net cash disbursed	-	582

Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

25. NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

	Group	
	2021 RM'000	2020 RM'000
Revolving Credits Balance at 1 October 2020/2019 Additions	- 12,000	-
Balance at 30 September (Note 13)	12,000	-
Lease Liabilities Balance at 1 October 2020/2019 Additions Repayments	37,046 11,525 (12,117)	37,594 9,045 (9,593)
Balance at 30 September (Note 14)	36,454	37,046
Term Loans Balance at 1 October 2020/2019 Repayments Balance at 30 September (Note 13)	27,221 (6,235) 20,986	30,314 (3,093) 27,221

26. **RELATED PARTY DISCLOSURES**

Significant transactions with related parties during the financial year are as follows:-

	Group		Company			
	2021	2021	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000		
Other key management personnel compensation:-						
- Short-term employee benefits	2,595	2,627	313	321		
- Defined contribution plan	241	232	40	41		
- Share-based payments	_	453	-	69		
	2,836	3,312	353	431		
Dividends received from subsidiaries	-	-	-	4,000		
Management fee charged to subsidiaries	-	-	6,240	6,240		
Rental expense charged by a director	60	60	-	-		

For the financial year ended 30 September 2021

27. SEGMENT REPORTING

Group

Operating Segments

For management purposes, the Group is organised into business units based on their products and services and has the following reportable operating segments:-

(i) Precision Engineering : Manufacture of high volume precision components and tools including design, other related activities and incidental services.

(ii) Personal Protective : Manufacture of personal protective equipment and medical related materials, components, devices or products and other related activities.

The accounting policies and measurement bases of the segment items reported are the same as those disclosed in Note 2. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with external parties.

2021	Precision Engineering RM'000	Personal Protective Equipment RM'000	Total RM'000
		11111 000	11111 000
Revenue External revenue	264,511	88,404	352,915
Represented by:- Revenue recognised at a point of time			
- Sale of goods	264,511	88,404	352,915
Results			
Segment (loss)/profit	(20,007)	12,197	(7,810)
Segment (loss)/profit includes the following:-			
Amortisation of deferred income on government grants	(288)	-	(288)
Depreciation of property, plant and equipment	27,406	3,097	30,503
Depreciation of right-of-use assets	3,484	687	4,171
Deposit written off	6	-	6
Fair value loss on other investment	500	-	500
Gain on disposal of intangible assets	(1,121)	-	(1,121)
Gain on disposal of plant and equipment	(121)	-	(121)
Gain on disposal of right-of-use assets	(26)	-	(26)
Impairment loss on receivables	923	-	923
Retirement benefits	104	-	104
Insurance claims	(365)	-	(365)
Interest expense	3,765	274	4,039
Interest income	(231)	-	(231)
Inventories written down	3,159	-	3,159
Inventories written off	491	-	491
Personnel expenses	77,137	2,040	79,177
Plant and equipment written off	1	-	1
Reversal of impairment loss on receivables	(194)	-	(194)
Reversal of inventories written down	(844)	-	(844)
Unrealised gain on foreign exchange	(87)	-	(87)

Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

SEGMENT REPORTING (CONT'D)

Operating Segments (Cont'd)

2021	Precision Engineering RM'000	Personal Protective Equipment RM'000	Total RM'000
Assets			
Segment assets	435,958	115,648	551,606
Additions to non-current assets other than financial instruments:- Property, plant and equipment Right-of-use assets	13,086 3,067	49,808 -	62,894 3,067
Liabilities Segment liabilities	111,328	24,328	135,656
2020			
Revenue External revenue	239,143	3,604	242,747
Represented by:- Revenue recognised at a point of time - Sale of goods	239,143	3,604	242,747
Results Segment profit	5,220	1,103	6,323
Segment profit includes the following:- Amortisation of deferred income on government grants Bad debts written off	(166)		(166)
Depreciation of property, plant and equipment Depreciation of right-of-use assets	27,585 3,293	373 -	27,958 3,293
Loss on fair value adjustment of intangible assets Gain on disposal of plant and equipment Gain on disposal of right-of-use assets	430 (550) (5)	- - -	430 (550) (5)
Impairment loss on plant and equipment Impairment loss on receivables	72 774	-	72 774
Retirement benefits Insurance claims Interest expense	120 (12,217) 4,329	- - -	120 (12,217) 4,329
Interest income Inventories written down Personnel expenses	(1,267) 1,771	- - 144	(1,267) 1,771 75,333
Personnel expenses Plant and equipment written off Realised gain on foreign exchange	75,189 109 (5,686)	144 -	109 (5,686)
Reversal of impairment loss on plant and equipment Reversal of inventories written down	(6,951) (4,474)	-	(6,951) (4,474)
Unrealised gain on foreign exchange	(36)		(36)

For the financial year ended 30 September 2021

27. SEGMENT REPORTING (CONT'D)

Operating Segments (Cont'd)

2020	Precision Engineering RM'000	Personal Protective Equipment RM'000	Total RM'000
Assets Segment assets	550,296	16,409	566,705
Additions to non-current assets other than financial instruments:- Property, plant and equipment Right-of-use assets Intangible assets	19,798 4,089 3,152	12,631 - -	32,429 4,089 3,152
Liabilities Segment liabilities	138,975	456	139,431

Geographical Information

In presenting information about geographical areas, segment revenue is based on the geographical location of customers whereas segment assets are based on the geographical location of assets.

	Group		Group	
		Revenue	Non-current Assets	
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Belgium	8,788	5,951	_	_
Brasil	4,550	-	_	_
China	6,500	11,453	-	-
Germany	2,577	-	-	_
Hong Kong	2,153	2,224	-	_
Japan	6,702	5,516	-	_
Malaysia	152,412	63,285	313,030	283,662
Mexico	11,432	7,633	-	_
Poland	26,321	23,825	-	_
Thailand	103,371	97,021	51,007	60,085
United States of America	25,717	21,196	_	_
Others	2,392	4,643	-	-
	352,915	242,747	364,037	343,747

Major Customers

The major customers that contributed 10% or more of the Group's total revenue are as follows:-

		roup al Revenue
	2021 RM'000	2020 RM'000
Customer I ^(a)	44,411 45,327	47,590 34,706

⁽a) The identity of the major customer has not been disclosed as permitted by MFRS 8 Operating Segments.

For the financial year ended 30 September 2021

28. COMMITMENT FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

		Group
	2021	2020
	RM'000	RM'000
Contracted but not provided for	746	2,364

29. FINANCIAL GUARANTEE CONTRACTS

The Company has entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM214,461,000 (2020 - RM196,966,500). The total utilisation of those credit facilities as at 30 September 2021 amounted to approximately RM65,822,125 (2020 - RM62,434,014).

The aforementioned financial guarantee contracts should have been recognised in the statements of financial position in accordance with the recognition and measurement policies as stated in Note 2.10. All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses. The financial guarantee contracts have not been recognised as the fair values on initial recognition are not expected to be material.

		Company
	2021	2020
	RM'000	RM'000
Contractual undiscounted cash flows		
- on demand or within one year	65,822	62,434

30. FINANCIAL RISK MANAGEMENT

The activities of the Group expose it to certain financial risks, including credit risk, liquidity risk, currency risk and interest rate risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

Credit Risk

The Group's exposure to credit risk arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statements of financial position. The Company is also exposed to credit risk in respect of its financial guarantees provided for credit facilities granted to certain subsidiaries. The maximum credit risk exposure of these financial guarantees is the total utilisation of the credit facilities granted as disclosed in Note 29.

The Group manages its credit risk exposure of receivables by assessing counterparties' financial standings on an ongoing basis, setting and monitoring counterparties' limits and credit terms. The quantitative information about such credit risk exposure is disclosed in Note 10. As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is low.

For the financial year ended 30 September 2021

NOTION VTEC BERHAD 200301035125 (637546-D)

30. FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity Risk

The Group's exposure to liquidity risk relates to its ability to meet obligations associated with financial liabilities as and when they fall due. The remaining contractual maturities of financial liabilities are disclosed in their respective notes.

In addition, the Company's liquidity risk exposure resulting from the financial guarantee contracts is disclosed in Note 29, representing the total utilisation of the credit facilities by its subsidiaries as at the end of the reporting period.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.

Currency Risk

The Group's exposure to currency risk arises mainly from transactions entered into in currencies other than its functional currencies, i.e. Ringgit Malaysia ("RM") and Thai Baht ("THB"). The major foreign currencies transacted are Euro ("EUR"), Japanese Yen ("JPY") and United States Dollar ("USD"), and the gross carrying amounts of foreign currency denominated monetary items at the end of the reporting period are receivables (Note 10), cash and cash equivalents (Note 11) and payables (Note 18).

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated in the following ways:-

- (i) The Group's foreign currency sales and purchases provide a natural hedge against fluctuations in foreign currencies.
- (ii) The Group maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

Based on a symmetric basis which uses the foreign currency as a stable denominator, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in exchange rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

		Group	
	(Decrease)/	Increase/	
	Increase	ncrease (Decrease)	
	in Loss	in Loss	in Profit
	2021	2020	
	RM'000	RM'000	
Appreciation of EUR against RM by 10%	(892)	1,374	
Depreciation of EUR against RM by 10%	892	(1,374)	
Appreciation of USD against RM by 10%	(481)	1,871	
Depreciation of USD against RM by 10%	481	(1,871)	

Interest Rate Risk

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely term deposits, loans and borrowings and lease liabilities.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing. It is also the Group's practice to maintain a mix of fixed and floating rate financial instruments.

For the financial year ended 30 September 2021

30. FINANCIAL RISK MANAGEMENT (CONT'D)

Interest Rate Risk (Cont'd)

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss, any change in interest rates at the end of the reporting period would not affect its profit or loss (and equity). For floating rate financial instruments measured at amortised cost, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in interest rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

		Group
	Increase/	(Decrease)/
	(Decrease)	Increase
	in Loss	in Profit
	2021	2020
	RM'000	RM'000
Increase in interest rates by 100 basis points	251	(207)
Decrease in interest rates by 100 basis points	(251)	207

31. CAPITAL MANAGEMENT

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to owners and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group considers its total equity and total loans and borrowings to be the key components of its capital structure and may, from time to time, adjust the dividend payouts, purchase own shares, issue new shares, sell assets, raise or redeem debts, where necessary, to maintain an optimal capital structure.

The Group monitors capital using a debt-to-equity ratio, which is calculated as total loans and borrowings divided by total equity as follows:-

		aroup
	2021	2020
	RM'000	RM'000
Loans and borrowings	32,986	27,221
Lease liabilities	36,454	37,046
Total interest-bearing debts	69,440	64,267
Total equity	415,950	427,274
Total capital	485,390	491,541
Debt-to-equity ratio	0.17	0.15

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

NOTION VTEC BERHAD

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(637546-D)

Notes to the Financial Statements (Cont'd) For the financial year ended 30 September 2021

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(i) The World Health Organisation declared the novel coronavirus ("COVID-19") a global pandemic on 11 March 2020. Following the declaration the Government of Malaysia has on 18 March 2020 imposed the Movement Control Order ("MCO") and subsequently entered into various phases of the MCO to curb the spread of the COVID-19 pandemic in Malaysia.

As at the date of authorisation of the financial statements, the COVID-19 pandemic situation is still evolving and remain uncertain. The Group will continue to actively monitor and manage its funds and operations to minimise any impact arising from the COVID-19 pandemic. Nevertheless, with the Group's past focus on cost efficiency, strong cash position, resilient fundamentals and diversification into healthcare segments, the Group expects to sustain its operational and financial performance for the financial year ending 30 September 2022.

- (ii) On 30 October 2020, the Group has decided to venture into the production, trading, selling and marketing of disposable nitrile examination gloves. Subsequently, on 2 November 2020, the Group has obtained a Certificate of Registration from Registrar Corp certified that the Group has registered with the U.S Food and Drug Administration ("FDA") for financial year 2021 for the polymer patient examination glove.
 - On 11 January 2021, the shareholders of the Company have approved the diversification of the existing business of the Group to include the production and trading of gloves by a resolution passed at the Extraordinary General Meeting.
 - On 17 February 2021, the Group has further partnership with Europecert and has registered Novid Class 1 Non-Sterile, Powder Free Nitrile Examination Glove GMDN: 56286 into European Union Authority.
- (iii) On 29 January 2021, the Board has announced that hearing dates have been fixed on 12 October 2021 to 15 October 2021 and 18 October 2021 for the arbitration proceedings pertaining to the fire incident that occurred at its main manufacturing plant in Klang, Selangor.
- (iv) On 4 March 2021, the Company has incorporated a wholly-owned subsidiary known as Notion Pacific Ltd in the United Arab Emirates with an initial paid-up capital of USD10,000 comprising 10,000 ordinary shares of USD1 each and the principal activity is to trade metals and metal ores and sales of liquefied natural gas and other energy products in the international markets.
- (v) On 24 August 2021, the Company has capitalised its investment of RM1,000,000 to 15,195 ordinary shares in Blinkware Technology Sdn. Bhd. ("Blinkware"), representing 3.99% of the issued and paid-up share capital of Blinkware.

33. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (i) On 3 November 2021, the Board has announced that both Insureds and Insurers have attended the arbitration hearing and have filled the necessary documents to the arbitrators pertaining to the fire incident that occurred at its main manufacturing plant in Klang, Selangor.
 - At the date of signing these financial statements, the decision of Arbitration Tribunal has yet to be delivered.
- (ii) On 20 December 2021, the Group announced that the factory building which is located at Lot 6071, Jalan Haji Abdul Manan, Batu 5 ½, Jalan Meru 41050 Klang, Selangor Darul Ehsan ("the Factory") has been affected by the flood due to the continuous heavy rain on 18 and 19 December 2021. The Factory is for the production of gloves and computer numerical control machining under the automotive segment. All the assets are adequately covered by insurance and sufficient insurance coverage has been taken for consequential business loss due to flood.

List of Properties Held as at 30 September 2021

Location	Approximate Age of Building (years)	Date of Acquisition/ Completion	Land Area (sq ft)	Tenure	Net Book Value (RM)
1½ Storey Semi-Detached Light Industrial Factory held under HS(M) No.22229, PT No.27966, Mukim Kapar, Daerah Klang	17	26 February 2004	7,653	Freehold	447,613
Address: No.11, Jalan Teruntum 20 KU/08, Jalan Teratai, Batu 5½, Jalan Meru, 41050 Klang, Selangor					
1½ Storey Semi-Detached Light Industrial Factory held under HS(M) No.22230, PT No.27967, Mukim Kapar, Daerah Klang	17	26 February 2004	7,653	Freehold	447,613
Address: No.11A, Jalan Teruntum 20 KU/08, Jalan Teratai, Batu 5½, Jalan Meru, 41050 Klang, Selangor					
3 Storey Office Building with Factory Building held under HS(D) No.13321, PT No.371 & HS(D) No.22781, PT No.10649, Mukim Kapar, Daerah Klang	16	10 August 2006	304,988	Freehold	53,034,126
Address: Lot 6123, Jalan Haji Salleh, Batu 5½, Jalan Meru, 41050 Klang, Selangor					
Factory Buildings under the land title deed No. 9845, Lot No.112, Survey Page No.623, Khan Ham Sub District, U Thai District, Ayutthaya Province, Thailand	24	02 October 2009	262,937	Freehold	16,594,759
Address: No. 1/48, Rojana Industrial Park Moo 5, Tambol Kanham, Amphur U-Thai. Pranakorn Sri Ayutthaya, 13210, Thailand					
1½ Storey light industrial factory held under HS(M) 19366, PT24011, Mukim Kapar, Daerah Klang	25	28 January 2010	1,959	Freehold	169,778
Address: No.31, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor					
1½ Storey light industrial factory held under HS(M) 19373, PT24018, Mukim Kapar, Daerah Klang	25	28 January 2010	1,970	Freehold	169,778
Address: No.45, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor					

List of Properties (Cont'd) Held as at 30 September 2021

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	Approximate				
	Age of	Date of	Land		
	Building	Acquisition/	Area		Net Book Value
Location	(years)	Completion	(sq ft)	Tenure	(RM
1½ Storey light industrial factory held under HS(M)19374, PT24019, Mukim Kapar, Daerah Klang	25	28 January 2010	1,970	Freehold	169,778
Address: No.47, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor					
1½ Storey light industrial factory held under HS(M) 19375, PT24020, Mukim Kapar, Daerah Klang	25	28 January 2010	1,970	Freehold	169,778
Address: No.49, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor					
1½ Storey light industrial factory held under HS(M) 19376, PT24021, Mukim Kapar, Daerah Klang	25	28 January 2010	3,197	Freehold	339,555
Address: No.51, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor					
2 Storey Office Building with Factory building held under HS(D) No.22776 PT No.10644, Mukim Kapar, Daerah Klang	25	29 April 2010	108,931	Freehold	3,593,700
Address: Lot 6123, Jalan Haji Salleh, Batu 5½ , Jalan Meru, 41050 Klang, Selangor					
1½ Storey light industrial factory held under HS(M) 19372, PT24017, Mukim Kapar, Daerah Klang	25	08 February 2012	1,970	Freehold	200,61
Address: No.43 Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor					
1 Storey Factory with a 2 Storey Office held under HS(D) No.135933, PT No.52829, Mukim Kapar, Daerah Klang	29	13 March 2012	283,952	Freehold	16,878,558
Address: Lot 6071, Jalan Haji Manan, Batu 5½ , Off Jalan Meru, 41050 Klang, Selangor					
1 Storey Linked Terrace Industrial Lot held under Geran 92792, Mukim Kapar, Daerah Klang	14	08 October 2012	3,337	Freehold	170,40
Address: Lot 35141, Jalan Haji Manan, Batu 5½ , Off Jalan Meru, 41050 Klang, Selangor					

List of Properties (Cont'd) Held as at 30 September 2021

Location	Approximate Age of Building (years)	Date of Acquisition/ Completion	Land Area (sq ft)	Tenure	Net Book Value (RM)
1 Storey Linked Terrace Industrial Lot held under Geran 92798, Mukim Kapar, Daerah Klang Address:	14	08 October 2012	3,337	Freehold	170,407
Lot 35147, Jalan Haji Manan, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor					
1 Storey Linked Terrace Industrial Lot held under Geran 92800, Mukim Kapar, Daerah Klang	14	08 October 2012	3,337	Freehold	170,407
Address: Lot 35149, Jalan Haji Manan, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor					
1 Storey Linked Terrace Industrial Lot held under Geran 92801, Mukim Kapar, Daerah Klang	14	08 October 2012	3,337	Freehold	170,407
Address: Lot 35150, Jalan Haji Manan, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor					
1 Storey Industrial Lot, Sri Ayutthaya, Thailand	27	11 August 2016	92,311	Freehold	3,337,837
Address: 63 Tambon Thanu, Amphur Uthai, Pra Nakhon Sri Ayutthaya Province, Thailand					
2 Storey Industrial Lot, Sri Ayutthaya, Thailand	14	03 May 2018	163,439	Freehold	9,204,281
Address: 40 Moo 4 Tambon U-Thai, Amphur Uthai, Pra Nakhon Sri Ayutthaya Province, Thailand					
1 plot of Industrial Land, Johor Bahru	7	28 February 2018	136,583	Freehold	11,572,565
Address: Plot 4, HSD 547617, PTD 200311, Mukim Pulai, Johor Bahru					
2 Storey Industrial Lot	4	30 July 2018	41,591	Freehold	6,603,365
Address: No. 2, Jalan Haji Manan 3/KU8 Kawasan Perindustrian Meru Barat 41050 Klang, Selangor					
TOTAL					123,615,323

Analysis of Shareholdings As at 31 December 2021

NOTION VTEC BERHAD 200301035125 (637546-D)

SHAREHOLDINGS

Issued Shares : 515,681,575 ordinary shares

Class of Shares : Ordinary shares

Voting Rights : Every member of the Company, present in person and entitled to vote, or by proxy or by attorney or

other duly authorised representative, shall have on a show of hands, one (1) vote or on a poll, one (1)

vote for each ordinary share held

Number of shareholders : 18,011

ANALYSIS BY SIZE OF HOLDINGS

Size of Holdings	No. of Holders	%	No.of Shares	%
1 - 99	1,071	5.946	48,576	0.010
100 - 1,000	2,485	13.797	1,600,748	0.310
1,001 - 10,000	8,992	49.925	46,951,640	9.105
10,001 - 100,000	4,915	27.289	151,405,266	29.360
100,001 - 25,784,077 (*)	548	3.043	315,675,345	61.215
25,784,078 and above (**)	0	0.000	0	0.000
TOTAL:	18,011	100.000	515,681,575	100.000

Remark:

* - Less than 5% of issued shares

** - 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS

ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS AS AT 31 DECEMBER 2021

No.	Name	No.of Shares	%
1	THOO CHOW FAH	19,871,301	3.852
2	CHOO WING HONG	35,782,939	6.937
3	CHOO WING ONN	34,021,766	6.597
4	LEE TIAN YOKE	17,976,446	3.485
5	CHOO WING YEW	13,649,887	2.646
6	ANITA CHEW CHENG IM	450,000	0.087
7	DATO' ABU BAKAR BIN MOHD NOR	41,689	0.008
8	TEH SU-CHING	5,000	0.000

SUBSTANTIAL SHAREHOLDERS

No.	Name	No.of Shares	%
1	CHOO WING HONG	35,782,939	6.937
2	CHOO WING ONN	34,021,766	6.597

Analysis of Shareholdings (Cont'd) As at 31 December 2021

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No.of Shares	%
1	CHOO WING ONN	21,829,766	4.233
2	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOO WING HONG	18,000,000	3.490
3	LEE TIAN YOKE	17,976,446	3.485
4	CHOO WING HONG	14,782,939	2.866
5	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOO WING ONN	12,192,000	2.364
6	TAN PAU SON	11,407,200	2.212
7	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR THOO CHOW FAH	8,250,000	1.599
8	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR LGT BANK AG (FOREIGN)	6,151,200	1.192
9	CHOO WING LEONG	5,995,475	1.162
10	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOO WING YEW	5,917,800	1.147
11	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR THOO CHOW FAH	5,850,000	1.134
12	THOO CHOW FAH	5,771,301	1.119
13	CHOO WING YEW	4,500,000	0.872
14	TAN LAI HUAN	4,186,300	0.811
15	ANG BOON GUAN	4,011,000	0.777
16	ENG HONG PALM OIL MILL SDN BERHAD	3,700,000	0.717
17	ER SOON PUAY	3,350,000	0.649
18	CHOO WING YEW	3,232,087	0.626
19	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOO WING HONG	3,000,000	0.581
20	CHOO WING KIN	2,929,550	0.568
21	THO SIEW WAH	2,830,000	0.548
22	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG MOO LING	2,689,200	0.521
23	ANG ENG SOON	2,630,000	0.510
24	YUEN THUI YANG	2,362,563	0.458
25	CGS-CIMB NOMINEES (ASING) SDN BHD EXEMPT AN FOR CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD. (HOUSE ACCOUNT)	2,280,000	0.442
26	TAN SOOK WANG	2,000,165	0.387
27	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG MOO LING (M)	1,600,000	0.310
28	CHOO WAI SOOK	1,582,962	0.306
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SU MING KEAT	1,465,800	0.284
30	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEE CHUAN (7007197)	1,427,600	0.276
	TOTAL	183,901,354	35.661

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Analysis of Warrant Holdings As at 31 December 2021

WARRANTS-C HOLDINGS

No. of warrants C in issue : 49,588,723

Exercise price of the warrants C : RM0.56

Issue date of the warrants C : 14 March 2018

Expiry date of the warrants C : 14 March 2023

ANALYSIS BY SIZE OF WARRANT HOLDINGS

Size of Holdings	No. of Holders	%	No.of Warrants	%
1 - 99	1,454	32.564	33,177	0.067
100 - 1,000	939	21.030	424,159	0.855
1,001 - 10,000	1,333	29.855	5,964,608	12.028
10,001 - 100,000	659	14.759	20,795,403	41.936
100,001 - 2,479,435 (*)	80	1.792	22,371,376	45.114
2,479,436 and above (**)	0	0.000	0	0.000
TOTAL:	4,465	100.000	49,588,723	100.000

Remark:

* - Less than 5% of issued warrants

** - 5% and above of issued warrants

DIRECTORS' WARRANT HOLDINGS ACCORDING TO THE WARRANT HOLDERS AS AT 31 DECEMBER 2021

No.	Name	Holdings	%
1	THOO CHOW FAH	-	-
2	CHOO WING HONG	-	-
3	CHOO WING ONN	-	-
4	LEE TIAN YOKE	-	-
5	CHOO WING YEW	323,208	0.651
6	ANITA CHEW CHENG IM	-	-
7	DATO' ABU BAKAR BIN MOHD NOR	4,168	0.008
8	TEH SU-CHING	-	-

Analysis of Warrant Holdings (Cont'd) As at 31 December 2021

LIST OF TOP 30 WARRANT HOLDERS

No.	Name	Holdings	%
1	ER SOON PUAY	1,333,000	2.688
2	YAP BEE HOONG	1,000,000	2.016
3	MAYBANK NOMINEES (TEMPATAN) SDN BHD GAN KAH HOOI	960,000	1.935
4	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN YIK KEN @ KENNETH TAN	867,897	1.750
5	CHONG MEE SIN	817,400	1.648
6	YONG YEE YIN	800,000	1.613
7	LIEW CHOW THAI	755,500	1.523
8	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KONG KOK CHOY (8092812)	700,000	1.411
9	OOI THONG HOCK	609,900	1.229
10	GEE HIN ENGINEERING SDN BHD	600,000	1.209
11	LEOW SOON SENG	500,000	1.008
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD CHENG AI LENG	461,950	0.931
13	ROOPAK SINGH A/L RAGHBIR SINGH	402,800	0.812
14	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH KIM CHOON	364,800	0.735
15	QUEK TUAN SOON	350,000	0.705
16	TANG KING HUAK	340,000	0.685
17	CHOO WING YEW	323,208	0.651
18	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PUA CHYE (E-SKC)	320,000	0.645
19	GOH HONG HWA	306,460	0.618
20	AMBANK (M) BERHAD PLEDGED SECURITIES ACCOUNT FOR FARIDAH BINTI AMIRUDDIN (SMART)	300,000	0.604
21	AMBANK (M) BERHAD PLEDGED SECURITIES ACCOUNT FOR BALIA YUSOF BIN WAHI (SMART)	300,000	0.604
22	OOI ENG HOCK	300,000	0.604
23	CHIM LUANG ENG	278,950	0.562
24	WONG LUP MUN @ WONG CHENG HOH	270,400	0.545
25	LEE ENG GEE	263,500	0.531
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE MING SEONG	249,200	0.502
27	LEE HAI GUAN	240,000	0.483
28	YAP CHEE SENG	239,900	0.483
29	CHIN TIAN SIONG	230,000	0.463
30	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEY JIIN CHYUAN	226,900	0.457
	TOTAL	14,711,765	29.667

Additional Compliance

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for ensuring that the financial statements of the Group are drawn up in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act 2016 so as to give a true and fair view of the state of affairs of the Group and the Company as at 30 September 2021 and the results and cashflows of the Group and the Company for the financial year ended on that date.

In preparing the financial statements, the Directors have:

- (a) Adopted suitable accounting policies and applied them consistently;
- (b) Made judgements and estimates that are reasonable and prudent;
- (c) Ensured the adoption of applicable approved accounting standards; and
- (d) Used the going concern basis for the preparation of the financial statements.

The Directors are responsible for ensuring proper accounting records which disclose with reasonable accuracy of the financial position of the Group and Company and are kept in accordance with the Companies Act 2016. The Directors are also responsible for ensuring that a proper internal control is in place to safeguard the Group's assets and to prevent and detect fraud and other irregularities.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving the Company's Directors' and/or major shareholders' interests, either still subsisting at the end of the financial year, or which were entered into since the end of the previous financial year.

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

The Company did not undertake any corporate proposal to raise proceeds during the financial year.

LONG TERM INCENTIVE PLAN ("LTIP")

The Company had at the Extraordinary General Meeting held on 23 February 2017 obtained its shareholders' approval to establish the LTIP which comprising the ESOS and ESGS. The LTIP shall be in force for a period of five (5) years from the effective date of 24 February 2017.

The Board had subsequently approved for an extension of LTIP which expiring on 23 February 2022 to another five (5) years commencing 24 February 2022.

Additional Compliance (Cont'd)

A detailed breakdown of the allocation of the options as at 30 September 2021 is as follows:-

(a) The total number of options granted, exercised and outstanding during the financial year under review:

Number of Options - Exercisable	Grand Total	Directors
As at 1 October 2020	21,850,402	11,250,000
Resignation of director	-	(450,000)
Exercised	(2,592,892)	-
As at 30 September 2021	19,254,510	10,800,000

(b) Percentage of options applicable to Directors and Senior Management under the LTIP since the commencement of LTIP up to financial year ended 30 September 2021:

Directors and Senior Management	Since the commencement of the LTIP up to financial year ended 30 September 2021
Aggregate maximum allocation	12,500,000
Actual percentage granted	36%

(c) The table below set out the options granted to Non-Executive Directors during the financial year under review:

Name	As at 1 October 2020	Granted	Exercised	Balance as at 30 September 2021
Anita Chew Cheng Im	450,000	-	-	450,000
Dato' Abu Bakar Bin Mohd Nor	750,000	-	-	750,000

Pursuant to Paragraph 8.20 of the Listing Requirements, the Non-Executive Directors shall not sell, transfer or assign the new shares obtained through the exercise of the options offered to them within 1 year from the date of offer.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Eighteenth ("**18**th") Annual General Meeting ("**AGM**") of NOTION VTEC BERHAD ("**Company**") will be conducted entirely through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur ("**Broadcast Venue**") on Thursday, 3 March 2022 at 9.30 a.m. for the following purposes:

AGENDA

Ordinary Business

- 1. To receive the Audited Financial Statements for the financial year ended 30 September 2021 together with the Reports of the Directors and Auditors thereon. (Please refer to Note 1 of the Explanatory Notes)
- 2. To re-elect the following Directors who are retiring in accordance with Clause 95 of the Constitution of the Company:
 - i) Mr Choo Wing Yew (Ordinary Resolution 1)
 - ii) Dato' Abu Bakar Bin Mohd Nor (Ordinary Resolution 2)
- 3. To re-elect Ms Teh Su-Ching who is retiring in accordance with Clause 102 of the Constitution of the Company.

 (Ordinary Resolution 3)
- 4. To approve the payment of Directors' Fees of up to RM300,000 (2020: RM300,000) and benefits payable to the Directors of the Company of up to RM50,000 (2020: RM50,000) from 3 March 2022 until the conclusion of the next AGM of the Company.

 (Ordinary Resolution 4)
- 5. To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

 (Ordinary Resolution 5)

Special Business

To consider and if thought fit, to pass with or without any modification, the following resolutions:

- 6. Proposed continuation in office of Ms Anita Chew Cheng Im as Independent Non-Executive Director
 - "THAT approval be and is hereby given to Ms Anita Chew Cheng Im who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than twelve years, to continue to act as an Independent Non-Executive Director of the Company until the conclusion of the next AGM in accordance with the Malaysian Code on Corporate Governance 2017 ("MCCG")."

 (Ordinary Resolution 6)
- 7. Proposed Amendments to the Constitution of the Company ("Proposed Amendments")
 - "THAT the proposed alteration or amendments to the existing Constitution of the Company, as annexed herewith as Appendix A of the Notice of Annual General Meeting, be and hereby approved and adopted, with immediate effect.
 - **AND THAT** the Directors of the Company be and hereby authorised to assent to any conditions, modification, variation and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing." (Special Resolution 1)

8. Proposed Authority to Allot and Issue Shares pursuant to Section 76 of the Companies Act 2016 ("the Act")

"THAT pursuant to Section 76 of the Act and subject to passing of Special Resolution 1, the Directors be and are hereby empowered to allot and issue Shares in the share capital of the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed twenty percent (20%) of the total number of issued shares of the Company (excluding treasury shares) at the time of issue as empowered by Bursa Malaysia Securities Berhad ("**Bursa Securities**"), subject always to the Constitution of the Company and approval for the listing of and quotation for the additional Shares so issued on the Bursa Securities and other relevant bodies where such approval is necessary.

AND THAT the Directors of the Company be hereby authorised to do all such acts and things including executing all relevant documents as he/they may consider expedient or necessary to complete and give full effect to the abovesaid mandate."

(Special Resolution 2)

9. To transact any other business that may be transacted at the 18th AGM of which due notice shall have been given in accordance with the Act and the Constitution of the Company.

By Order of the Board

Tai Yit Chan (SSM PC No. 202008001023) (MAICSA 7009143) Tan Ai Ning (SSM PC No. 202008000067) (MAICSA 7015852)

Company Secretaries

Selangor Darul Ehsan 28 January 2022

Explanatory Notes:

(1) Agenda 1 - To receive the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 340 of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is **not put forward for voting**.

(2) Ordinary Resolution 6 - Proposed continuation in office of Ms Anita Chew Cheng Im as Independent Non-Executive Director

Practice 4.2 of the MCCG provides that shareholders' approval be sought in the event that the Company intends for an Independent Director who has served in the capacity for more than nine (9) years, to continue to act as Independent Director of the Company.

The Board is recommending to the shareholders for Ms Anita Chew Cheng Im who has served as Independent Non-Executive Director of the Company for a cumulative term of fourteen (14) years to continue to act as Independent Non-Executive Director of the Company.

The Board through the Nomination Committee had assessed and endorsed that Ms Anita Chew Cheng Im be retained as Independent Non-Executive Director of the Company as she has continued to display high level of integrity and is objective in her judgement and decision-making in the best interest of the Company, shareholders and stakeholders and are able to express unbiased views without any influence. Her continuation in office as an Independent Non-Executive Director of the Company is to ensure adequate plan in place for orderly succession planning for independent directors to the Board and that the Company has sufficient time in identifying suitable candidate as appropriate. The detailed justifications are as set out in the Corporate Governance Overview Statement.

(3) Special Resolution 1 - Proposed Amendments

The proposed Special Resolution 1, if passed, will provide greater clarity to the Company's Constitution and enhance administrative efficiency as well as to remove any existing conditions, restrictions or limitations which may be the subject of prevailing exemptions prescribed by regulators arising from exceptional circumstances. Besides that, the Proposed Amendments will also allow the Company to comply with the relevant statutory requirements so as to update in accordance to the latest development of governance.

(4) Special Resolution 2 - Proposed Authority to Allot and Issue Shares pursuant to Section 76 of the Act

The Company had, during its Seventeenth AGM held on 3 March 2021, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 76 of the Act. As at the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.

The proposed Special Resolution 2 is a renewal of the general mandate for issuance of shares by the Company under Section 76 of the Act.

Bursa Securities had vide its letter dated 23 December 2021 granted extension of the enhanced general mandate, amongst others, listed issuers will have up to 31 December 2022 issue new securities under Paragraph 6.03 of the Main Market Listing Requirement ("MMLR") of not more than 20% of the total number of issued shares for issue of new securities ("20% General Mandate"), provided that the following are being complied with:-

- (a) procure shareholders' approval for the 20% General Mandate at a general meeting;
- (b) complies with all relevant applicable legal requirements, including its Constitution or relevant constituent document; and
- (c) will continue to comply with all other requirements for new issue of securities under the MMLR.

This 20% General Mandate may be utilised by the Company to issue new securities until 31 December 2022 and thereafter, the 10% general mandate pursuant to paragraph 6.03 of the MMLR will be reinstated unless extended by Bursa Securities pursuant to their letter dated 23 December 2021.

If Proposed Special Resolution 1 is not passed, the Proposed Special Resolution 2 would read that the aggregate number of shares to be issued does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares) at the time of issue instead of twenty percent (20%).

The Board of Directors, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that this 20% General Mandate is in the best interests of the Company and its shareholders.

The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total 20% of the total number of issued shares (excluding treasury shares) of the Company for such purposes as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

This authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purposes of funding investment project(s), working capital and/or acquisition.

Notes:

- (1) The AGM of the Company will be conducted entirely through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator for the AGM to facilitate the RPV via TIIH Online website at https://tiih.online. The procedures for members to register, participate and vote remotely via the RPV facilities are provided in the Administrative Guide for the AGM.
- (2) Please follow the procedures set out in the Administrative Guide for the AGM which is available on the Company's website at www.notionvtec.com to register, attend, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely via the RPV facilities.
- (3) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman of the meeting to be present at the main venue. Members/proxies are **NOT** to be physically present at the Broadcast Venue on the day of the AGM.
- (4) Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, voting at the AGM will be conducted by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
- (5) A member entitled to attend and vote at the AGM may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. A proxy appointed to attend and vote at the AGM shall have the same rights as the member to speak at the AGM.
- (6) A member may appoint up to 2 proxies to attend the AGM. Where a member appoints 2 proxies, the appointment shall not be valid unless the member specifies the proportion of his shareholding to be represented by each proxy. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (7) The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (8) The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre, at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time set for holding the AGM or at any adjournment thereof. Alternatively, the Proxy Form may also be electronically submitted via TIIH Online website at https://tiih.online. Please refer to the Administrative Guide for further information on electronic submission.
- (9) For the purpose of determining who shall be entitled to attend the AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available a Record of Depositors as at 23 February 2022 and only members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at the AGM and entitled to appoint proxy or proxies.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents 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 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (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"), (ii) warrants 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, and (iii) agrees 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 warranty.

APPENDIX A

DETAILS OF THE PROPOSED AMENDMENTS

The Constitution of the Company shall be amended in the following manner:-

Clause No.	Existing Provisions	Proposed Amendments		
3	The objects for which the Company is established are: - (1) To carry on the business of an investment holding company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stocks, bonds, notes, obligations, and securities issued by any company wherever incorporated or carrying on business and debentures, debenture stocks, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioner, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world. (2) To acquire any such shares, stocks, debentures, debenture stocks, bonds, notes, obligations or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit. (3) To purchase, take on lease or in exchange, or otherwise acquire land and building, interest in any land, freehold, leasehold or any other tenure whether situated in Malaysia or elsewhere, and any right connected therewith and to develop and turn to account any land acquired by the Company or in which the Company is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up, and improving buildings and by planting, paving draining, farming, cultivating, letting on building, lease or building agreement, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and other.	The objects for which the Company is established are Section 21 of the Companies Act 2016 shall apply to the Company and the Company shall be capable of exercising all the functions of a body corporate and have the full capacity to carry on or undertake any business or activity that the Board considers to be advantageous to the Company and that are not prohibited under any law for the time being in force in Malaysia which shall include, but not limited to the following object clauses: - (1) To carry on the business of an investment holding company and for that purpose to acquire and hold either in the name of the Company or in that of any nominee shares, stocks, debentures, debenture stocks, bonds, notes, obligations, and securities issued by any company wherever incorporated or carrying on business and debentures, debenture stocks, bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioner, public body or authority, supreme, dependent, municipal, local or otherwise in any part of the world. (2) To acquire any such shares, stocks, debentures, debenture stocks, bonds, notes, obligations or securities by original subscription, contract, tender, purchase, exchange, underwriting, participation in syndicates or otherwise, and whether or not fully paid up, and to subscribe for the same subject to such terms and conditions (if any) as may be thought fit. (3) To purchase, take on lease or in exchange, or otherwise acquire land and building, interest in any land, freehold, leasehold or any other tenure whether situated in Malaysia or elsewhere, and any right connected therewith and to develop and turn to account any land acquired by the Company or in which the Company is interested, and in particular by laying out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, furnishing, fitting up, and improving buildings and by planting, paving draining, farming, cultivating, letting on building, lease or building agre		

Clause No.			S Proposed Amendments	
7	WORDS	MEANINGS	WORDS	MEANINGS
	Act beneficial owner	The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof for the time being in force. The ultimate owner of the shares	Act	The Companies Act 2016 and any statutory modification, amendment or re-enactment thereof and any other legislation for the time being in force made thereunder and any written law for the time being in force concerning
	beneficial owner	and does not include a nominee		companies and affecting the Company.
		of any description.	b Beneficial o Owner	The ultimate owner of the shares and does not include a nominee of any
	Bursa Depository	Bursa Malaysia Depository Sdn. Bhd. (Company No. 165570-W) including any further change of	<u>oo</u> wner	description.
		name.		Has the meaning ascribed to it in the Act.
	Constitution	Notion VTec Berhad (Company No. 637546-D). This Constitution as originally	Bursa Depository	Bursa Malaysia Depository Sdn. Bhd. [(Company Registration No. 198701006854 (165570-W)] including
	Constitution	framed or as altered from time		any further change of name.
		to time by Special Resolution and this "Constitution" means any one of them.	Business Day	A day (not being a Saturday, Sunday or public holiday) on which licensed financial institutions are open for
	Exchange Bursa Malaysia Securities Berhad (Company No. 635998-		general banking business in Kuala Lumpur and Selangor.	
		W) and / or any other Exchange on which the Company is listed.	Clear days	Exclusive of the day on which the notice is served or deemed to be served or the date an announcement/ notification is made by the Company or the Board and the day which the meeting or event is to take place.
			Company	Notion VTec Berhad [(Company Registration No. 200301035125 (637546-D)].
			Constitution	This Constitution as originally framed or as altered from time to time by Special Resolution and this "Constitution" means any one of them.
			Exchange	Bursa Malaysia Securities Berhad [(Company Registration No. 200301033577 (635998-W)] or such other name as it may assume from time to time and its successor-in-title and / or any other Exchange on which the Company is listed.
			Main Venue	A primary physical venue in Malaysia where the chairperson of the general meeting or any adjournment thereof is physically present.

Clause No.	Existing Provisions	Proposed Amendments
9	Subject to the Act and this Constitution, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to any special resolution of the Company, may determine.	Subject to the Act and this Constitution, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Directors, subject to any special ordinary resolution of the Company, may determine.
10	(d) without limiting the generality of Section 75 and 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares if those shares or securities, when aggregated with any such shares or securities which the Company has issued during the preceding twelve (12) months, exceeds ten percent (10%) of the issued and paid-up capital (excluding treasury shares) of the Company, except where the shares or securities are issued with the prior shareholders' approval in a general meeting of the precise terms and conditions of the issue; and	(d) subject to the Act and the Listing Requirements and without limiting the generality of Sections 75 and 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares if those shares or securities, when aggregated with any such shares or securities which the Company has issued during the preceding twelve (12) months, exceeds ten percent (10%) of the issued and paid-up capital (excluding treasury shares) of the Company, except where the shares or securities are issued with the prior shareholders' approval in a general meeting of the precise terms and conditions of the issue; and
21	The Company shall have a first and paramount lien on every share and dividend from time to time declared in respect of such share for all unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay and has paid in respect of the shares of the member or deceased member. The Company shall be entitled to charge interest thereon, not higher than the overdraft rate charged for the time being by the Company's principal bankers or such other reasonable rate as the Directors may determine. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Clause.	The Company shall have a first and paramount lien on every share and dividend from time to time declared in respect of such share:- (a) for all unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid; (b) to such amounts as the Company may be called upon by law to pay and has paid, in respect of the shares of the member or deceased member; and (c) on such amounts which are owed to the Company for acquiring them, where the shares were acquired under an employees' share option scheme. In each case, the lien extends to reasonable interest and expenses incurred because the amount is not paid. The Company shall be entitled to charge interest thereon, not higher than the overdraft rate charged for the time being by the Company's principal bankers or such other reasonable rate as the Directors may determine. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Clause.
54	The Company may by special resolution passed at a general meeting convert any paid-up shares into stock or reconvert any stock into paid-up shares of any number.	The Company may by special <u>ordinary</u> resolution passed at a general meeting convert any paid-up shares into stock or reconvert any stock into paid-up shares of any number.

Clause No.	Existing Provisions	Proposed Amendments
58	The Company may from time to time, by special resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and (subject to any special, limited or conditional voting rights for the time being attached to any existing class of shares) to carry such preferential rights or to be subjected to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may, by the resolution authorising such increase, directs.	The Company may from time to time, by special ordinary resolution increase its share capital by the creation and issue of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts and (subject to any special, limited or conditional voting rights for the time being attached to any existing class of shares) to carry such preferential rights or to be subjected to such conditions or restrictions in regard to dividend, return of capital or otherwise as the Company may, by the resolution authorising such increase, directs.
61	The Company may by special resolution:- (a) increase the share capital by such sum to be	The Company may by special ordinary resolution:- (a) increase the share capital by such sum to be divided into
	divided into shares of such amount as the resolution shall prescribe; or (b) consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or (c) convert all or any of its paid-up shares into stock and may reconvert that stock into paid-up shares; or (d) subdivide its share capital or any part thereof, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or (e) cancel any shares which at the date of the passing of the resolution which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.	shares of such amount as the resolution shall prescribe; or consolidate and divide all or any of its share capital, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or (c) convert all or any of its paid-up shares; or (d) subdivide its share capital or any part thereof, whatever is in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each subdivided share shall be the same as it was in the case of the shares from which the subdivided share is derived; or (e) cancel shares which at the date of the passing of the resolution which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.
64	An annual general meeting of the Company shall be held in accordance with the provisions of the Act. All general meetings other than the annual general meeting shall be called extraordinary general meetings. All general meetings shall be held at such time, date and place as the Directors shall determine. Every notice of an annual general meeting shall specify the meeting as such and every meeting convened for passing a special resolution shall state the intention to propose such resolution as a special resolution.	in accordance with the provisions of the Act. All general meetings other than the annual general meeting shall be called extraordinary general meetings. All general meetings shall be held at such time, date and place as the Directors shall determine. Every notice of an annual general meeting shall specify the meeting as such and every meeting convened for passing a special resolution shall state the intention to propose such resolution as a special resolution.
	Such meeting of its members may be held at more than one venue using any technology or method that allows all members of the Company to participate and to exercise the members' rights to speak and vote at the meeting, and using any available technology to provide notice, conduct and record or facilitate voting at that meeting or any adjournment of that meeting of members subject to rules, regulations and laws prevailing. The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main venue of the meeting.	Such meeting of members may be held within Malaysia at more than one venue using any technology or method that allows all members of the Company a reasonable opportunity to participate and to exercise the members' rights to speak and vote at the meeting, and using any available technology to provide notice, conduct and record or facilitate voting at that meeting or any adjournment of that meeting of members subject to rules, regulations and laws prevailing. The main venue of the meeting shall be in Malaysia and the Chairman shall be present at the main_venue or broadcast venue (the only venue involved in the conduct of the virtual general meeting) of the meeting held in Malaysia, whichever is applicable.

Clause No.	Existing Provisions	Proposed Amendments
64A	Nii	(a) If authorised by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, the members not physically present at a general meeting where the Chairman of the general meeting is physically present, may, by means of remote communication:- (i) participate in such general meeting; and (ii) be deemed present in person at such general meeting, be counted in the quorum and be entitled to vote at such general meeting. (b) That the general meeting shall be duly constituted and its proceedings shall be valid if the Chairman of the general meeting is satisfied that adequate facilities are available throughout the general meeting to ensure that members participating in the general meeting through remote communication are able:- (i) to participate in the matters for which such general meeting has been convened; (ii) to speak (whether by use of microphones, loudspeakers, audio-visual communication equipment, type text or any form of electronic means which allows the members to raise any questions and/or express their views on the matters); and (iii) to vote on matters submitted to the members.
64B	Nil	If, before or during a general meeting, it appears to the Chairman of the general meeting that:- (a) the facilities at the Main Venue or venue other than Main Venue for the conduct of general meeting; or (b) the means used for the remote communication; have become inadequate for the purposes referred to in Clause 64A, any technical difficulty occurs, such that the members do not have a reasonable opportunity to participate, then the Chairman of the general meeting shall: (a) without the consent of the members at the general meeting, interrupt or adjourn the general meeting until the difficulty is remedied; or (b) where a quorum remains present (either at the place at which the chairman is present or by technology as contemplated by Clause 64) and able to participate, subject to the Constitution, continue the meeting.

Clause No.	Existing Provisions	Proposed Amendments
		All businesses as conducted at that general meeting up to the adjournment shall be valid. The provisions of Clause 74 shall apply to that adjournment. No interruption or termination of any remote communication or the inability of a member to participate in a general meeting by way of remote communication shall invalidate any general meeting held using such remote communications or any such resolution decided upon at such general meeting.
64C	Nil	The Board may request the members, proxies or representatives wanting to attend a general meeting to comply with security procedures which the Board deem appropriate. The Board may, at their discretion, refuse entry to, or remove from, a general meeting, a member, proxy or representative who does not comply with the security procedures.
		Security procedures may include member, proxy or representative not being allowed into a general meeting with recording or broadcasting devices without consent, or who refuses to comply with a request to turn off a mobile telephone, or other communication, recording or similar device, or who possesses an article which the Chairman of the general meeting considers as to be dangerous, offensive, or liable to cause disruption.
64E	Nil	A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.
64F	Nil	A person requested by the Directors or the chairman to attend a general meeting, is entitled to be present (and if invited by the Chairman, to speak) at the meeting, irrespective of whether the person is a member.
66	the place, day and hour of the meeting, and shall be given to all members at least fourteen (14) days before the meeting or at least twenty one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting must be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each stock exchange upon which the Company is listed.	(1) The notices convening a meetings of members shall specify the place, day date and hour time of the meeting, and the general nature of business of the meeting. Notice shall be given to all members at least fourteen (14) days before the meeting or at least twenty one (21) days before the meeting where any special resolution is to be proposed or where it is an annual general meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. At least fourteen (14) days' notice or twenty one (21) days' notice in the case where any special resolution is proposed or where it is the annual general meeting, of every such meeting must be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper and in writing to each stock exchange upon which the Company is listed.

Clause No.	Existing Provisions	Proposed Amendments
70	Subject always to the provision of Section 302 of the Act, no business shall be transacted at any extraordinary general meeting except business of which notice has been given in the notice convening the meeting and no business shall be transacted at an annual general meeting other than business of which notice has been given aforesaid, with the exception of the laying of the audited financial statements and the report of the Directors and auditors, the fixing of the Directors' fees and benefits payable, the election of Directors in the place of those retiring by rotation or otherwise, and the appointment and fixing of the remuneration of the auditors.	Subject always to the provision of Section 302 of the Act, Nno business shall be transacted at a meeting of members any extraordinary general meeting except business of which notice has been given in the notice convening the meeting and no business shall be transacted at an. An annual general meeting shall be held to transact the business in accordance with the Act, which include other than business of which notice has been given aforesaid, with the exception of the laying of the audited financial statement and the report of the Directors and auditors, the fixing of the Directors' fees and benefits payable, the election of Directors in the place of those retiring by rotation or otherwise, and the appointment and fixing of the remuneration of the auditors.
71	In every notice calling a meeting of the Company there shall appear with reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote in his stead.	In every notice calling a meeting of the Company, there shall appear with reasonable prominence, a statement that a member entitled to attend and vote is entitled to appoint not more than two (2) proxies to attend and vote in his stead.
72	The accidental omission to given notice of meeting to, or the non-receipt of notice of a meeting, by any person entitled to receive such notice shall not invalidate any resolution passed or the proceedings at any such meeting.	The accidental omission to given notice of any meeting to, or the non-receipt of notice of a meeting, by any person entitled to receive such notice shall not invalidate any resolution passed or the proceedings at any such meeting.
73	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided, two (2) members present in person shall be a quorum. For the purposes of constituting a quorum:- (i) one or more representatives appointed by a corporation shall be counted as one member; or (ii) one or more proxies appointed by a person shall be counted as one member.	(a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided, two (2) members present in person or represented by proxy, or, in the case of corporations, by a representative duly appointed in that behalf shall be a quorum. For the purposes of constituting a quorum:- (i) one or more representatives appointed by a corporation shall be counted as one member; or (ii) one or more proxies appointed by a person shall be counted as one member. (b) Where a general meeting is conducted using technology approved by the Directors under this Constitution, and where permitted by law, the two (2) members referred to in Clause 73(a) need not be physically present at the same place (or at any place) or as the case may be outside Malaysia. Participation by a member by using any technology or method that allows member to participate and exercise his rights to participate and vote at the meeting shall be deemed as present at the meeting and shall be counted towards the quorum notwithstanding the fact that he is not physically present at the Main Venue where the meeting is to be held or as the case may be, the member being out of Malaysia.

Clause No.	Existing Provisions	Proposed Amendments
74	If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day be a public holiday then to the next business day following that public holiday) at the same time and place or to such other day and at such other time and place as the Directors may determine, but if a quorum is not present within half an hour at any adjourned meeting, the meeting shall be dissolved. For the purpose of this Clause, "business day" means a day (not being a Saturday, Sunday or public holiday) on which licensed financial institutions are open for general banking business in Kuala Lumpur.	If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day be a public holiday then to the next beginners depay following that public holiday) at the same time and place or to such other day and at such other time and place as the Directors may determine, but if a quorum is not present at such adjourned meeting within half an hour of the time appointed for the meeting, the member present or by proxy or by attorney or by its duly authorised representative shall form a quorum at any adjourned meeting, the meeting shall be dissolved. For the purpose of this Clause, "business day" means a day (not being a Saturday, Sunday or public holiday) on which licensed financial institutions are open for general banking business in Kuala Lumpur.
74A	Nil	 (a) Subject to the Act, where a general meeting is convened by the Board, the Chairman may, in its absolute discretion, cancel the general meeting or postpone the holding of the general meeting or adjourn the general meeting before or after it has started, and whether or not quorum is present, if he considers that: (i) there is not enough room for the number of shareholders who wish to attend the meeting; (ii) the behavior of the people presents prevents, or is likely to prevent, the business of the meeting being carried out in an orderly way; or (iii) an adjournment is necessary for any other reason, so that the business of the meeting can be properly carried out. The Chairman does not need the consent of the meeting to adjourn it for any of these reasons to a date and time or place which he decides. He may also adjourn the meeting to a later time on the same day or indefinitely. If the meeting is adjourned indefinitely, the directors will fix the date, time and place of the adjourned meeting. The cancellation or postponement of a general meeting is subject to the Listing Requirements and other requirements by the Exchange. This Clause shall not apply to a general meeting convened in accordance with Sections 310(b) and 311 of the Act by a member or members unless with the written consent of the person who called or requisitioned the meeting.

Clause No.	Existing Provisions	Prop	posed Amendments
		(b)	Notice of cancellation or postponement or change of place of a general meeting must state the reason for cancellation or postponement and such a notice shall be: (i) published in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper; (ii) given to the Exchange and given in such manner required by the Listing Requirements or other requirements by the Exchange; and (iii) subject to the Act and the Listing Requirements,
		(c)	given in any other manner determined by the Board. A notice of postponement of a general meeting must specify: (i) the postponed date and time for the holding of the general meeting; (ii) a place for the holding of the general meeting which may be either the same as or different from the place specified in the notice convening the general meeting; and (iii) if the general meeting is to be held in two (2) or
		(d)	more places, the technology that will be used to facilitate the holding of the general meeting in that manner. The new time and place specified in the notice of postponement will be taken to be the time and place for the general meeting as if specified in the notice which called the general meeting originally. Notice of the business to be transacted at such moved and/or postponed meeting is not required. The Board must take reasonable steps to ensure that members trying to attend the general meeting at the original time, date/or place are informed of the new arrangements for the general meeting. The only business that may be transacted at a postponed general meeting is the business specified in the original notice convening the general meeting.

Clause No.	Existing Provisions	Propo	osed Amendments
		(e)	Whereby the terms of an instrument appointing a proxy or attorney or an appointment of a representative: (i) the appointed person is authorised to attend and vote at a general meeting to be held on or before a specified date; and
			(ii) the date for holding the general meeting is postponed to a date later than the date specified in the instrument of proxy, power of attorney or appointment of representative, then, by force of this Clause, that later date is substituted for and applies to the exclusion of the date specified in the instrument of proxy, power of attorney or appointment of representative. However, this does not apply if the member appointing the proxy, attorney or representative gives notice in writing to the Company at the Office or another address (including electronic address) specified in the notice of general meeting to the contrary not less than twenty-four (24) hours before the time to which the holding of the general meeting has been postponed.
		(f)	The non-receipt of notice of cancellation or postponement of a general meeting by, or the accidental omission to give notice of cancellation or postponement of a general meeting to, a person entitled to receive notice does not invalidate any resolution passed at a postponed general meeting or the cancellation or postponement of a general meeting.
		(g)	A Director is entitled to receive notice of and to attend all general meetings and all separate meetings of the holders of any class of shares in the capital of the Company and is entitled to speak at those meetings.
		(h)	If the Directors are required to convene and arrange to hold a general meeting as a result of a request by members in accordance with Section 311 of the Act, the general meeting may be cancelled by the Directors if the members who requisitioned the general meeting withdraw their requests prior to the date of the general meeting.

Clause No.	Existing Provisions	Proposed Amendments
76	The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	The Chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business that might be transacted or left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
76A	Without prejudice to any other power which the Chairman may have under the provisions of this Constitution or at common law and subject to the Act and the Listing Requirements, the Chairman shall have full discretion on the general conduct of meeting, procedures to be adopted at the meeting to ensure proper and orderly conduct of the business of all general meetings and the Chairman's decision on matters of procedure or arising accidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature. The Chairman may also at his discretion and in accordance with applicable laws, decides whether to admit new business at a meeting of shareholders. The Board can ask shareholders or proxies wanting to attend the general meeting to submit, to searches or other security arrangements which the Board	 (a) have under the provisions of this Constitution or at common law and subject to the Act and the Listing Requirements, the Chairman shall have full discretion on the general conduct of meeting, procedures to be adopted at the meeting to ensure proper and orderly conduct of the business of all general meetings and the Chairman's decision on matters of procedure or arising acincidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature. The Chairman may also at his discretion and in accordance with applicable laws, decides whether to admit new business at a meeting of shareholders. (b) if there is insufficient room at a venue used for the meeting, the chairman may arrange another or a second or other venue (without giving notice or putting)
	decide. The Board can, in their discretion refuse entry to, or remove from, a general meeting, a shareholder or proxy who does not submit to those searches or comply with those security arrangements. Security arrangements may include shareholders or proxies not being allowed in to a general meeting with recording or broadcasting devices or an article which the Chairman of the meeting considers to be dangerous, offensive or liable to cause disruption.	the matter to a vote). The Board can ask shareholders or proxies wanting to attend the general meeting to submit, to searches or other security arrangements which the Board decide. The Board can, in their discretion refuse entry to, or remove from, a general meeting, a shareholder or proxy who does not submit to those searches or comply with those security arrangements. Security arrangements may include shareholders or proxies not being allowed in to a general meeting with recording or broadcasting devices or an article which the Chairman of the meeting considers to be dangerous, offensive or liable to cause disruption.
<u>76B</u>	Nil	(a) The chairman can propose amendments to an ordinary or special resolution if there are amendments to correct typographical errors in the resolution.
		(b) Save as stated in Clause 76B (a), no other amendments can be proposed to a special resolution.

Clause No.	Existing Provisions	Proposed Amendments
		 (c) Amendments to an ordinary resolution which are within the scope of the resolution can be proposed if written notice of the proposed amendment is received at the Registered Office addressed to the Secretary at least 3 clear Business Days before the day fixed for the meeting or adjourned meeting. (d) If the chairman, acting in good faith, rules an amendment out of order, an error in that ruling will not affect the validity of a vote on the original resolution.
76C	Nil	The chairman of a meeting can take any action he considers appropriate for proper and orderly conduct at a general meeting. This may include, demanding that debate or discussion on any business, question, motion or resolution being ended or that the business, question, motion or resolution be put to a vote of the members or so that the meeting reflects the wishes of the majority.
77	Subject to Listing Requirements, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting shall be voted by poll. Notwithstanding the above, poll may be demanded in writing:- (a) by the Chairman of the meeting; (b) by at least three (3) members present in person or by proxy or by attorney or in the case of a corporation by a representative; (c) by any member or members present in person or by proxy or by attorney or in the case of a corporation by a representative and representing not less than one-tenth (1/10) of the total voting rights of all the members having the right to vote at the meeting, excluding any voting rights attached to shares in the Company held as treasury shares; or (d) by a member or members present in person or by proxy or by attorney or in the case of a corporation by a representative holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid-up equal to not less than one-tenth (1/10) of the total sum paid-up on all the shares conferring that right, excluding any voting rights attached to shares in the Company held as treasury shares. Unless a poll is so demanded, a declaration by the Chairman of the meeting that a resolution has been carried or has not been carried by a particular majority or lost, and an entry to that effect in the book containing the minutes of the proceedings of the	Subject to Listing Requirements, any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting shall be voted by poll. Notwithstanding the above, poll may be demanded in writing:- (a) by the Chairman of the meeting; (b) by at least three (3) members present in person or by proxy or by attorney or in the case of a corporation by a representative; (c) by any member or members present in person or by proxy or by attorney or in the case of a corporation by a representative and representing not less than one-tenth (1/10) of the total voting rights of all the members having the right to vote at the meeting, excluding any voting rights attached to shares in the Company held as treasury shares; or (d) by a member or members present in person or by proxy or by attorney or in the case of a corporation by a representative holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid-up equal to not less than one-tenth (1/10) of the total sum paid-up on all the shares conferring that right, excluding any voting rights attached to shares in the Company held as treasury shares. Unless a poll is so demanded, a declaration by the Chairman of the meeting that a resolution has been carried or has not been carried by a particular majority or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour of or against the resolution.

Clause No.	Existing Provisions	Proposed Amendments
78	(4) A poll shall be taken in such manner as the Chairman of the meeting may direct and at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. The appointed scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. The Chairman of the meeting may fix a place and time for declaring the results of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The poll may be conducted manually using voting slips or electronically using various forms of electronic voting devices. Such votes shall be counted by the poll administrator, and verified by the scrutineers, as may be appointed by the Chairman of the meeting for the purpose of determining the outcome of the resolution(s) to be decided by poll.	(4) A poll shall be taken in such manner as the Chairman of the meeting may direct and at least one (1) scrutineer must be appointed to validate the votes cast at the general meeting. The appointed scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process. If such scrutineer is interested in a resolution to be passed at the general meeting, the scrutineer must refrain from acting as the scrutineer for that resolution. The Chairman of the meeting may fix a place and time for declaring the results of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The poll may be conducted manually using voting slips or electronically using various forms of electronic voting devices or if the meeting to be held virtual, the poll may be conducted virtually using any electronic means via any online platform, website or mobile application by any features available of that online platform, website or mobile application. Such votes shall be counted by the poll administrator, and verified by the scrutineers, as may be appointed by the Chairman of the meeting for the purpose of determining the outcome of the resolution(s) to be decided by poll.
79	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to any other vote he may have.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to any other vote he may have be entitled as a member.
79A	Nil	The Chairman may appoint scrutineers for the purposes of a poll, and may either: (a) adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll and for this purpose, the Chairman may delegate any other Director or the Company Secretary to be the Chairman of such adjourned meeting at which the result of the poll will be declared; or (b) determine that the results of the poll, if certified by any Director or the Company Secretary, shall be published on the Company's website without the requirement for the results being declared at any meeting or adjourned meeting. Any such declaration at an adjourned meeting or publication on the Company's website of the results of the relevant poll which shows that a resolution has been carried or lost or has not been carried by any particular majority, and an entry to that effect in the minutes of the proceedings of the Company, shall, in the absence of manifest error, be conclusive evidence of such fact.

Clause No.	Existing Provisions	Proposed Amendments	
<u>79B</u>	Nil	After the Chairman of general meeting shall have declared the meeting to be over and shall have left the chair, no business and question shall under any pretext whatsoever be brought forward or discussed.	
80	Subject to any rights or restrictions for the time being attached to any class of shares at meetings of members or classes of members and Clause 67, Clause 68 and Clause 69 above, each member shall be entitled to be present and to vote at any general meeting in respect of any share or shares of which he is the registered holder and upon which all calls due to the Company have been paid, and may vote in person or by proxy or by attorney or by duly authorised representative for a corporation, and on a resolution to be decided on a show of hands, each holder of an ordinary share or, each holder of a preference share who is personally present and entitled to vote, shall be entitled to one (1) vote and on a poll, every such member present in person or by proxy or attorney or representative for a corporation shall have one (1) vote for each share he holds. A proxy shall be entitled to vote on a show of hands or on a poll, on any question, at any general meeting. In a voting by poll, each proxy shall be entitled to such number of votes equal to the proportion of the member's shareholdings represented by such proxy. A proxy may only vote as directed in the proxy form. However, if the appointer or representative attend and vote on a resolution, the proxy or attorney must not vote.	Subject to any rights or restrictions for the time being attache to any class of shares at meetings of members or classes of members and Clause 67, Clause 68 and Clause 69 above, each member shall be entitled to be present and to vote at any gener meeting in respect of any share or shares of which he is the registered holder and upon which all calls due to the Comparhave been paid, and may vote in person or by proxy or by attorned or by duly authorised representative for a corporation, and on resolution to be decided on a show of hands, each holder of an ordinary share or, each holder of a preference share who personally present and entitled to vote, shall be entitled to one (vote and on a poll, every such member present in person or be proxy or attorney or representative for a corporation shall have one (1) vote for each share he holds. A proxy shall be entitled to vote on a show of hands or on a poll, on any question, at an general meeting. In a voting by poll, each proxy shall be entitled to such number of votes equal to the proportion of the member shareholdings represented by such proxy. A proxy may on vote as directed in the proxy form. However, if the appointed or representative attend and vote on a resolution, the proxorattorney must not vote: a member is not precluded from attending the meeting in person after lodging the instrument of proxy. Such attendance shall automatically revoke the authority granted to the proxy.	
80A	Nil	Subject to the Act and this Constitution, a proxy or representative of member is only entitled to vote: (a) if the member is entitled to vote; (b) if the member is not personally present at the General Meeting; (c) if the member has complied with the requirements set out in this Constitution to properly appoint a proxy or representative of member and to give notice of such appointment to the Company; (d) if the member has conferred a right to vote on the proxy or representative of member; and (e) the appointment of proxy or representative of member was not revoked by the member by a notice of revocation forty-eight (48) hours before the time of holding of the General Meeting or adjourned General Meeting or such other time that may be determined by the Directors and the said revocation must be deposited at the Office or such other place in Malaysia as is specified in the notice convening the General Meeting.	

Clause No.	Existing Provisions	Proposed Amendments
82	A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person as properly has the management of his estate, and any such committee or other person may vote by proxy or attorney. Any person entitled under Clause 39 to transfer any shares, may vote at any general meeting in the same manner as if he was the registered holder of such shares provided that he shall satisfy the Directors of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof, at least forty-eight (48) hours prior to the time of the meeting or adjourned meeting, at which he proposes to vote.	A member who is of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorder may vote, whether on a show of hands or on a poll, by his committee or by such other person

lause o.	Existing Provisions			Proposed Amendments			
7	Where it is desired to afford rof voting for or against a reappointing a proxy shall be a form as near thereto as circuit such other form as the Direct any particular case, may according to the control of the control	solution, the in the follow cumstances otors may ap	instrument ing form or admit or in	Where it is desired to afford voting for or against a resoluti a proxy shall be in the follow thereto as circumstances adm Directors may approve or in an	on, the ir ving forn it or in su	nstrument appoi n or a form as uch other form a	nting near is the
	NOTION VTEC	BERHAD		NOTION VT	EC BERH	AD-	
	*I/We,NRI Noand telep	hone no./ en	nail address	*I/We,NRIC No. ofand telepho	one no./	email address	
	being a*member/members of Company"), hereby appoint NRIC Noof. him/her,NRIC	Notion VTec E	Berhad ("theor failing	being a *member/members Company"), hereby appoint No	of Notior	VTec Berhad failing him/her,	NRIC
	THE CHAIRMAN OF THE ME to vote for me/us on my/our Extraordinary, as the case m of the Company to be held a or at adjournment thereof. *I, in the spaces below how *I/o be cast.	behalf at the lay be] Gene t on We indicate	e [Annual or eral Meetingwith an "x"	THE CHAIRMAN OF THE MEETING as my/our proxy to vote for me/us on my/our behalf at the [Annual or Extraordinary as the case may be] General Meeting of the Company to be held at onor at adjournment thereof. *I We indicate with an "x" in the spaces below how *I/we wisl *my/our vote to be cast.		i nary, to be of. *I/	
		1 -		Agenda	For	Against	
	Agenda	For	Against				
	Subject to the abovestated our proxy may vote or abstresolutions as *he/*she/*they The proportion of my/our represented by my/our proxis	ain from vot may think fit shareholdir	ting on any	Subject to the abovestated proxy may vote or abstain from *he/*she/*they may think fit. The proportion of my/our sha by my/our proxies are as follow First Proxy	n voting o	on any resolution	ns as
	First Proxy	%	6	Second Proxy	9		
	Second Proxy	100%		_	100%	6	
	If appointment of proxy is under hand	No. of share Securities A No.: (CDS Accou (Compulsor Date:	 Account unt No.)	If appointment of proxy is under hand	Securi No.:	shares held: ities Account Account No.) oulsory)	
	nominee of				1 -		_

Clause No.	Existing Provisions		Proposed Amendments	
	If appointment of proxy is under seal The Common Seal ofwas hereto affixed in accordance with its Constitution in the presence of: Director Director/Secretary in its capacity as *member/*attorney of member/*authorised nominee of (beneficial owner)	Seal No. of shares held	If appointment of proxy is under-seal The Common Seal ofwas hereto affixed in accordance with its Constitution in the presence of: Director- Director/Secretary in its capacity as *member/*attorney of member/*authorised nominee of	Seal No. of shares held
	*Strike out whichever is not of [Unless otherwise instructed he thinks fit.] Notes:	desired.	*Strike out whichever is not des [Unless otherwise instructed, thinks fit.] Notes:	ired.
	A proxy may but need not be a member. To be valid, this form, duly completed must be deposited at the Office of the Company not less than forty eight (48) hours before the time for holding the meeting PROVIDED that in the event the member(s) duly executes the form of proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the proxy form, other than the particulars of the proxy have been duly completed by the member(s). A member shall be entitled to appoint more than one (1) proxy to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies		A proxy may but need not be a real To be valid, this form, duly con at the Office of the Company in hours before the time for hold that in the event the Member(sproxy but does not name any pube deemed to have appointed that as his/their proxy, Provided Always form, other than the particulars completed by the member(s). A member shall be entitled to proxy to attend and vote at the member appoints more than on shall be invalid unless he specified to be represented by entitled to proxy to be represented by entitled to be represented by entitled to be represented by entitled to proxy to be represented by entitled to be represented	mpleted must be deposited not less than forty eight (48) ing the meeting PROVIDED of duly executes the form of proxy, such member(s) shall he Chairman of the meeting ays that the rest of the proxy of the proxy have been duly appoint more than one (1) the same meeting. Where a e (1) proxy, the appointment of this
	the proportions of his holdin each proxy. Where a member is an Exemplication which holds ordinary share multiple beneficial owners in ("omnibus account"), there is proxies which the Exempt A	npt Authorised Nominee es in the Company for none securities account no limit to the number of	Where a member is an Exempt holds ordinary shares in the Corowners in one securities acceptere is no limit to the number of Authorised Nominee may appoir account it holds.	mpany for multiple beneficial count ("omnibus account"), of proxies which the Exempt

appoint in respect of each omnibus account it holds.

Clause No.	Existing Provisions	Proposed Amendments
	If the appointor is a corporation this form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.	If the appointor is a corporation this form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy shall be in such form as the Directors may from time to time prescribe or approve subject to such variations or circumstances as the Act or Listing Requirements may require.
89	(1) Subject to the Act and the Listing Requirements, the Directors or any agent of the Company so authorised by the Directors, may accept the appointment of proxy received by electronic communication on such terms and subject to such conditions as they consider fit. The appointment of proxy by electronic communication shall be in accordance with this Constitution.	(1) Subject to the Act and the Listing Requirements, the Directors or any agent of the Company so authorised by the Directors Board , may accept the appointment of proxy received by electronic communication or electronic means using any technology or method that enables the appointment of proxy on such terms and subject to such conditions as they consider fit. The appointment of proxy by electronic communication or electronic means shall be in accordance with this Constitution.
	 (2) For the purpose of Clause 89, the Directors may require such reasonable evidence they consider necessary to determine:- (a) the identity of the member and the proxy; and (b) where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment. 	 (2) For the purpose of this Clause 89, the Directors may require such reasonable evidence they consider necessary to determine:- (a) the identity of the member and the proxy; and (b) where the proxy is appointed by a person acting on behalf of the member, the authority of that person to make the appointment.
	 (3) Without prejudice to Clause 89, the appointment of proxy by electronic communication must be received at the electronic address specified by the Company in any of the following sources and shall be subject to any terms, conditions or limitations specified therein:- (a) Notice calling the meeting; (b) Instrument of proxy sent out by the Company in relation to the meeting; or (c) Website maintained by or on behalf of the Company. 	 (3) Without prejudice to this Clause 89, the appointment of proxy by electronic communication or by any electronic means must be received at the electronic address or any online portal, website, mobile application, or any other platform specified by the Company in any of the following sources and shall be subject to any terms, conditions or limitations specified therein:- (a) Notice calling the meeting; (b) Instrument of proxy sent out by the Company in relation to the meeting; or (c) Website maintained by or on behalf of the Company.
	(4) An appointment of proxy by electronic communication must be received at the electronic address specified by the Company pursuant to Clause 89(3) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.	(4) An appointment of proxy by electronic communication or electronic means must be received at the electronic address or any online portal, website, mobile application, or any other platform specified by the Company pursuant to this Clause 89(3) not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, or, in the case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Clause No.	Existing Provisions	Proposed Amendments
	(5) An appointment of proxy by electronic communication which is not made in accordance with this Clause shall be invalid.	(i) by oral or written communication, clarify with the member any instruction on the appointment; and (ii) complete or amend the contents of any instrument or form to reflect the clarification in the instructions received from the member (which may occur later than the time specified in the notice of meeting for the receipt of direct votes or proxy appointments) and the member appoints the Company as its attorney for this purpose. (56) An appointment of proxy by electronic communication or electronic means which is not made in accordance with this Clause shall be invalid.
<u>89A</u>	Nil	A member is permitted to give the Company notice of revocation of a person's authority to act as proxy not less than forty-eight (48) hours before the time appointed for holding the meeting. The notice of revocation must be in writing and be deposited at the Office or any other designated office or by electronic communication, be send to the electronic address which specified by the Company as indicated in the form of proxy.
90	Every power, right or privilege of any member to convene, attend, vote and in anyway take part in any meeting of the Company, may be exercised in the event of such member being out of Malaysia by any attorney, whether a member or not, duly appointed by such member for the purpose, by a power of attorney produced at the Office during business hours not less than two (2) Market Days before the same is acted on. Any vote given or things done by such attorney shall be valid notwithstanding the previous death or unsoundness of mind of the member giving such power of attorney or revocation of such power of attorney by other means provided no intimation in writing of such death or unsoundness mind or revocation shall have been received at the Office before such vote is given or thing done.	Every power, right or privilege of any member to convene, attend, vote and in anyway take part in any meeting of the Company, may be exercised in the event of such member being out of Malaysia by any attorney, whether a member or not, duly appointed by such member for the purpose, by a power of attorney produced at the Office during business hours not less than forty-eight (48) hours before the same is acted on or, in the case of the votes being taken by poll, not less than twenty-four (24) hours before the same is acted on two (2) Market Days before the same is acted on. Any vote given or things done by such attorney shall be valid notwithstanding the previous death or unsoundness of mind of the member giving such power of attorney or revocation of such power of attorney by other means provided no intimation in writing of such death or unsoundness mind or revocation shall have been received at the Office before such vote is given or thing done.

Clause No.	Existing Provisions	Proposed Amendments
97	No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless a member intending to propose him for election has, at least eleven (11) clear days before the meeting, left at the Office, a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such member to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) clear days' notice only shall be necessary, and notice of each and every candidature for election to the Board shall be served on the registered holders of shares at least seven (7) days prior to the meeting at which the election is to take place.	No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless a member intending to propose him for election has, at least eleven (11) eclear dpays before the meeting, left at the Office of the Company, a notice in writing duly signed by the nominee, giving his consent to the nomination and signifying his candidature for the office, or the intention of such member to propose him for election, provided that in the case of a person recommended by the Directors for election, nine (9) eclear dpays' notice only shall be necessary, and notice of each and every candidature for election to the Board shall be served on the registered members holders of shares at least seven (7) days prior to the meeting at which the election is to take place. The cost of serving the notice to propose the election of a Director where the nomination is made by a member or members shall be borne by the member or members making the nomination.
100	The Company may from time to time by ordinary resolution passed at a general meeting, increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to go out of office.	The Company may from time to time by ordinary resolution passed at a general meeting, increase or reduce the number of Directors, and may also determine in what rotation the increased or reduced number is to retire from go out of office.
101	The Company may by ordinary resolution of which special notice is given, remove any Director before the expiration of his period of office and may if thought fit, by ordinary resolution appoint another Director in his stead. The person so appointed shall hold office for so long as the Director in whose place he is appointed would as if he had not been removed.	Subject to the provisions of Sections 206 and 322 of the Act, Tthe Company may by ordinary resolution of which special notice is given, remove any Director before the expiration of his period of office notwithstanding any agreement between the Company and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and the Company. The Company and may if thought fit, by ordinary resolution appoint another Director in his stead. The person so appointed shall hold office for so long as the Director in whose place he is appointed would as if he had not been removed.
145	All acts done by any meeting of the Directors or a committee of Directors or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director, or member of such committee as aforesaid.	All <u>bona fide</u> acts done by any meeting of the Directors or a committee of <u>Directors the Board</u> or by any person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director, or member of such committee as aforesaid.
149A	Nil	For the avoidance of doubt, any document or instrument transmitted by any technology purporting to include a signature and / or electronic or digital signature, including but not limited to signing with a platform such as DocuSign, of any of the following persons:
		(a) a holder of shares; (b) a Director;

Clause No.	Existing Provisions	Proposed Amendments
		(c) an alternate Director; (d) in the case of a corporation, which is a holder of shares, its Director or Secretary or a duly appointed attorney or duly authorised representative; shall in the absence of express evidence to the contrary available to the person relying on such document or instrument at the relevant time, be deemed to be a document
152	The books containing the minutes of proceedings of any general meeting shall be kept by the Company at the Office or the principal place of business in Malaysia of the Company and shall be open to the	or instrument signed by such person in the terms in which it is received. The books containing the minutes of proceedings of any general meeting shall be kept by the Company at the Office or the principal place of business in Malaysia of the Company and shall be open to the inspection of any member without charge.
153A	inspection of any Member without charge. Nil	Any register, index, minute book, accounting record or other book pursuant to the Act or the provisions of this Constitution to be kept by or on behalf of the Company may, subject to and in accordance with the Act, be kept either in hard copy form or in electronic form, and arranged in the manner that the Directors think fit. If such records are kept in electronic form, the Directors shall ensure that they are capable of being reproduced in hard copy form, and shall provide for the manner in which the records are to be authenticated and verified. In any case where such records are kept otherwise than in hard copy form, the Directors shall take reasonable precautions for ensuring the proper maintenance and authenticity of such records, guarding against falsification and for facilitating discovery.
155(1)	The Directors shall provide for the safe custody of the Seal which shall only be used pursuant to a resolution of the Directors or a committee of the Directors authorising the use of the Seal. The Directors may from time to time make such regulations as they think fit determining the persons and the number of such persons in whose presence the Seal shall be affixed and, until otherwise so determined, the Seal shall be affixed in the presence of at least one (1) Director and counter-signed by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose who shall sign every instrument to which the Seal is affixed. The Directors may by resolution determine either generally or in any particular case that the signature of any Director, the Secretary or such other persons appointed as aforesaid may be affixed or reproduced by facsimile, autographic or other mechanical means provided that the use of such is restricted to a certificate or other documents of title in respect of any share, stock, debenture or marketable security created or issued by the Company to be given under the Seal of the Company. The Company may exercise the powers of Section 62 of the Act, and such powers are accordingly hereby vested in the Directors.	The Directors shall provide for the safe custody of the Seal which shall only be used pursuant to a resolution of the Directors or a committee of the Board Directors authorising the use of the Seal. The Directors may from time to time make such regulations as they think fit determining the persons and the number of such persons in whose presence the Seal shall be affixed and, until otherwise so determined, the Seal shall be affixed in the presence of at least one (1) Director and counter-signed by the Secretary or by a second Director or by some other person appointed by the Directors for the purpose who shall sign every instrument to which the Seal is affixed. The Directors may by resolution determine either generally or in any particular case that the signature of any Director, the Secretary or such other persons appointed as aforesaid may be affixed or reproduced by facsimile, autographic or other mechanical means provided that the use of such is restricted to a certificate or other documents of title in respect of any share, stock, debenture or marketable security created or issued by the Company to be given under the Seal of the Company. The Company may exercise the powers of Section 62 of the Act, and such powers are accordingly hereby vested in the Directors.

Clause No.	Existing Provisions	Proposed Amendments
165	All dividends unclaimed for one (1) year, subject to the Unclaimed Monies Act, 1965 after having been declared may be invested or otherwise used by the Directors for the benefit of the Company until claimed or paid pursuant to the Unclaimed Monies Act, 1965. No unpaid dividend, bonus, or interest shall bear interest as against the Company.	All dividends unclaimed for one (1) year, subject to the Unclaimed Monies Act, 1965 after having been declared may be dealt with in accordance with the provisions of the Unclaimed Money Act 1965 invested or otherwise used by the Directors for the benefit of the Company until claimed or paid pursuant to the Unclaimed Monies Act, 1965. No unpaid dividend, bonus, or interest shall bear interest as against the Company.
168	The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that the sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by those members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid-up to and amongst the members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. Subject to the Act, amount standing to the credit of the capital redemption reserve may, for the purposes of this Clause, be applied in paying up unissued shares to be issued to members as fully paid bonus shares or any other members as set out in the Act.	The Director may, with the sanction of an ordinary resolution of the Company:- (a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of members or (as the case may be) the Record of Depositors at the close of business on: i. the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or ii. such other date as may be determined by the Directors, in the proportion to their holdings of shares; and/or (b) capitalise any sum standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register or (as the case may be) in the Record of Depositors at the close of business on: i. the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or ii. such other date as may be determined by the Directors, in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

Clause No.	Existing Provisions	Proposed Amendments
		The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue or capitalisation under this Clause, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.
		In addition and without prejudice to the power to capitalise profits and other moneys provided for by this Clause, the Directors shall have the power to issue shares for which no consideration is payable and to capitalise any undistributable profits or other monies of the Company not required for the payment or provision of any dividends on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other monies carried and standing to any reserve or reserves) and to apply such profits or other monies in paying up in full, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share option scheme or plan implemented by the Company and approved by members in general meeting and on such terms as the Directors shall think fit.
		The Company in general meeting may upon the recommendation of the Directors resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and accordingly that the sum be set free for distribution amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by those members respectively or paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid-up to and amongst the members in the proportion aforesaid, or partly in the one way and partly in the other, and the Directors shall give effect to such resolution. Subject to the Act, amount standing to the credit of the capital redemption reserve may, for the purposes of this Clause, be applied in paying up unissued shares to be issued to members as fully paid bonus shares or any other members as set out in the Act.

Clause No.	Existing Provisions	Proposed Amendments
172	(1) Any notice or other document if served personally or sent by post, shall be deemed to be served or delivered at the time personally or when the letter containing the same is put into the post, and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter. Any notice or other document given in electronic form shall be transmitted to the electronic address provided by the member for such purpose or by publishing on the website. Every person who, by operation of law, transfer, transmission or other means whatsoever, becomes entitled to any share, shall be bound by every notice which have been duly served to the person from whom he derives the title of such shares, prior to his name and address being entered in the Register or Record of Depositors as the registered holder of such shares. The contact details (including electronic address) of the member are as set out in the Record of Depositors shall be deemed the last known address provided by the member to the Company for purposes of communication with	sent by post, shall be deemed to be served or delivered at the time personally or when the letter containing the same is put into the post, and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a pre-paid letter. Any notice or other document given in electronic form shall be transmitted to the electronic address provided by the member for such purpose or by publishing on the website. Every person who, by operation of law, transfer, transmission or other means whatsoever, becomes entitled to any share, shall be bound by every notice which have been duly served to the person from whom he derives the title of such shares, prior to his name and address being entered in the Register or Record of Depositors as the registered holder of such shares. The contact details (including electronic address) of the member are as set out in the Record of Depositors shall be deemed the last known address provided by the member to the Company for purposes of communication with the member/ securities holder. (2) Where a notice, or any other document or information is served, sent or supplied by electronic
	the member/ securities holder. (2) Where a notice, or any other document or information is served, sent or supplied by electronic communication:- (a) to the current address of member/ securities holder, shall be deemed to have been duly given, sent, or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of members (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent) unless otherwise provided under the Act and/ or any other applicable laws. (b) by making it available on a website, it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under laws.	or any other error message indicating that the electronic communication was delayed or not successfully sent) unless otherwise provided under the Act and/ or any other applicable laws. (b) by making it available on a website, it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under laws. (3) A notice, document or information served, sent or supplied by means of a website is deemed to have been given to or received by the intended recipient when the material was first made available on the website and the Company notifying the member/securities holder in the following manner in writing:-

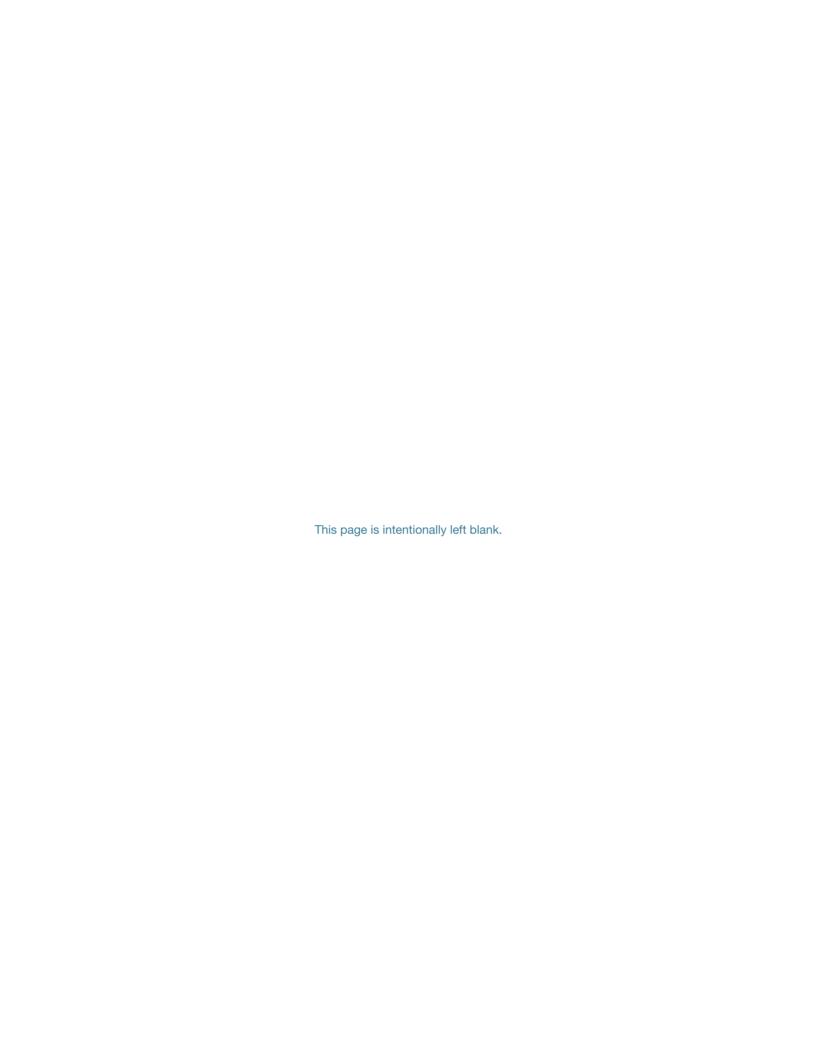
Clause No.	Exis	ting Provisions	Proposed Amendments
	(4)	A notice, document or information served, sent or supplied by means of a website is deemed to have been given to or received by the intended recipient when the material was first made available on the website and the Company notifying the member/securities holder in the following manner in writing:- (a) The publication of the notice, document or information on the website; and (b) The designated website link or address where a copy of the notice, document or information may be downloaded. A member/securities holder shall be implied to have agreed to receive such notice or document or information by way of such electronic communications. However, members are given a right to request for a hard copy of such notice, document or information and the Company shall forward a hard copy of such notice or document or information to the member within the prescribed period specified under the Listing Requirements. The Directors may, at their discretion, at any time give a member/securities holder an opportunity to elect within a specified period of time whether to receive such notice, document or information by way of electronic communications or as a physical copy, and such member shall be deemed to have consented to receive such notice, document or information by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have right to receive a physical copy of such notice, document or information.	 (b) The designated website link or address where a copy of the notice, document or information may be downloaded: (4) A member/securities holder shall be implied to have agreed to receive such notice or document or information by way of such electronic communications. However, members are given a right to request for a hard copy of such notice, document or information and the Company shall forward a hard copy of such notice or document or information to the member within the prescribed period specified under the Listing Requirements. (5) The Directors may, at their discretion, at any time give a member/securities holder an opportunity to elect within a specified period of time whether to receive such notice, document or information by way of electronic communications or as a physical copy, and such member shall be deemed to have consented to receive such notice, document or information by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have right to receive a physical copy of such notice, document or information. Unless expressly provided otherwise in this Constitution, any notice to be given to or by any person pursuant to this Constitution, the Act and/or the Listing Requirements, statements, reports or documents (including proxy forms) required to be sent to or completed by members, shall be in writing either in hardcopy, in electronic form or partly in hardcopy and partly in electronic form.
<u>172A</u>	Nil		Any notice or Document required to be sent to members shall state the place, date and time of the general meeting, may be given by the Company or the Secretary to any member: (i) in hard copy or in electronic form, as recorded or stored in a physical mode of storage, either sent personally or by post to him in a prepaid letter addressed to him at his last known address supplied by the member to the Company.

Clause No.	Existing Provisions	Prop	osed Amendments
		(ii)	in electronic form and sent by the following electronic communication(s):-
			(a) transmitting to his last known electronic mail address; or
			(b) publishing the notice of general meeting, annual report or document on the Company's website for download provided that a notification of the said publication on the website via hard copy or Electronic Communication(s) or short messaging service has been given to them accordingly; or
			(c) using any other electronic platform maintained by the Company or third parties that can host the information in a secure manner for access by members provided that a notification of the publication or availability of the notice or Documents on the electronic platform via hard copy or electronic communication(s) or short messaging service has been given to them accordingly; or
		<u>(iii)</u>	partly in hardcopy and partly in electronic form.
<u>172B</u>	Nil		notice or Document shall be deemed to have been ed by the Company to a member:-
		(i)	where the notice or Document is sent in hard copy, or in electronic form as recorded or stored in a physical mode of storage, by post, on the day the prepaid letter, envelope or wrapper containing such notice or document is posted.
			In proving service by post, it shall be sufficient to prove that the letter, envelope or wrapper was properly addressed and put into a post office letter box or post box or by a letter from the Secretary certifying that the letter, envelope or wrapper was so addressed and posted.
		<u>(ii)</u>	where the notice or Document is left by the Company at a registered address of a member, it shall be deemed to have been served on the day it was left there.
		<u>(iii)</u>	where the notice or Document is in electronic form sent by the following electronic communication(s):-
			(a) via electronic mail, at the time of transmission to a member's last known electronic mail address pursuant to Clause 172A(ii)(a), provided that the Company has record of the electronic mail being sent and that no written notification of delivery failure is received by the Company;

Clause No.	Existing Provisions	Proposed Amendments		
		(b) via publication on the Company's website, on the date the notice or Document is first made available on the Company's website provided that the notification on the said publication of notice or Document on website has been given pursuant to Clause 172A(ii)(b); or (c) via electronic platform maintained by the Company, on the date the notice or Document is first made available thereon provided that the notification on the publication or availability of the notice or document on the relevant electronic platform has been given pursuant to Clause 172A(ii)(c). (iv) where the notice or Document is published by way of advertisement, it shall be deemed to have been served or delivered on the day it was published. In the event that service of a notice or Document pursuant		
		to this Clause is unsuccessful, the Company must, within two (2) Market Days from discovery of delivery failure make alternative arrangements for the service of notice of document in hard copy in accordance with this Constitution		
172C	Nil	A member's address, electronic mail address and any other contact details provided to the Bursa Depository shall be deemed as the last known address, electronic mail address and contact details respectively for purposes of communication including but not limited to service of notices and/or Documents to the member.		
172D	Nil	Any notice and/or Document required by a court of law or otherwise required or allowed to be given by the Company to the members or any of them, and not expressly provided for by this Constitution or which cannot for any reason be served in the manner referred to in this Constitution shall be sufficiently given if given by advertisement, and any notice and/or Document required to be or which may be given by advertisement, shall be deemed to be duly advertised once advertised in a widely circulated newspaper in Malaysia in the national language and in a widely circulated newspaper in Malaysia in the English language.		
172E	Nil	If a notice, proxy form, other document or information relating to a meeting or other proceeding is accidentally not sent or is not received, the meeting or other proceeding will not be invalid as a result. A member present, either in person (including by a representative) or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company is treated as having received notice of the meeting and, where requisite, of the purpose of that meeting.		

Clause No.	Existing Provisions	Proposed Amendments	
173	A notice including notice given in electronic form or any other document, may be given by the Company to the person entitled to a share in consequence of the death or bankruptcy of a member by sending it through representatives of the deceased or assignee of the bankrupt or by any like description, at the address, if any, within Malaysia supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred. Every person who shall become entitled to any share by operation of law, transfer, transmission or other means whatsoever, shall be bound by every notice in respect of such share, which prior to his name and address being entered in the Register or Record of Depositors as the registered holder of such shares, shall have been duly given to the person from whom he derives the title to such share.	A notice and/or Document required to be given to members including notice given in Electronic Form or any other document, may be given by the Company to the persons entitled to a share in consequence of the death or bankrupty or a member by sending it through representatives of the deceased or assignee of the bankrupt or by any like description, at the his last known address, if any, within Malaysia supplied for the purpose by the person claiming to be so entitled, or (untit such an address has been so supplied) by giving the notice in any manner in which the same might have been given served if the death or bankruptcy had not occurred. Every person who shall become entitled to any share by operation of law, transfer transmission or other means whatsoever, shall become entitled to any share, shall be bound by every notice and/or Document in respect of such share, which prior to his name and address being entered in the Register or Record of Depositors as the registered holder of such shares, shall have been duly given to the person from whom he derives the title to such share.	
174	 (1) Notice of every general meeting shall be given in a manner herein before specified to:- (a) every Director with a registered address in Malaysia or an address for service of notices in Malaysia; (b) every member with a registered address in Malaysia or an address for service of notices in Malaysia; (c) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting; (d) the auditors for the time being of the Company; and (e) every Exchange on which the Company is listed and any other relevant authorities. 	 (1) Notice of every general meeting shall be given in a manner herein before specified to:- (a) Every the Directors of the Company with a registered address in Malaysia or an address for service of notices in Malaysia; (b) Every member at his last known address with a registered address in Malaysia or an address for service of notices in Malaysia; (c) every person entitled to a share in consequence of the death or bankruptcy of a member who, but for his death or bankruptcy, would be entitled to receive notice of the meeting; (d) the auditors for the time being of the Company; and (e) every the Exchange on which the Company is listed and any other relevant authorities. 	
	(2) Except as aforesaid no other person shall be entitled to receive notices of general meetings.	the Act, Except as aforesaid no other person shall be entitled to receive notices of general meetings. (3) All notices served for and on behalf of the Company of the Directors shall only be effectual if it bears the name of a Director or the Secretary or a duly authorise Officer of the Company and which are issued by order	
	(3) Whenever any notice is required to be given under the provisions of the laws of Malaysia or of this Constitution, waiver or the shortening of the period of such notice, may be effectively given by complying with Section 316(4) of the Act.		

Clause No.	Existing Provisions	Proposed Amendments		
		(4) Whenever any notice is required to be given under the provisions of the laws of Malaysia or of this Constitution, waiver or the shortening of the period of such notice, may be effectively given by complying with Section 316(4) of the Act.		
174A	Nil	Subject to the Laws and Listing Requirements, the Company does not have to send notices, Documents or information to a member whose address on the Register or Record of Depositors is outside Malaysia. This Clause applies to joint shareholders with an address outside Malaysia. For a member registered on a branch register, notices, Documents or information can be posted or despatched in Malaysia or in the country where the branch register is kept.		
174B	Nil	This Clause applies where, on two consecutive occasions, notices, Documents or information sent or supplied by post have been returned undelivered. If the shareholder registers a new address with the Company and the Depository (if they hold Depository Shares) where notices, Documents or information can be sent or supplied, the shareholder is entitled to have notices, Documents or information sent or supplied to them at that address. Otherwise, the shareholder is not entitled to receive any notices, Documents or information from the Company.		
178	Nil	(2) Directors or officers of the Company shall be entitled, if he thinks fit, to decline to answer any questions concerning the business of the Company which may be put to him on any occasion (including during any meeting of the Company) on the ground that the answer to such question would disclose or tend to disclose the trade secrets of the Company.		



FORM OF PROXY



NOTION VTEC BERHAD

Registration No. 200301035125 (637546-D) (Incorporated in Malaysia)

No. of Shares held	CDS Account No.	

/We,	(name of shareholder as per NRIC)				
NRIC No./Passport No./Company No	of				
	(full address)				
peing a Member(s) of NOTION VTEC BERHAD, hereby appoint	(name of proxy as per NRIC)				
NRIC No of	(full address)				
and/or failing him/her,	_ (name of proxy as per NRIC) NRIC No				
of	(full address)				
or # the Chairman of the Eighteenth ("18th") Annual General Meeting ("AGM") as *my/our proxy to vote for *me/us on *my/our behalf at the 18th AGM of the Company to be conducted fully virtual at the broadcast venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, on Thursday, 3 March 2022 at 9.30 a.m. or at any adjournment thereof and to vote as indicated below:-					

Agenda			For	Against
1	To re-elect Mr Choo Wing Yew as Director.	Ordinary Resolution 1		
2	To re-elect Dato' Abu Bakar Bin Mohd Nor as Director.	Ordinary Resolution 2		
3	To re-elect Ms Teh Su-Ching as Director.	Ordinary Resolution 3		
4	To approve the payment of Directors' Fees and benefits payable to the Directors of the Company from 3 March 2022 until the conclusion of the next AGM of the Company.	Ordinary Resolution 4		
5	To re-appoint Crowe Malaysia PLT as auditors of the Company.	Ordinary Resolution 5		
6	To approve Ms Anita Chew Cheng Im to continue in office as an Independent Non-Executive Director.	Ordinary Resolution 6		
7	To approve the proposed amendments to the Constitution of the Company.	Special Resolution 1		
8	To approve the proposed authority to allot and issue shares pursuant to Section 76 of the Companies Act 2016.	Special Resolution 2		

Mark either box if you wish to direct the proxy how to vote. If you do not do so, the proxy may vote on the resolution or abstain from voting as the proxy thinks fit. If you appoint two proxies or more and wish them to vote differently, this should be specified.

For appointment of two proxies, proportion of shareholdings to be represented by the proxies:

	No. of shares	Percentage (%)
Proxy 1		
Proxy 2		
Total:		100%

- # If you wish to appoint other person(s) to be your proxy/proxies, kindly strike out the words "The Chairman of the Eighteenth ("18th") Annual General Meeting ("AGM")" and insert the name(s) of the person(s) desired.
- * Delete if not applicable

Si	gnature of Shareholder or Common Seal



NOTES:

- (1) The AGM of the Company will be conducted entirely through live streaming and online remote voting via Remote Participation and Voting ("RPV") facilities. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator for the AGM to facilitate the RPV via TIIH Online website at https://tiih.online. The procedures for members to register, participate and vote remotely via the RPV facilities are provided in the Administrative Guide for the AGM.
- (2) Please follow the procedures set out in the Administrative Guide for the AGM which is available on the Company's website at www.notionvtec.com to register, attend, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely via the RPV facilities.
- (3) The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairman of the meeting to be present at the main venue. Members/proxies are NOT to be physically present at the Broadcast Venue on the day of the AGM.
- (4) Pursuant to Paragraph 8.29A of the Main Market Listing Requirement of Bursa Securities, voting at the AGM will be conducted by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
- (5) A member entitled to attend and vote at the AGM may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. A proxy appointed to attend and vote at the AGM shall have the same rights as the member to speak at the AGM.
- (6) A member may appoint up to 2 proxies to attend the AGM. Where a member appoints 2 proxies, the appointment shall not be valid unless the member specifies the proportion of his shareholding to be represented by each proxy. Where a member is an exempt authorised nominee which holds shares in the

- Company for multiple beneficial owners in one securities account ("Omnibus Account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (7) The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (8) The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre, at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time set for holding the AGM or at any adjournment thereof. Alternatively, the Proxy Form may also be electronically submitted via TIIH Online website at https://tiih.online. Please refer to the Administrative Guide for further information on electronic submission.
- (9) For the purpose of determining who shall be entitled to attend the AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available a Record of Depositors as at 23 February 2022 and only members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at the AGM and entitled to appoint proxy or proxies.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 January 2022.

Please Fold Here

STAMP

THE SHARE REGISTRAR

NOTION VTEC BERHAD

Registration No. 200301035125 (637546-D)

Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01, Level 32, Tower A Vertical Business Suite, Avenue 3 Bangsar South, No. 8, Jalan Kerinchi 59200 Kuala Lumpur Malaysia



NOTIONVTEC

NOTION VTEC BERHAD

Registration No. 200301035125 (637546-D) (Incorporated in Malaysia)

Lot 6123, Jalan Haji Salleh, Batu 5 1/2, Jalan Meru, 41050 Klang, Selangor Darul Ehsan, Malaysia.