

NOTION VTEC BERHAD
Registration No. 200301035125 (637546-D)

MINUTES OF THE TWENTIETH (“20TH”) ANNUAL GENERAL MEETING (“AGM”) OF NOTION VTEC BERHAD (“**THE COMPANY**” OR “**NVB**”) HELD 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 (“**BROADCAST VENUE**”) ON FRIDAY, 1 MARCH 2024 AT 9.30 A.M.

PRESENT:

DIRECTORS

Mr Thoo Chow Fah (Chairman)	-	Also a shareholder
Mr William Choo Wing Hong	-	Also a shareholder
Mr Jerry Choo Wing Yew	-	Also a shareholder
Mr John Choo Wing Onn	-	Also a shareholder
Mr Lee Tian Yoke	-	Also a shareholder
Ms Teh Su-Ching	-	Also a shareholder
Dato’ Abu Bakar Bin Mohd Nor	-	Also a shareholder
Mr Alvin Vong Chen Weng	-	Also a shareholder

IN ATTENDANCE

Ms Tan Ai Ning	-	Company Secretary
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The list of shareholders, proxies and invitees who attended the Meeting are set out in the Attendance Listing attached and shall form an integral part of these Minutes.

1. CHAIRMAN

Mr Thoo Chow Fah, being the Chairman of the Board of Directors presided as Chairman of the Meeting and welcomed all shareholders, proxies and invitees (“**Participants**”) to the 20th AGM conducted through live streaming and online voting via Remote Participation and Voting (“**RPV**”) facilities which is in compliance with Section 327 of the Companies Act 2016 (“**the Act**”) and Clause 64 of the Constitution of the Company.

The Chairman then proceeded to introduce the Board of Directors and the Company Secretary who were in attendance with him at the Broadcast Venue and the Auditors of the Company who were participated in the Meeting remotely.

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2. QUORUM AND SUMMARY OF PROXIES RECEIVED

The Secretary confirmed that a quorum was present. Based on the report issued by the Share Registrar, a total of 124 members comprising shareholders, proxies and corporate representatives, representing 126,051,571 ordinary shares or 24.44% of the total issued share capital of the Company have registered themselves to attend the Meeting via RPV facilities.

The Company had received in total 20 proxy forms from the shareholders for a total of 53,399,715 ordinary shares representing 10.35% of the issued share capital of the Company.

With the requisite quorum being present, the Meeting was called to order at 9.30 a.m.

3. NOTICE

With the consent of the members present, the Notice convening the Meeting having been circulated within the prescribed period was with the permission of the Meeting taken as read. The Chairman then proceeded with the business of the AGM.

The Chairman further invited the shareholders and proxies to raise questions by transmitting via the query box.

4. VOTING PROCEDURES

The Meeting noted that it is mandatory for any resolution to be passed at general meeting to be voted by poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). Accordingly, the Chairman directed the poll to be taken on the resolutions set forth in the Notice of the AGM and subsequently to be conducted by way of electronic polling.

The Chairman further informed that the Company has appointed Tricor Investor & Issuing House Services Sdn Bhd to conduct the poll voting electronically and Asia Securities Sdn Bhd as the Scrutineer to verify the poll results. The results of the poll voting will be announced after the Scrutineer has verified the poll results upon closure of the voting session.

Shareholders and proxies were informed that the voting on the resolutions could be done any time throughout the Meeting until the closure of the voting session. The process of voting was shared by the Poll Administrator vide video presentation.

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5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2023 TOGETHER WITH THE DIRECTORS' AND AUDITORS' REPORTS THEREON

The Audited Financial Statements of the Group and of the Company for the financial year ended 30 September 2023 ("AFS 2023") together with the Directors' and Auditors' Reports thereon were meant for discussion only as the provision of Section 340 of the Act does not require a formal approval of the shareholders.

It was recorded that the AFS 2023 together with the Directors' and Auditors' Reports thereon were properly laid and had been duly received.

6. RE-ELECTION OF MR CHOO WING ONN AND MR CHOO WING YEW

Ordinary Resolutions 1 to 2 are to approve the re-election of the following Directors who retire pursuant to Clause 95 of the Constitution of the Company and being eligible, have offered themselves for re-election:

Ordinary Resolution	Re-election of:
1	Mr Choo Wing Onn
2	Mr Choo Wing Yew

7. RE-ELECTION OF MR ALVIN VONG CHEN WENG

Ordinary Resolution 3 is to approve the re-election of Mr Alvin Vong Chen Weng who retires pursuant to Clause 102 of the Constitution of the Company and being eligible, has offered himself for re-election.

8. DIRECTORS' FEES AND BENEFITS PAYABLE

Ordinary Resolution 4 is to approve the Directors' Fees of up to RM350,000 and benefits payable to the Directors of the Company of up to RM50,000 from 2 March 2024 until the conclusion of the next AGM of the Company, to be paid monthly in arrears.

The interested Directors who are also shareholders of the Company and person connected with them have abstained from voting on the resolution.

9. RE-APPOINTMENT OF AUDITORS

Ordinary Resolution 5 is on the re-appointment of Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. The Auditors, Crowe Malaysia PLT who retired, have indicated their willingness to accept the re-appointment.

Having concluded the Ordinary Business of the AGM, the Chairman proceeded to the special business of the Meeting.

10. AUTHORITY TO ALLOT AND ISSUE SHARES

Ordinary Resolution 6 is to seek shareholders' approval on the authority for the Directors to allot and issue shares up to a maximum ten per centum (10%) of the total number of issued shares of the Company. This mandate if passed, serves as a measure to meet the Company's immediate working capital needs in the short term without relying on conventional debt financing (which will result in higher finance costs to be incurred) for the purpose of funding investment project(s), working capital and/or acquisition(s).

11. QUESTION AND ANSWER SESSION

The Meeting noted that the Company had received a letter from Minority Shareholders Watch Group ("**MSWG**") seeking clarification/information on several issues pertaining to operational, financial, sustainability and corporate governance matters. The Chairman shared the responses to the questions raised by MSWG vide video presentation, details of which as set out below:

1. *The Hard Disk Drive ("**HDD**") segment has been impacted by reduced orders, but the Group is expecting a steady recovery in this section in the financial year ending 30 September 2024 ("**FYE2024**") [Page 11 of Annual Report 2023 ("**AR 2023**")].*

- a) *How is the order visibility in the HDD segment? Are there any substantial orders in the pipeline?*

The Company's HDD business segment was primarily subject to the global HDD market conditions and NVB customer's business agility on cyclicity and through-cycle profitability. In the bigger picture, volatility in global economic conditions, new technologies and data storage market expansion and etc were the key factors to the HDD segment.

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Based on the business outlook published in January 2024, the buyer indicated better overall revenue for Q1 calendar year 2024 compared to the preceding quarter.

Barring unforeseen circumstances, the Company expected a steady recovery of this segment in FYE2024.

- b) *What are the financial targets or expectations for this segment in FYE2024? How does the Group plan to mitigate the risk of prolonged setbacks in the HDD market?*

As outlined in 1(a) above, the Company expected a steady recovery of this segment in FYE2024.

HDD has a relatively high degree of correlation to the global economic conditions. It is not a setback in the HDD market but it is cyclical in nature.

It has always been the Company's objective to mitigate such exposures by way of diversifications leveraging on the Company's strengths.

2. *The Group has high expectations for strong growth in the Electronics Manufacturing Services ("**EMS**") sector in FYE2024 as there are various new projects secured in the financial year ended 30 September 2023 ("**FYE2023**") (Page 11 of AR2023).*

Does the Group anticipate the EMS segment, contributing around 40% of revenue, to become the primary revenue driver long-term, or is this a temporary shift in response to setbacks in the HDD segment?

In addition to HDD and Automotive segments, the Company has successfully added EMS (since 2017) as one of the core business revenues. It was part of the diversifications.

Besides the high expectations for EMS segment in FYE2024, the Company is also putting efforts and resources to continuously grow HDD and Automotive businesses.

This is to establish healthy business sustainability and reduce business dependence risks in the long run.

3. The Group recognised a significant impairment loss on trade receivables of RM1.4 million in FYE2023 vs RM187,000 in the financial year ended 30 September 2022 (“FYE2022”) (Page 77 of AR2023).

What is the primary reason behind the notable increase in the impairment loss on trade receivables, and which business segment is this impairment related to?

Segment	Impairment (RM'000)	Reasons	Action
Automotive	514	Overdue invoices underpaid by existing buyers. Subsequent collection of RM104,000 in Q1FY2024.	Recovery was in process but it takes time.
EMS	467	Original sum was RM527,000 out of which RM60,000 collected. Buyer (100% owned by a listed company on Bursa Malaysia) defaulted on the balance.	Going to issue official legal demand.
Personal Protective Equipment (“PPE”)	433	Default by buyers	In the legal process
Other	8	Long overdue	-

4. Inventories written down doubled from RM4.9 million in FYE2022 to RM9.0 million in FYE 2023 (Page 79 of AR 2023).

Which specific inventories underwent the write-down? Are these written-down inventories still usable or saleable?

Inventories Written Down (RM'000)	Saleable / Usable			Remarks
	Likely	Unlikely	Total	
Automotive	1,462	-	1,462	“Longer-than-expected” delivery period compared to the given forecast from the European customers.
Camera	149	-	149	
	Saleable / Usable			Remarks

Inventories Written Down (RM'000)	Likely	Unlikely	Total	
EMS	-	3,100	3,100	Poor demand on one of the customer's products.
PPE	-	1,060	1,060	Off-specification of raw materials.
Tool & consumables	3,179	-	3,179	Stocks > 2 years.
	4,790	4,160	8,950	

Inventory is part of the enterprise risks especially managing the global business and supply chain risk in precision machining industry.

Reversal of impairment largely depended on the buyers' off-take. The Company's team has been in discussion with buyers about the delivery status. Reversal of impairment on tool & consumables shall take place upon the subsequent consumption in the production or realisation to the secondary market (as lower value).

5. *The PPE segment incurred losses from price decline and oversupply. Impaired three production lines, the Group recognised a RM30.7 million loss based on fair value calculation (Page 93 of AR 2023).*

What is the status of production lines 1, 2 and 3? Are there plans for these lines, such as full impairment and disposal, or is there a different plan in place for these assets?

PPE business was still encountering pricing pressure especially the supply competition from China and Thailand. In addition, shipping route safety in the Red Sea has also caused uncertainty.

In all likelihood, the Board was of the opinion that the PPE business was overextended and looking for an opportune time to exit. Meanwhile, the Company was in the midst of clearing the inventory.

Production lines 1, 2 and 3 have been fully impaired in FYE2023. Certain infrastructure facilities were transferrable and reusable in the existing machining business.

6. The past due trade receivables of more than 120 days stood at RM4.4 million (FYE2023), a significant rise from RM1.1 million in FYE 2022 (Page 100 of AR2023).

- a) What were the challenges for the Group to collect the trade receivables that were past due of more than 120 days as the outstanding amount increased?

Challenges include mainly timing difference on capture of invoices by the overseas customers.

- b) What is the profile of the customers? To-date, how much of the overdue amount has been collected?

Customer Profiles			Debt > 120 days (RM'000)	Collected after FYE2023 (RM'000)
Customer	Base	Size		
A	Europe	Global automotive supplier	3,719	(3,522)
B & C	China/ Philippines	EMS Contract Manufacturer	297	(33)
Others	Overseas	Large & SME	19	(15)
Others	Local	Large & SME	396	(321)
			4,431	(3,892)

7. The capital expenditure is expected to rise in response to heightened customer demands and the acquisition of new orders. However, there is a concurrent decline in the rate of new hiring rate, from 2.84% in the financial year ended 30 September 2021 ("FYE2021") and 2.29% in FYE2022 to 1.49% in FYE2023 (Page 28 of AR2023).

What specific factors or changes in the business environment are contributing to the decline in the new hiring rate? Have there been any investments in technology or automation that might be impacting the need for new hires?

The reported new hiring rates, to a large extent, reflected the Company's sales revenue for FYE2021, FYE2022 and FYE2023:-

	Revenue (RM'000)	New Hiring Rate (%)
FYE2021	352,915	2.84
FYE2022	334,146	2.29
FYE2023	345,258	1.49

- a) Factors / changes affected the decline in the new hiring rates including but not limited to:
 - Performance of the respective business segments
 - Labour mobility among the business segments
 - Improvement in productivity and workflow
 - b) Yes. Investing in machines equipped with technology or automation has also contributed to the declining new hiring rates.
8. *The Group has deviated from Practice 5.2 of the Malaysian Code of Corporate Governance ("MCCG"), which specifies that a minimum of half of the board should consist of independent directors. In the case of Large Companies, the board should predominantly comprise independent directors.*

Presently, the Board consists of a total of eight (8) members. This includes five (5) Executive Directors, which consist of an Executive Chairman and a Managing Director, and three (3) Independent Non-Executive Directors (Page 25 of the Corporate Governance Report).

Given the current shortfall, with only 37.5% of the Board consisting of independent directors, has the Board identified potential candidates for Independent Director roles? What is the targeted timeline for achieving this objective?

The Board acknowledges that the current composition of the Board does not meet the recommendation of Practice 5.2 of the MCCG 2021, which requires at least half of the Board comprises Independent Directors.

However, the composition complies with Paragraph 15.02 of the Main Market Listing requirements of Bursa Securities which requires at least 2 Directors or 1/3 of the Board, whichever is higher, are Independent Directors.

In addition to the above, the Nomination Committee was of the view that the current Board size and composition was appropriate and effective, taking into account the nature and scope of the Company's operations. The Board opined that there was 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.

9. *The Group has departed from the Practice 5.9 of the MCCG which suggests that the Board comprises at least 30% women directors.*

The Board currently has one (1) female only among its eight (8) members, which represents about 12.5% of the Board composition (Page 34 of Corporate Governance report).

Given the current disparity in gender representation on the Board, when does the Board plan to appoint additional female directors?

The Board recognises the benefits of having mix-gendered board that would offer different viewpoints, ideas and market insights that enables better problem solving to gain competitive advantages in serving an increasingly diverse customer base.

The Board however believes that it is more important to have the right mix and skills at the Board instead of merely looking at percentage of women representation in Board in order to carry out its duties effectively.

Appointment of additional female candidates to the Board will be made when a suitable candidate who can add value to the Board is identified.

The Meeting further noted that the Company had received questions prior to this Meeting from a shareholder namely Mr Ong Leong Huat. The Chairman shared the responses to the questions raised by Mr Ong Leong Huat vide video presentation, details of which as set out below:

1. *In FY09/2023, the Precision Engineering segment was hit by RM7.89 million inventories written down.*

- a) *These inventories came from which sub-segment (HDD/Camera/Automotive/EMS)?*

Segment	RM'000
EMS	3.1
Automotive	1.5
Tool & Consumables	3.2
Total	7.8

- b) *Reasons for the write-down.*

Segment	Reason
EMS	Poor demand on one of the customer's products.

Segment	Reason
Automotive	“Longer-than-expected” delivery period compared to the given forecast from the European customers.
Tool & Consumables	Stock aging more than two (2) years.

Inventory is part of the enterprise risks especially managing the global business and supply chain risk in precision machining industry.

c) Is the likelihood of reversal of impairment good going forward?

Reversal (EMS & Automotive) largely depends on the buyer’s business prospects. The Company’s team has been in discussion with buyers about the delivery status.

However, reversal on general consumables shall take place upon the subsequent consumption in the production or realisation to the secondary market (at lower value).

2. Revenue from customers located in China picked up strongly to RM22.50 million from RM7.72 million in the previous financial year (Page 114 of the Annual Report).

a) Who are these customers?

These customers are mainly the tier-1 contract manufacturers for EMS products.

b) Which sub-segment of our business benefitted from the increase in orders?

EMS segment.

3. The automotive sub-segment posted its highest ever revenue of RM109.4 million post initial public offering in the financial year. Are we optimistic of achieving another year of growth in this sub-segment in the coming financial year?

Automotive business has been highly competitive in the global market where the buyer and the end-buyers are always striving for excellence in terms of quality, new product model, service, pricing, supply-chain value and competitiveness. The Company, a global supplier equipped with comprehensive machinery and talents, is well positioned for it. However, this market segment is subject to the exposure of a number of external factors (geopolitical conflicts,

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supply chain, trade-war tension, global demand/supply, inflation, labour supply, commodity prices, regulatory policy and etc).

Barring unforeseen circumstances, the Company expects a moderate growth in this business segment in the following years and more optimistic on the electric vehicle business.

4. *Have we secured orders to produce other component parts for electric vehicles besides component parts for the electronic braking system? If yes, what are they?*

The Company has 5 “tier-1” automotive customers. The Company produces parts dedicated to braking system for both traditional and electric vehicle cars. We are also exploring the production for chassis of all kinds of cars.

5. *Is it mentioned in the Annual Report that the PPE business has been side-lined until an opportune time arises.*

- a) *As it is anybody’s guess when the market will recover, have we decided on a timeframe to exit this business totally if market conditions do not recover by then?*

PPE business is still encountering pricing pressure especially the supply competition from China and Thailand. In addition, shipping route safety in the Red Sea has also caused uncertainty.

In all likelihood, the Board was of the opinion that the PPE business was overextended and looking for opportune time to exit. Meanwhile, the Company was in the midst of clearing the inventory.

- b) *Will there be another round of impairment on plant & equipment in the coming financial year and what is the estimated quantum?*

The Company does not foresee any material impairment when it exits.

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6. *Revenue in the EMS sub-segment grew strongly in FY09/2023.*

- a) *Is this sub-segment profitable in the financial year and if yes, what was the amount?*

EMS segment was the main profit contributor to the Group.

- b) *How many product lines and customers did we have in this sub-segment?*

The Company provides a wide range of consumer electronic appliances in this segment.

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- c) *Who are these customers? Are they multinational companies (“MNC”) or local contract manufacturers or both?*

Customers are mainly those tier-1 contract manufacturers both local and overseas MNCs.

7. *It is mentioned in the Annual Report that the Company planned to expand the EMS business overseas to cater to customers’ needs.*

- a) *Which foreign country are we planning to expand our footprint?*

The Company plans to expand operations based on the customers’ needs, most likely in China, Thailand and Philippines.

- b) *How soon will that be?*

Likely in the next 2 to 3 years.

The Company has also received several questions from the shareholders and proxies during the AGM via the query box. The questions raised were succinctly addressed by the Chairman as set out below:

1. *Mr Khaw Choke Han enquired whether there were any plans to reward shareholders, as there have been no dividends since 2019.*

The Chairman responded that the Company would reassess the possibility of distributing dividends to shareholders upon the conclusion of the financial year ending 30 September 2024. Nevertheless, the Company has announced the proposed issuance of bonus issue of free warrants in NVB.

2. *Mr Kow Lih Shi enquired on the following:-*

- (i) *How has the new 8% taxation affected the overall cost of operation? How does a 2% increase impact profit revenue? The overall cost of purchasing might increase, mainly due the rise in logistics costs across the chain. How does the Company plan to increase the profit to overcome this increase? Is e-invoicing ready in the Company as of today, given that the new taxation started on 1 March 2024?*

The Chairman responded that the increase in sales and service tax (“SST”) from 6% to 8% effective 1 March 2024 would impact the Company’s cost of production. However, since the Group primarily engaged in export activities, the impact would be minimal as exports were not subject to SST. Additionally, operations in Thailand would not be affected by the SST increase as well, with only operations in Johor potentially experiencing some impact.

Overall, the Chairman expressed confidence in the Company's ability to manage the increase in SST.

- (ii) *Some reporting semiconductor sectors were over demand in 2023. How was the impact on the Company in overall 2023 and forecast 2024? The new order book will be lesser or existing customer will not increase the orders or make it lesser?*

The Chairman responded that the significant growth in the semiconductor business was primarily attributed to the substantial demand for artificial intelligence, which is expected to drive new business opportunities for data storage. The Chairman expressed optimism regarding the continued expansion of artificial intelligence over the next five (5) to ten (10) years, which will have a positive impact on the demand for the HDD segment.

- (iii) *The Company's ESG rating is good. How were some water solutions? As case studies of Japan's radioactive waste into the seas, does the Company have research and development methods to sell services to reduce water pollution?*

The Chairman responded that significant attention was placed on environmental, social and governance matters, particularly regarding water pollution. The Company actively involved in water treatment initiatives, but the Company did not engage in research and development for selling services related to environmental protection. However, the Company remains vigilant in monitoring advancements in technology.

The Chairman clarified that the Company does not produce radioactive waste as part of its business operations.

3. *Mr Koh Chooi Peng enquired on the following:-*

- (A) *The Group reported further impairment loss on PPE amounted to RM30.696 million in FY2023 vs RM13.863 million in FY2022.*

- (i) *Please provide breakdown of the impairment based on the business segment.*

Segments	Impairment loss on plant and equipment	
	FYE2023 RM'000	FYE2022 RM'000
Precision Engineering	-	721
PPE	30,696	13,142

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- (ii) *Has the PPE business been fully impaired in FY2023 and if yes, what was the amount provided for?*

The Chairman responded that this question had been addressed in the previous MSGW video presentation. All the equipment utilised in the PPE segment has been fully impaired, except for ancillary and infrastructure assets, which were transferable and usable in other business segments. The amount provided for stood at RM30.696 million and the Company did not foresee any additional impairments in the PPE segment.

- (B) *The PPE Business is being sidelined with an opportune future time (Page 10 of the Annual Report 2023).*

- (i) *How will the Company deal with the machineries and equipment already installed?*

The Chairman responded that the machineries and equipment used for the production of mask would be sold when favourable prices were available.

- (ii) *How many PPE personnel are affected and are these staff be re-assigned or laid off?*

The Chairman responded that those employees involved in the PPE segment have already been reassigned to the precision engineering segment. Therefore, there have been no layoffs.

- (C) *Notion VTec reported an improvement in the latest 1st Quarter results for FY2024.*

Please provide the details on whether the improvement came from the HDD or EMS business and whether the improvement can be sustained for the remaining quarters of FY2024.

The Chairman responded that the improvement mainly stemmed from the HDD segment, with the contributions also from the Automotive and EMS segments.

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- (D) *Management Discussion and Analysis on Page 11 of the Annual Report 2023 reported that the Camera business is on a steady long-term decline. Why hasn't the Company "adapted" to the changing business model of the camera business where the lenses are mostly used in mobile phones and gadgets.*

The Chairman replied that the Company has not pursued a transition from the single-lens reflex camera business to the smartphone camera lens business due to the differences in material used. In the smartphone camera lens business, plastic components were predominantly used rather than metal. As a result, there was minimal demand for metal components which has led the Company to opt not to transition.

- (E) *The Group has a factory in the Rojana Industrial Park and two (2) industrial lots in Sri Ayutthaya Province, Thailand.*

- (i) *What is the current use of the factory in Rojana Industrial Park and its current utilisation rate?*

The Chairman responded that the utilisation rate of the factory located in Rojana Industrial Park experienced a slight decline last year due to decreased demand in the HDD segment. However, there has been an increase in demand in the HDD segment since February 2024. As a result, the current utilisation rate has risen to nearly 80% to 90%.

In addition, the Chairman informed that the Company is in the process of hiring personnel to accommodate the increased demand.

- (ii) *Are the two (2) industrial lots vacant and if yes, any plans to dispose the land to monetise for other productive purpose?*

The Chairman responded that one of the two factories would be utilised for the Automotive segment, while the Company is considering expanding the other factory.

- (F) *Administrative and other operating expenses increased by 40% to RM72.092 million in FY2023 (Page 75 of the Annual Report 2023).*

- (i) *What are the reason(s) for the huge increase despite only a slight improvement in revenue for FY2023?*

Mr Choo Wing Yew ("Mr Jerry Choo") responded that the significant increase in the administrative and other operating expenses was mainly due to the impairment of property, plant and equipment totaling approximately RM31 million as well as

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inventories written down amounting to approximately RM9 million incurred in FY2023.

- (ii) *Steps taken by the Group to manage this expense which is one of the reasons for the Loss Before Tax reported in FY2023.*

The Chairman clarified that these expenses were one-off expenses incurred in FY2023.

- (G) *The Group has eleven (11) factories and industrial lots, mostly located around Jalan Meru, as disclosed in the List of Properties (Pages 118-120 of the Annual Report 2023).*

- (i) *Has the Group considered the consolidation of the activities for more efficient use of its resources?*

The Chairman responded that the Group consistently focuses on growing its business and the Company would identify opportunities for consolidation. This included relocating machines from one location to another, primarily to enhance efficiency and improve operation control.

- (ii) *Are there plans to dispose of any unused properties?*

The Chairman responded that the Company would plan to dispose of any unused properties that are deemed no longer necessary for production. However, these decisions shall take into account the Company's ongoing growth in order to align with its future expansion plans.

4. *Mr Tan Sek Keng enquired on the Board's plan to revitalise the Group's business.*

The Chairman responded that the plan to revitalise the Group's business depends on the outlook for each segment. The Company envisages a prospect for the Automotive segment due to the increase in electric vehicles. In the HDD segment, the Company anticipates significant growth opportunities driven by advancements in artificial intelligence, particularly in the data storage business. As for the EMS segment, the Company is committed to expanding its customer base and pursuing new business ventures as opportunities arise.

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5. Mr Yong Swee Meng enquired on the following:-

- (i) Does the order book in FYE2024 is better than FYE2023? Does the Company foresee a better financial performance in FYE2024 than FYE2023.

The Chairman responded that based on the quarterly report in respect of the unaudited results for the first quarter ended 31 December 2023 (“1Q2024”), Management is cautiously optimistic about the Company’s steady growth and positive performance in FYE2024.

- (ii) Why is the latest quarterly report gross profit so good? Can the Company maintain the gross profit level and achieve a better gross profit margin?

Mr Jerry Choo responded that the higher gross profit margin in 1Q2024 was primarily attributed to the improved efficiency in material utilisation and production lines. Mr Jerry Choo expressed confidence that maintaining quality standards and minimising rejects would enable the Company to achieve a better gross profit margin in the future.

The Chairman added that the Company’s commitment to continuing to grow its business and improve operational efficiency would inevitably result in a higher profit margin.

- (iii) Does the Company foresee being able to achieve above RM100 million in revenue in the coming two (2) to three (3) quarters? Does the Company have any targets for revenue growth?

The Chairman responded that the Company would pursue new business opportunities which may require additional times for development. With the Group’s revenue achieving RM93.792 million in 1Q2024, Management is cautiously optimistic about achieving RM100 million in the next two (2) to three (3) quarters. In addition, the Chairman informed that Management is committed to achieving an annual revenue of RM1 billion within the next three years.

6. Mr Tan Sek Keng enquired if the Board would consider having a physical AGM instead of a virtual AGM.

The Chairman responded that the Board would consider conducting a physical AGM in future.

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7. *Several shareholders enquired if the Board considers giving door gifts such as e-vouchers or e-wallets to those participating in this AGM as a token of appreciation.*

The Chairman informed that no door gift will be given for participating in this AGM as the Company is committed to focusing on delivering better financial performance so as to maximise the shareholders' return.

12. VOTING

After having addressed all the questions raised, the Chairman proceeded to inform the Meeting to proceed with voting and that the verification of the votes would take approximately 20 minutes.

The Chairman informed that the outcome of the poll would be announced after a short break as it would take some time for the Scrutineers to tabulate the results of the poll. The AGM was then adjourned at 10.15 a.m. for the shareholders and proxies to cast their votes.

POLL RESULTS

The Meeting resumed at 10.35 a.m. for the declaration of the results of the poll:-

Ordinary Resolution 1	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To re-elect Mr Choo Wing Onn who is retiring in accordance with Clause 95 of the Constitution of the Company.	125,292,802	99.9096	113,383	0.0904

It was RESOLVED:-

THAT Mr Choo Wing Onn who retired in accordance with Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

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Ordinary Resolution 2	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To re-elect Mr Choo Wing Yew who is retiring in accordance with Clause 95 of the Constitution of the Company.	125,292,802	99.9096	113,383	0.0904

It was RESOLVED:-

THAT Mr Choo Wing Yew who retired in accordance with Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

Ordinary Resolution 3	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To re-elect Mr Alvin Vong Chen Weng who is retiring in accordance with Clause 102 of the Constitution of the Company.	125,292,802	99.9096	113,383	0.0904

It was RESOLVED:-

THAT Mr Alvin Vong Chen Weng who retired in accordance with Clause 102 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

Ordinary Resolution 4	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve the Directors' Fees of up to RM350,000 and benefits payable to the Directors of the Company of up to RM50,000 from 2 March 2024 until the conclusion of the next AGM of the Company, to be paid monthly in arrears.	125,144,036	99.8282	215,410	0.1718

It was RESOLVED:-

THAT the Directors' Fees of up to RM350,000 and benefits payable to the Directors of the Company of up to RM50,000 from 2 March 2024 until the conclusion of the next AGM, to be paid monthly in arrears be and is hereby approved.

NOTION VTEC BERHAD

Registration No. 200301035125 (637546-D)

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Ordinary Resolution 5	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	125,325,302	99.9355	80,883	0.0645

It was RESOLVED:-

THAT Crowe Malaysia PLT, having indicated their willingness to accept re-appointment, be and are hereby re-appointed as Auditors of the Company until the conclusion of the next AGM at a fee to be determined by the Directors.

Ordinary Resolution 6	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve the proposed authority to allot and issue shares pursuant to Section 76 of the Act.	125,252,904	99.8778	153,281	0.1222

It was RESOLVED:-

THAT pursuant to Section 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in 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 ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT in connection with the above, pursuant to Section 85 and Clause 59 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares pursuant to this mandate by the Company.

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.

NOTION VTEC BERHAD

Registration No. 200301035125 (637546-D)

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CONCLUSION

The Chairman expressed his appreciation to the Participants for their attendance. There being no other business to be transacted, the Chairman declared the Meeting closed at 10.40 a.m.

SIGNED AS A CORRECT RECORD

A handwritten signature in black ink, appearing to be 'S. S. S.', written over a horizontal line.

CHAIRMAN