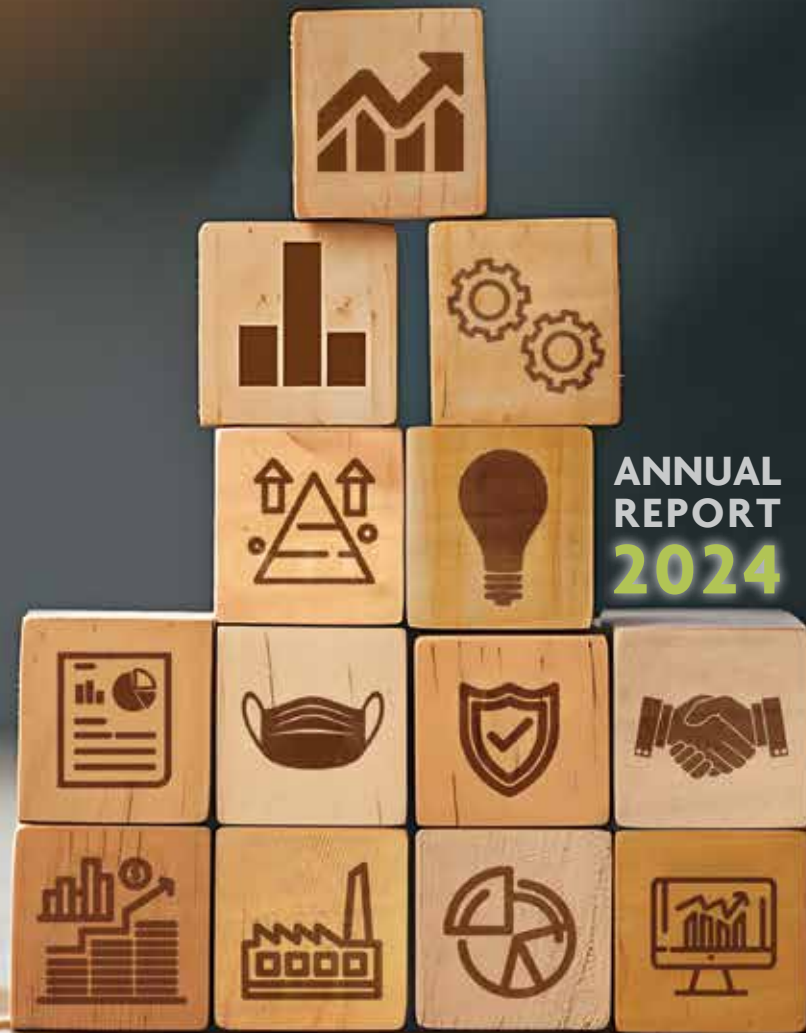


NOTIONVTEC

NOTION VTEC BERHAD

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



ANNUAL
REPORT
2024

DRIVING GROWTH



Celebrating 30 years of Excellence at the Notion Group

Founded in 1995, the Notion Group has grown to become a high-volume manufacturer of precision parts, serving leading multinational corporations across a range of industries.

As we celebrate our 30th anniversary, we reflect on our journey of continuous growth, innovation and commitment to excellence. Throughout the years, we have proudly partnered with our customers, helping them achieve their goals and drive success.

Looking ahead, we remain dedicated to fostering growth, embracing new opportunities, and enhancing our position as a trusted leader in the precision manufacturing sector.

VISION

To Provide Creative Solutions in Precision Manufacturing Technology in a Sustainable and Responsible ESG compliant way.

MISSION

At Notion Group, our mission is to provide innovative, high-quality precision engineering solutions that exceed customer expectations. We are committed to delivering reliable, cost-effective products through advanced technology, meticulous engineering, and continuous improvement. By fostering a culture of excellence, integrity, and collaboration, we aim to be a trusted partner in industries ranging from Hard Disk Drive, Automotive to Electronic Manufacturing Services appliances and High End Camera, ensuring that every project meets the highest standards of precision and performance.



The soft copy of Notion VTec Berhad Annual Report 2024 is available on our website. Go to www.notionvtec.com or scan the QR code.

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CORPORATE INFORMATION



THOO CHOW FAH
Executive Chairman

WILLIAM CHOO WING HONG
Managing Director

JOHN CHOO WING ONN
Executive Director

LEE TIAN YOKE
Executive Director

CHOO WING YEOW
Executive Director

TEH SU-CHING
Independent Non-Executive Director

DATO' ABU BAKAR BIN MOHD NOR
Independent Non-Executive Director

ALVIN VONG CHEN WENG
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Teh Su-Ching (*Chairperson*)
Dato' Abu Bakar Bin Mohd Nor
Alvin Vong Chen Weng

REMUNERATION COMMITTEE

Alvin Vong Chen Weng
(*Chairman*)
Teh Su-Ching
Dato' Abu Bakar Bin Mohd Nor

NOMINATION COMMITTEE

Dato' Abu Bakar Bin Mohd Nor
(*Chairman*)
Teh Su-Ching
Alvin Vong Chen Weng

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

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
Email : is.enquiry@vistra.com

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
Email : boardroom-kl@boardroomlimited.com

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-WD**
Stock Code : **0083WD**

FINANCIAL HIGHLIGHTS

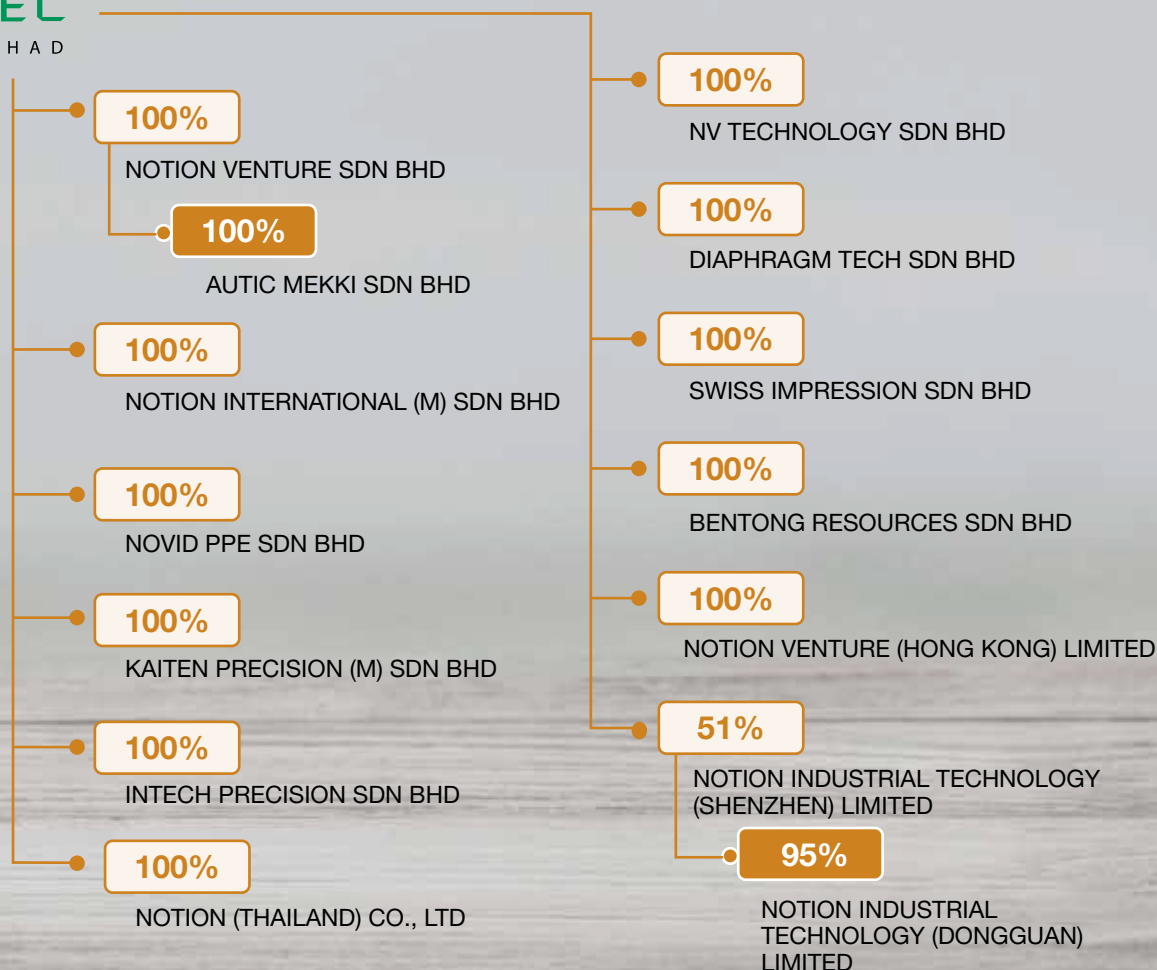
The table below sets out a summary of the audited consolidated results of the Notion Group for the financial years ended 30 September 2020 to 2024:

	2024	2023	2022	2021	2020
Revenue (RM'000)	487,963	345,258	334,146	352,915	242,747
Profit/(Loss) before Tax (RM'000)	57,007	(42,144)	18,976	(10,272)	6,840
Profit/(Loss) after Tax (RM'000)	42,941	(45,016)	9,379	(7,810)	6,323
Profit/(Loss) attributable to owners of the Company (RM'000)	42,749	(45,016)	9,379	(7,810)	6,323
Earning/(Loss) before interest, taxes, depreciation and amortisation (EBITDA/(LBITDA)) (RM'000)	82,509	(8,937)	55,188	27,922	40,987
No. of shares in issue ('000)	518,383*	515,808*	515,682	515,370*	504,744*
Net Profit/(Loss) per share (Sen)	8.3*	(8.7)	1.8	(1.5)	1.3*

* Based on weighted average paid up share capital.

CORPORATE STRUCTURE

NOTIONVTEC
NOTION VTEC BERHAD



BOARD OF DIRECTORS

THOO CHOW FAH



Executive Chairman



Malaysian



Male



72

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 in the macro management and investors' relation of in 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 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



Managing Director



Malaysian



Male



60

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 Notion Group which provides technical research on the 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



Executive Director



Malaysian



Male



58

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



Executive Director



Malaysian



Male



54

Mr Lee Tian Yoke was first appointed to the Board on 8 February 2005. He heads the marketing team of Notion Group, where his concentration is on Automotive and 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 localise 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



Executive Director



Malaysian



Male



63

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 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.

DATO' ABU BAKAR BIN MOHD NOR



Independent Non-Executive Director



Malaysian



Male



71

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

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 acted 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 was formerly a member of the Board of University Technology Malaysia (UTM) which he served for 10 years.

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.

Board of Directors (Cont'd)

TEH SU-CHING



Independent Non-Executive Director



Malaysian



Female



51

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

She has 29 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.

Ms Teh 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), a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a member of the Institute of Leadership (IOL) in the United Kingdom.

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

Other than Notion VTec Berhad and the directorship as disclosed above, she does not hold any directorship in other public companies and listed issuers.

ALVIN VONG CHEN WENG



Independent Non-Executive Director



Malaysian



Male



43

Mr Alvin Vong Chen Weng was appointed to the Board on 17 April 2023. He is the Chairman of the Remuneration Committee as well as a member of the Audit and Risk Management Committee and Nomination Committee.

Mr Alvin Vong graduated with a Bachelor of Commerce in Management Accounting, Investment Finance and Information Management from University of Western Australia.

Mr Alvin Vong has over 15 years of experience in capital markets and has successfully listed EquitiesTracker Holdings Berhad on Bursa Malaysia's Leading Entrepreneur Accelerator Platform (LEAP) market in 2019.

His expertise includes building financial analytics and information on public listed companies in

Malaysia, Singapore and Australia. In addition to his business experience, he is skilled in financial education and training, the courses he created are recognised by professional and regulatory bodies for professional education. His client base includes investment banks, brokers and retail investors.

In 2023, he has successfully navigated his group of companies in expanding their business to establish an onshore and offshore licensed fund management business. He is currently an Executive Director and Group Chief Executive Officer of EquitiesTracker Holdings Berhad.

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

Notes to Directors' profile:

1. Family Relationships

Mr William Choo Wing Hong, Mr John Choo Wing Onn and Mr 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 / Potential Conflict of Interest

None of the Directors has any conflict of interest / potential conflict of interest with the Group.

3. Conviction of Offences

None of the Directors has any conviction for offences within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year 2024.

4. Attendances at Board Meetings

The details of the Directors' attendance at Board Meetings are set out on page 42 of this Annual Report.

5. Shareholdings

The details of the Directors' interest in the securities of the Company are set out on pages 125 and 127 of this Annual Report.

KEY SENIOR MANAGEMENT

THOO CHOW FAH



Executive Chairman



Malaysian



Male



72

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 in 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 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.

WILLIAM CHOO WING HONG



Managing Director



Malaysian



Male



60

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 Notion Group which provides technical research on the 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.

JOHN CHOO WING ONN



Executive Director



Malaysian



Male



58

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.

Key Senior Management (Cont'd)

CHOO WING YEW

/// Executive Director



Malaysian



Male



63

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

LEE TIAN YOKE

/// Executive Director



Malaysian



Male



54

Mr Lee Tian Yoke was first appointed to the Board on 8 February 2005. He heads the marketing team of Notion Group, where his concentration is on Automotive and 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 localise 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.



MANAGEMENT DISCUSSION & ANALYSIS



“
The Notion Group
achieved 41%
sales growth in
FYE2024, driven
by EMS and HDD
segment demand
”

**SALES REVENUE**
(RM'000)

FYE2024: 487,963 ↑41%
FYE2023: 345,258

**PROFIT/(LOSS)
BEFORE TAX**
(RM'000)

FYE2024: 57,007
FYE2023: (42,144)

**STOCK**

FYE2024: RM0.925
FYE2023: RM0.325

The Macro View and the Notion Group

There is new hope for a fresh season of better times ahead with the US elections outcome for a more proactive, productive and dynamic administration. The Federal Reserve's recent two interest rate cuts and further upcoming cuts are an encouraging trend and hopefully a turnaround of businesses and enhanced consumer spending in the USA. We see similar rate cuts in China and with the ECB as well and more liquidity is being pumped into the market. The economic expectations of 2025 are much higher with these encouraging developments. The new US government has a vision to end the Ukraine war as soon as possible and the resultant effect on the Euro zone economies is expected to be positive.

If an additional 10% tariffs plan on all Chinese goods exported to the USA is implemented then we can foresee a further rush by Chinese manufacturers relocation into the South East Asian countries and bring fresh opportunities for joint ventures and collaboration.

The Notion Group is driven by growth and FYE2024 it has been a surging 41% growth in sales revenue over FYE2023 and in the immediate future years we hope to grow between 20% to 25% year on year.

With renewed investors' interest, Notion's stock rose sharply from 31 sen a share to a new high of RM2.45 a share giving it a market capitalisation of more than RM1 billion. After the recent correction due mainly to the weakened USD, the market capitalisation is about RM650 million. The current institutional shareholding has increased from nil to about 15% as the Group continues to deliver and attract more investor interest.

The main growth comes from the EMS segment as well as the HDD segment which has its tailwind of both AI and data centre growth. This narrative continues to be strong.

Management Discussion & Analysis (Cont'd)

Financial and Operational Review

For the financial year ended 30 September 2024 ("FYE2024"), the Group posted a record sales revenue of RM488 million which is 41% higher than that of FYE2023 and recorded a Profit After Tax of RM42.9 million compared to a loss after tax of RM45 million in FYE2023.

The breakdown of the Group's revenue is shown as below:

Segments	Revenue			
	FYE2024		FYE2023	
	RM'000	%	RM'000	%
HDD	133,347	27	79,051	23
Automotive	116,914	24	109,391	31
EMS	189,932	39	106,025	31
Camera/Industrial Products	47,770	10	50,791	15
Total	487,963	100	345,258	100

Earnings before interest, taxes, depreciation and amortisation ("EBITDA") of RM82.5 million in FYE2024 compared to loss before interest, taxes, depreciation and amortisation ("LBITDA") of RM8.9 million in FYE2023.

Borrowings of the Group as of FYE2024 was RM29.4 million, giving a gearing ratio of 7%

For the financial year under review, the Group invested RM25.5 million in capital expenditure.

Cash and cash equivalent as at FYE2024 has improved and stood at RM62.5 million.

Notion's Outlook & Strategies

- We expect double-digit growth in FYE2025 with new products offerings and existing orders that will propel the Group to invest more capital expenditure to meet this new demand.
- With rising labour costs we have to improve productivity through robotics and automation and look for higher value products.
- Diversification is still a key cornerstone of the Group's strategy.
- With a small manufacturing presence in Shenzhen, China, we are able to do some R&D related work and source for competitive priced equipment and machinery there and learn new skills.

Management Discussion & Analysis (Cont'd)

Group's Segmental Analysis

HDD Business

The Group continues to cater to the 3 MNCs in the space and mainly in the high capacity multi-platter disk drives which are in demand from data growth in AI and data centres. There is an industry move to migrate from aluminium based platters to glass as the upper limit of 40 Terra Byte ("TB") per HDD will be reached soon. Beyond 40 TB drives, glass technology will be used for the next phase of high capacity drives and the Group is ready for such a transition. Notwithstanding that migration, it is expected the aluminium HDD business will continue for many more years.

Automotive Business

The switch from ICE cars to EV cars has increased significantly and will affect the automotive industry and with the recession in Europe and other parts of the world, it is experiencing headwinds and will likely grow in single-digit percentage.

EMS Business

Although we expect a slowing of the growth in this segment, it will be countered with new product components within the space and we expect double-digit growth in FYE2025.

Industrial Products Business

We do not expect this sector to grow much as these are legacy camera and industrial customers in mature industries.

Risks

- The volatility of the USD and the Euro against the Malaysian Ringgit continues to be a major challenge to the Group's performance as an exporter and we have began some USD hedging which is still small and of short tenures 3 to 6 months.
- The volatility of our main raw material aluminium is still a concern.
- The emergence of the EMS segment as the dominating business segment will be counterbalanced with new businesses and customers in other spaces.
- Improvement in productivity and automation will help to iron out rejects and stabilise operational rejects and minimise quality issues.
- Succession planning for key personnel continues to be ongoing and to renew our human capital for continuity and growth of the Group.
- Geopolitical risks continue to affect countries and economies around the world and will affect the global well-being and economic conditions.

Dividend

For the financial year under review, we have declared two (2) interim single-tier dividend of 1 sen per ordinary share, which were paid on 12 July 2024 and 15 January 2025 respectively. This brings the total dividend for the FYE2024 to 2 sen per ordinary share.

SUSTAINABILITY STATEMENT

ABOUT THIS REPORT (GRI 2-3)

Notion VTec Berhad (“**Notion**”, “**the Group**”, “**we**” or “**our**”) is honoured to present our Annual Sustainability Statement for 2024 (“**SS2024**” or “**the Statement**”). This Statement provides an overview of the Group’s sustainability performance during the period of 1 October 2023 to 30 September 2024, unless stated otherwise. It also includes historical statistical data for certain disclosures to highlight relevant trends, enabling readers to gain a better understanding of Notion’s comparative performance. Notion’s reporting cycle is conducted on an annual basis.

In response to the evolving expectations of our stakeholders and our dedication to a more robust sustainability agenda, we are committed to continuously refining our sustainability initiatives and reporting practices, which also includes continuous improvement in our data collection processes. This endeavour is designed to effectively articulate our significant Environmental, Social and Governance (“**ESG**”) activities across our operations.

Scope and Basis of Scope (GRI 2-2)

This Statement covers the Group’s sustainability performance and progress of our business operations in Malaysia and the selected geographical location we operate in, namely Thailand.

The active subsidiaries included are as follows:

- Notion Venture Sdn Bhd
- Notion International (M) Sdn Bhd
- Notion (Thailand) Co., Ltd
- Autic Mekki Sdn Bhd

This sustainability statement covers only the subsidiaries explicitly mentioned within the report. No other subsidiaries are included within the scope of this reporting unless otherwise specified.

SS2024 outlines Notion’s management of its ESG topics, showcasing key highlights and achievements for the financial year.

The SS2024’s report content, quality and boundaries are determined by how we identify and prioritise the Group’s material aspects and topics.

Notion is mindful of the potential ESG impacts arising from its value chain and is dedicated to advancing its sustainability agenda and practices among external business partners, suppliers, and contractors. This commitment includes plans to report on the ESG performance of our value chain partners in the future. The Group also acknowledges the challenges associated with data collection for certain disclosures and is actively working to enhance its data tracking and reporting systems moving forward.

A comprehensive understanding of the Group’s value creation performance and strategies can be achieved through reviewing the SS2024 alongside the Group’s Annual Report 2024 (“**AR2024**”).

Reporting Frameworks and Standards

This Statement has been developed according to Bursa Malaysia’s Listing Requirements, with reference to Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition) and Global Reporting Initiative (“**GRI**”) Standards.



Sustainability Statement (Cont'd)

Feedback (GRI 2-3)

Our SS2024 can be viewed and downloaded from Notion's official website at <http://www.notionvtec.com/>.

Notion values its engagement to its valued stakeholders and is always open to any feedback, inquiries and concerns to ensure we consistently improve at the Group. Our contact details are as below:

Office Number: +(603) 3361 5615

Headquarters Address: **Notion VTec Berhad**

Lot 6123, Jalan Haji Salleh

Batu 5½, Jalan Meru, 41050 Klang, Selangor Darul Ehsan

OUR APPROACH TO SUSTAINABILITY

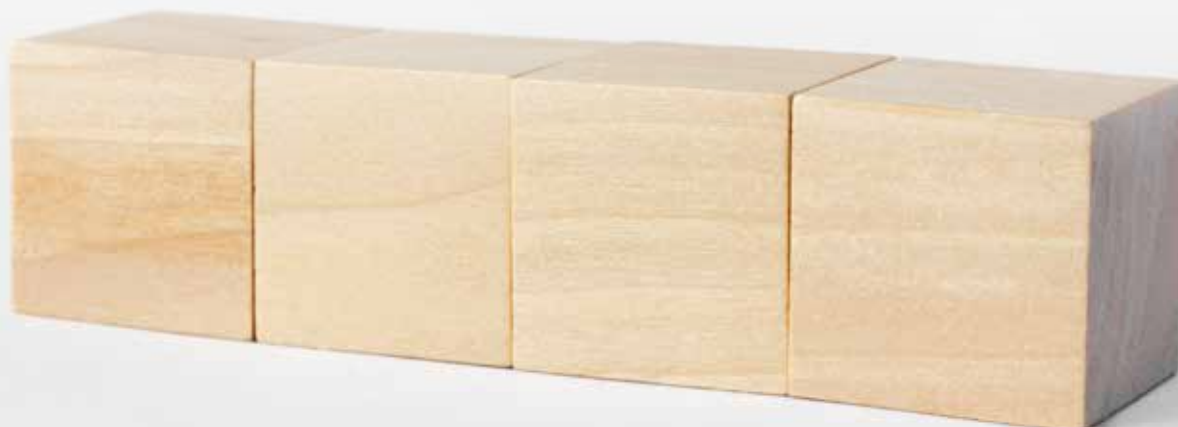
Sustainability Governance (GRI 2-14)

Notion has established a comprehensive sustainability governance structure to effectively manage sustainability strategies across the Group.

The Board is ultimately responsible for Notion's sustainability governance and establishes the direction for defining the Group's sustainability strategies and objectives in tackling the material ESG topics relevant to the Group.

The implementation of initiatives and the advancement of sustainability practices are managed by a Sustainability Steering Committee, which includes Management Committee and ESG Coordinators.

Sustainability Steering Committee				
<table><tr><th>Management Committee</th></tr><tr><td><ul style="list-style-type: none">• Lead by Group Executive Chairman.• Determines the strategies and action plans relating to sustainability matters.• Presents sustainability-related matters to the Board for deliberation.</td></tr><tr><th>ESG Coordinators</th></tr><tr><td><ul style="list-style-type: none">• Consist of Operations Manager and Accounts Executive.• Consolidate, develop, coordinate and implement day-to-day sustainability initiatives across the Group.• Collect sustainability-related data against measurable indicators and performance.</td></tr></table>	Management Committee	<ul style="list-style-type: none">• Lead by Group Executive Chairman.• Determines the strategies and action plans relating to sustainability matters.• Presents sustainability-related matters to the Board for deliberation.	ESG Coordinators	<ul style="list-style-type: none">• Consist of Operations Manager and Accounts Executive.• Consolidate, develop, coordinate and implement day-to-day sustainability initiatives across the Group.• Collect sustainability-related data against measurable indicators and performance.
Management Committee				
<ul style="list-style-type: none">• Lead by Group Executive Chairman.• Determines the strategies and action plans relating to sustainability matters.• Presents sustainability-related matters to the Board for deliberation.				
ESG Coordinators				
<ul style="list-style-type: none">• Consist of Operations Manager and Accounts Executive.• Consolidate, develop, coordinate and implement day-to-day sustainability initiatives across the Group.• Collect sustainability-related data against measurable indicators and performance.				

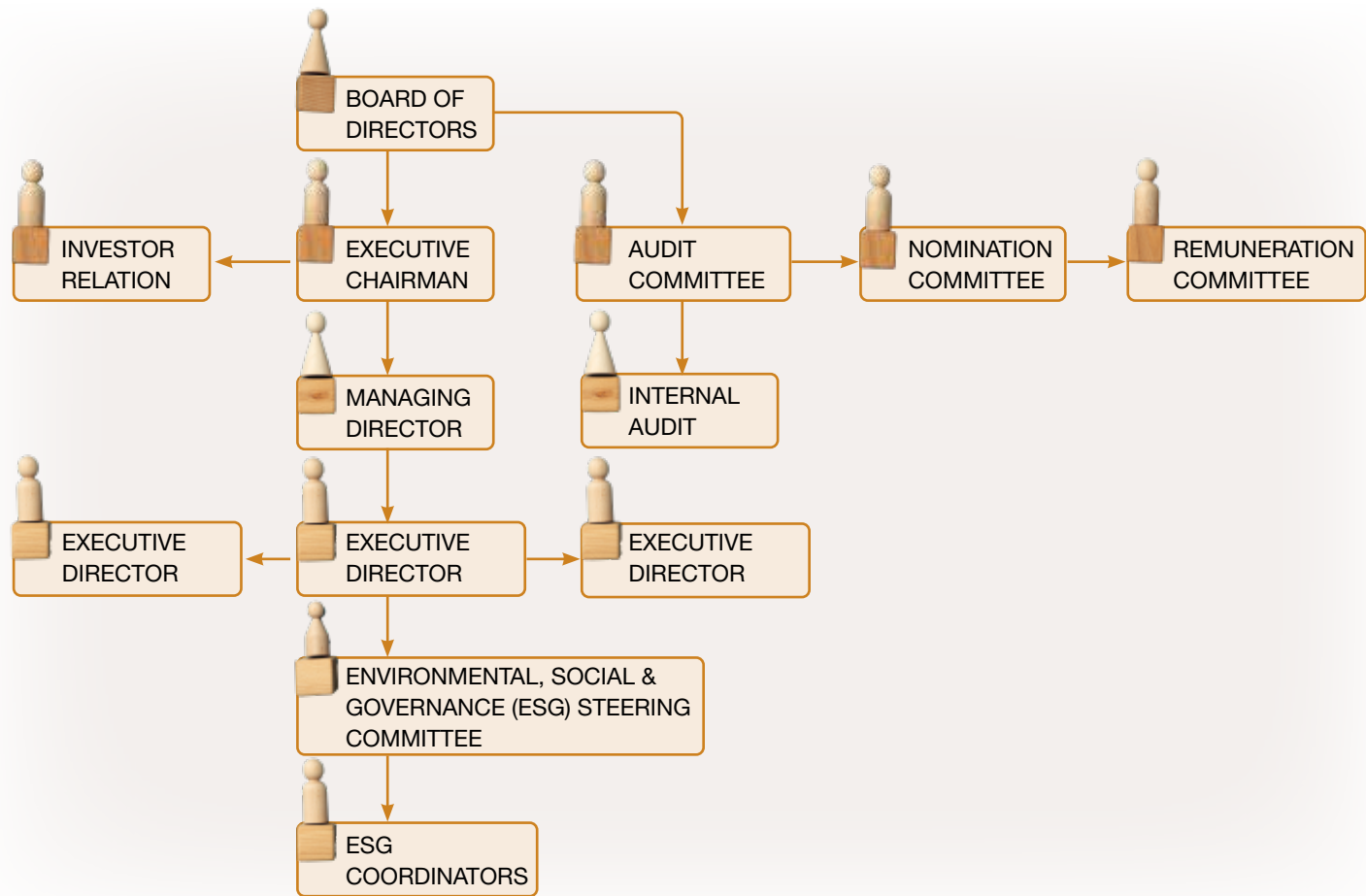


Sustainability Statement (Cont'd)

OUR APPROACH TO SUSTAINABILITY (CONT'D)

Sustainability Governance (GRI 2-14) (Cont'd)

Below is the Notion's Sustainability Steering Committee organisational chart:



Stakeholder Engagement (GRI 2-29)

Active engagement with our diverse stakeholders is essential for maintaining efficient operations at Notion. According to our definition, stakeholders include individuals, entities, or groups whose business models and strategies may be influenced by Notion, and who, in turn, can impact our business operations.

Our key stakeholder groups consist of shareholders and investors, customers, suppliers and contractors, financiers, government agencies and regulators, employees, community and non-governmental organisations, as well as industry associations. These groups were identified based on their varying levels of influence and dependency on our business.

Notion is committed to ongoing communication with our stakeholders to understand their needs and expectations while also addressing their concerns regarding our capacity for both financial and non-financial value creation. Engagement occurs through a variety of channels, including web-based media platforms, meetings, seminars, and face-to-face interactions. Our official website serves as a convenient resource for stakeholders and others to access the latest corporate announcements, financial results, and more. Below, we present a stakeholder engagement table that highlights the different types of engagement and the areas of interest identified.

Sustainability Statement (Cont'd)

OUR APPROACH TO SUSTAINABILITY (CONT'D)

Stakeholder Engagement (GRI 2-29) (Cont'd)

Key Stakeholders	Engagement Channel	Frequency of Meeting	Key Areas of Interest/Concern
Shareholders and Investors	Annual General Meetings	annually	<ul style="list-style-type: none"> • Corporate governance practices • Sustainable return and growth • Return on investment • Sustainable financial & operational performance
	Extraordinary General Meetings	as needed	
	Investors briefing	as needed	
	Corporate announcements	as needed	
	Media releases	as needed	
Customers	Daily engagements	as needed	<ul style="list-style-type: none"> • Product quality & safety • Fair & reasonable product pricing • Products and services updates
	Briefings	as needed	
	Site visits	as needed	
Suppliers and Contractors	Regular visits	as needed	<ul style="list-style-type: none"> • Fair & robust procurement system • Support of local businesses • Social & environmental responsibility • Ethics – anti-bribery & corruption
	Supplier evaluations and registration	as needed	
Financiers / Banks / Analysts	Corporate announcements	as needed	<ul style="list-style-type: none"> • Transparent & accurate disclosure
	Media releases	as needed	
Government Agencies and Regulators	Compliance efforts, i.e. submission of reports	quarterly	<ul style="list-style-type: none"> • Good governance • Fair labour practices • Safety at work • Compliance with laws & regulations • Greenhouse gas (“GHG”) emissions
	Regular visits	as needed	
	Events, i.e. corporate, government and conferences	as needed	
	Media releases	as needed	
Employees	Performance evaluation	annually	<ul style="list-style-type: none"> • Compensation & benefits • Competency development • Learning & development • Rewards & recognition • Safety at work
	Trainings and developments	as needed	
	Compensations and benefits	as needed	
	Corporate and community activities	annually	
Local Community / Non-Governmental Organisations / Industry Associations	Corporate social responsibilities activities	annually	<ul style="list-style-type: none"> • Social & environmental responsibilities • Job opportunities for locals • Stimulating local economies
	Industry associations	as needed	
	Sponsorships and donations	as needed	
	Media releases	as needed	
	Website/social media	as needed	

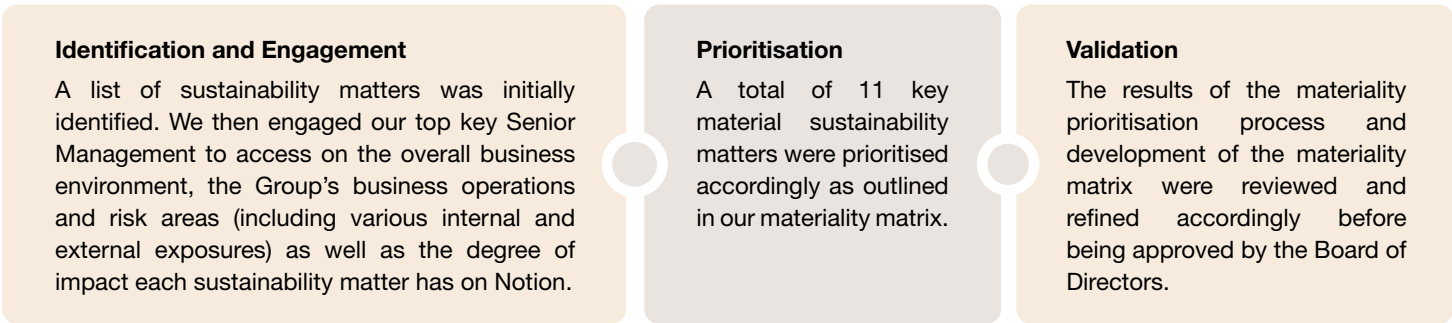
Sustainability Statement (Cont'd)

OUR APPROACH TO SUSTAINABILITY (CONT'D)

Materiality Assessment (GRI 3-1)

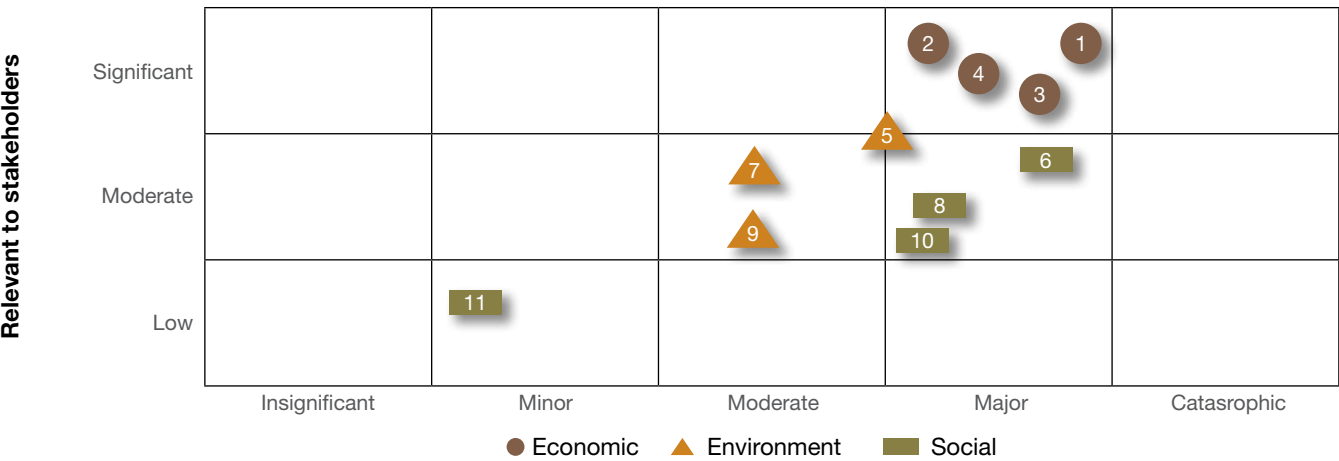
We recognise that our material matters can directly or indirectly influence our ability to create lasting value for our stakeholders. To effectively respond to their needs, we conduct comprehensive materiality assessment every 2 to 3 years. In 2022, we carried out a thorough assessment involving our key internal and external stakeholders to ensure their interests and concerns were acknowledged and addressed. This assessment has been revalidated this year (2024) and we aim to carry out the next cycle of a comprehensive materiality assessment in the next fiscal year 2025.

Below, we outline our materiality assessment process:



Our current 11 material matters are aligned with Notion's strategic priorities and stakeholder expectations. The importance of profitability remains a primary concern for stakeholders, as it serves as the foundation and capital to strengthen our performance in other critical areas. As of the fiscal year 2024, there have been no significant changes regarding the materiality of sustainability matters or the materiality matrix.

Notion's Materiality Matrix 2024 (GRI 3-2)



No.	Material Topic	No.	Material Topic
01	Direct economic impact	07	Energy and water
02	Product and service quality	08	Diversity and equal opportunity
03	Supply chain management	09	Emission and waste management
04	Anti-bribery and anti-corruption	10	Training and development
05	Compliance with environmental laws and regulations	11	Community engagement and investment
06	Safety and health		

Sustainability Statement (Cont'd)

OUR APPROACH TO SUSTAINABILITY (CONT'D)

Sustainability Framework (GRI 2-22, 2-23)

Our sustainability framework is centred around three key focus areas: economic, environmental, and social. These areas are integrated into our business strategy to effectively meet stakeholder needs. Our objectives in these focus areas include delivering exceptional services, reducing environmental impact, and actively engaging with local communities. We are dedicated to addressing challenges related to each material topic to implement our sustainable business strategy and continuously monitor our sustainable development performance.

Our Focus Areas		
Economic	Environmental	Social
Direct economic impact	Compliance with environmental laws and regulations	Safety and Health
Product and service quality	Energy and water	Diversity and equal opportunity
Supply chain management	Emission and waste management	Training and development
Anti-bribery and anti-corruption		Community engagement and investment

MATERIAL TOPICS



Direct Economic Impact (GRI 201-1)

Ensuring strong financial performance and enhancing shareholder value through consistent growth and stability is vital for Notion. Economic performance is not only a strategic imperative but also has a positive impact on our environmental and social initiatives.

The Group registered an outstanding milestone with RM488 million in revenue for the FYE2024 (FYE2023 - RM345 million), representing a remarkable 41% growth. The growth was largely attributable to the increased revenue in both Electronics Manufacturing Services (“EMS”) and Hard Disc Drive (“HDD”) business segments.

Meanwhile, the Group has also achieved a significant bottom-line turnaround with Profit After Tax of RM43 million for FYE2024 from the Loss After Tax position of RM45 million in the previous financial year. The turnaround was mainly contributed by the increased revenue in FYE2024 as well as the existence of property, plant and equipment impairment provided in FYE2023.

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

Economic Performance				
	Unit	FYE2022	FYE2023	FYE2024
Revenue	RM' million	334.15	345.26	487.96
Profit/(Loss) After Tax	RM' million	9.38	(45.02)	42.94

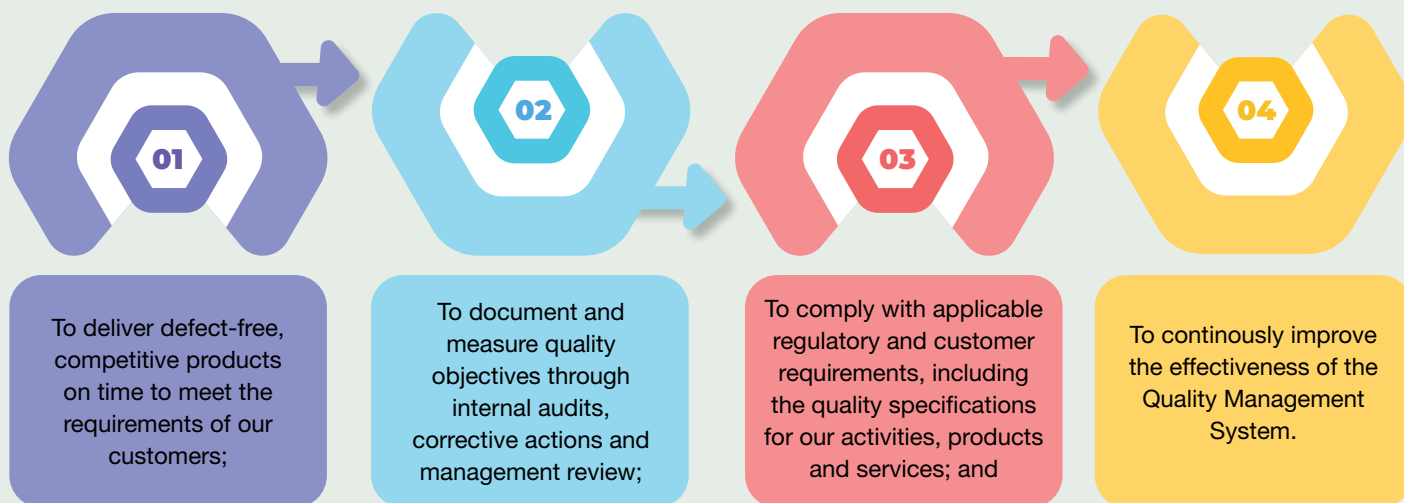
Sustainability Statement (Cont'd)

Economic



Product and Service Quality

Notion ensures that its products and materials comply with globally recognised standards and protocols by implementing robust quality management systems and obtaining relevant certifications. This commitment aligns with our sustainability development and improvement agenda. Our focus on quality aims to enhance customer satisfaction through a dual approach: quality control, which highlights “built-in quality activities”, and quality assurance, which focuses on “activities that cultivate customer trust”. Our pledges reflect our dedication to integrating the latest advancements in the manufacturing industry, such as smart manufacturing technologies and sustainable sourcing practices, to drive continuous improvement and innovation.



The Group adheres to the International Organization for Standardization (“ISO”) and the International Automotive Task Force (“IATF”) standards, implementing effective mechanisms to manage the three pillars of sustainability. These certifications not only bolster quality improvement but also enhance confidence in Notion’s products and services, thereby reinforcing trust among our associate partners and suppliers.



Automotive Quality
IATF 16949



Environment
ISO 14001



Economic
ISO 9001

We have achieved ISO 9001 and ISO 14001 certifications to demonstrate our commitment to maintaining the highest quality standards for our products. ISO 9001 sets the requirements for a quality management system, while ISO 14001 provides a framework for enhancing environmental management practices. These certifications are crucial for improving operational performance, ensuring high service quality, and strengthening our brand reputation.

Additionally, our compliance with IATF 16949, the global Quality Management System Standard for the automotive industry, underscores our dedication to serving European automotive clients. We are also making strides in the early adoption of the Responsible Business Alliance (“RBA”) standard, which is increasingly required by multinational customers.

Sustainability Statement (Cont'd)

Economic



Product and Service Quality (Cont'd)

Details of Notion's quality-related certifications are provided below:

Product Quality Certification				
Certification	Entity Name	Date First Awarded	Validity Period	Scope of Certification
ISO 9001: 2015	Notion Venture Sdn Bhd	02-Nov-06	27-Jun-26	Manufacturing of precision mechanical parts and related components.
ISO 14001: 2015	Notion Venture Sdn Bhd	10-Aug-07	15-Oct-24	Manufacturing of precision mechanical parts, related components and surface treated parts for automotive, HDD and cameras.
IATF 16949: 2016	Notion Venture Sdn Bhd	4-Dec-07	08-Jul-27	Manufacturing of precision mechanical parts for brake system (ABS, EBS, IBC) and absorbers.
ISO 9001: 2015	Notion (Thailand) Co., Ltd	25-Mar-23	24-Mar-26	Manufacturing of precision machined metal parts and hard disk drive units.
IATF 16949: 2016	Notion (Thailand) Co., Ltd	25-Mar-23	24-Mar-26	Manufacturing of precision machined metal parts.
ISO 14001: 2015	Notion (Thailand) Co., Ltd	21-Apr-21	20-Apr-27	Manufacturing and coating of precision machined metal parts.
ISO 9001: 2015	Notion International (M) Sdn Bhd	27-Nov-17	25-Nov-26	Machining of precision parts for aerospace industry
AS9100D	Notion International (M) Sdn Bhd	27-Nov-17	25-Nov-26	Machining of precision parts for aerospace industry
ISO 13485: 2016	Notion International (M) Sdn Bhd	12-Mar-21	11-Mar-27	Machining of precision engineering components for medical devices Manufacturing of medical/sanitation mask and surgical mask
ISO 14001: 2015	Notion International (M) Sdn Bhd	18-May-23	17-May-26	Provision of high precision machining services
ISO 45001: 2018	Notion International (M) Sdn Bhd	17-Apr-23	17-May-26	Provision of high precision machining services

In terms of customer satisfaction, Notion actively engages with our clients and adjusts our solutions to meet their evolving needs. Following which, we conduct monthly internal meetings to discuss the quality assurance related metrics for each plant such as production output and backlog, production and quality performance, manpower allocation and other ad-hoc quality-related initiatives.

Sustainability Statement (Cont'd)

Economic



Supply Chain Management (GRI 204-1)

Notion’s procurement policy is structured to maintain confidentiality, prevent conflicts of interest, and ensure ethical interactions with suppliers. We are dedicated to fostering an ethical supply chain through strong governance and collaborative relationships with our vendors and suppliers.

When evaluating new vendors and suppliers, Notion utilises established criteria, including quality, pricing, payment terms, production capacity, historical performance, and manpower resources. This approach ensures that the raw materials and services procured are sourced from reputable suppliers, thereby enhancing the quality of our products.

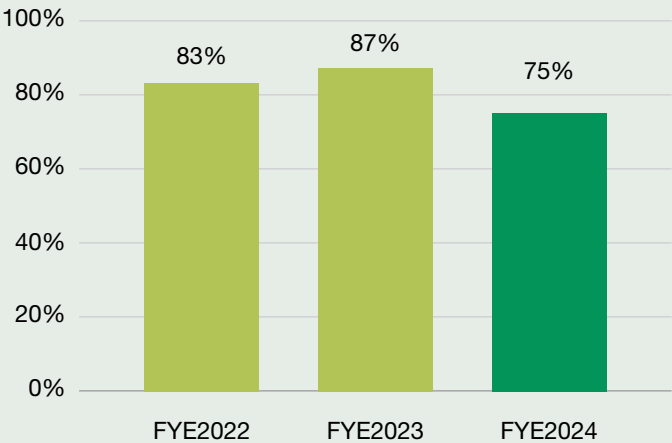
Additionally, we conduct an annual assessment on existing suppliers, focusing on factors such as quality, timely delivery, after-sales service, and complaint management. This assessment, carried out through the Supplier Evaluation Sheet, acts as an auditing and benchmarking tool.

In line with our commitment to supporting the local economy and promoting community development, the Group actively engages in procurement with local suppliers. This practice not only boosts the domestic economy but also helps to reduce the environmental impact of our operations by sourcing materials locally.

Our approach to local procurement and supply chain management is an ongoing endeavour. We are committed to continuous improvement and the refinement of our supply chain policies and procedures without compromising our product quality. Throughout this process, we ensure that all legal requirements are considered and corresponding measures are implemented accordingly.

The table on supply chain management displays the proportion of spending on local suppliers for FYE2022, FYE2023, and FYE2024. The Group aims to maintain the consistent percentage of distribution throughout the year 2025.

Proportion of spending on local suppliers



Anti-Bribery and Anti-Corruption (GRI 205-1, 205-2, 205-3)

Anti-Bribery and Corruption (“ABC”) Policy

Notion upholds a zero-tolerance policy towards all forms of bribery and corruption, both within the Group and throughout its value chain. Since May 2020, we have implemented the ABC Policy to address the risks associated with bribery and corruption, guided by the Guidelines on Adequate Procedures issued under Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009. The Board oversees matters related to anti-bribery and anti-corruption and plays a crucial role in developing, implementing, and reviewing the Group’s ABC Policy to strengthen our internal efforts against these issues.

The ABC Policy applies to all business associates connected to the Group, including suppliers, vendors, contractors, and other third-party partners. These entities are made aware of the policy and are expected to adhere to its standards. All agreements with third-party partners incorporate explicit contractual terms that require compliance with the anti-bribery and anti-corruption standards outlined in the Anti-Bribery Management System (“ABMS”). Additionally, the Group conducts regular due diligence on both employees and business partners, with further evaluations initiated as necessary, particularly in situations where there is a potential risk of bribery and corruption.

Sustainability Statement (Cont'd)

Economic



Anti-Bribery and Anti-Corruption (GRI 205-1, 205-2, 205-3) (Cont'd)

Anti-Bribery and Corruption ("ABC") Policy (Cont'd)

The Executive Director heads Notion's anti-bribery and corruption compliance function. One of the key highlights of 2024 is that Human Resources manager conducted a comprehensive briefing for Notion's top management managers and Head of Departments on the ABMS to promote transparency and accountability.

We regularly communicate the guidelines and principles of the ABC Policy to employees through various channels such as reminders from supervisors, the employee handbook, internal memos, office notice boards, Notion's intranet, and our official website. Induction sessions for new employees also cover briefings on the Group's policies, including those related to anti-corruption and anti-bribery.

Since FYE2022, anti-corruption training has been provided to all Board members, senior management and employees. For the current financial year, all employees have completed this training. Notion aims to maintain 100% training for all its employees' categories for the year 2025.

Percentage of Employees Who Have Received Training on Anti-corruption by Employee Category			
Employee Category	FYE2022	FYE2023	FYE2024
Senior Management	100%	100%	100%
Middle Management	100%	100%	100%
Other Employees	100%	100%	100%

Additionally, the Group has also assessed 100% of its operations for corruption-related risks, reflecting its commitment to preventing and detecting corruption as part of its ongoing management practices. The Group aims to maintain 100% assessment of all operations for the year 2025.

Percentage of Operations Assessed for Corruption-related Risks			
	FYE2022	FYE2023	FYE2024
Percentage of operations assessed for corruption-related risks	100%	100%	100%

In FYE2024, Notion reported zero incidents of corruption and aims maintain zero corruption incidences for the year 2025. The full ABC Policy is available on our official website at <http://www.notionvtec.com/>.

Number of Confirmed Incidents of Corruption and Action Taken			
	FYE2022	FYE2023	FYE2024
Number of confirmed incidents	0	0	0

Whistleblowing Policy and Procedure

Notion firmly opposes any form of misconduct, impropriety, policy violations, statutory breaches, or wrongdoing by employees, directors, associates, or external parties. Our Whistleblowing Policy offers a secure and responsible method for reporting concerns without fear of retaliation.

Whistleblowers are encouraged to utilise the Whistleblower Report Form outlined in the Whistleblowing Policy to guide their submissions. Reports made under this policy are directed to the Chairman of the Audit and Risk Management Committee for issues related to financial reporting, unethical behaviour, or illegal conduct, and to the Head of Human Resources for employment-related concerns.

Sustainability Statement (Cont’d)



Compliance with Environmental Laws and Regulations

Notion recognises the significant regulatory penalties and fines that can arise from improper disposal of hazardous waste, emissions, and discharges. We are dedicated to preventing environmental pollution at our operational sites through stringent monitoring and mitigation protocols.

This includes continuous monitoring of environmental performance at our workplaces and the establishment of effective mitigation plans to prevent any adverse impacts from our operations. To support these efforts, we ensure that employees receive comprehensive training and knowledge regarding environmental standards and all sustainability aspects relevant to our organisation.

Notion has established standard operating procedures (“SOPs”), conducted both internal and external audits, and participated in inspections by local authorities to enhance compliance, meet regulatory requirements, and minimise potential regulatory risks.

Notion is proud to highlight our unwavering commitment to environmental compliance over the past three years. Our dedication to sustainable practices is reflected in our performance, as we have recorded zero environmental non-compliance incidents since FYE2022.

As we move forward, Notion remains steadfast in our commitment to environmental stewardship, continuously striving to maintain our records and to promote sustainable practices across all facets of our operations. Our focus on compliance is integral to our mission of protecting the environment and enhancing the communities in which we operate.

Number of Environmental Non-compliance Incidents			
	FYE2022	FYE2023	FYE2024
Environmental non-compliance incidents	0	0	0

Energy and Water (C4, C9)

Fuel Consumption

Fuel consumption refers to the amount of fuel (diesel and petrol in this case) used by various entities or operations over a specific period. It is typically measured in Liters (L) and is reported annually, as shown in the provided data for fiscal year end (FYE) 2022, 2023 and 2024.

Fuel Consumption				
		FYE2022	FYE2023	FYE2024
Total Fuel Consumption	Diesel (Litres)	42,823	35,635	31,367
	Petrol (Litres)	2,727	2,064	10,012

Electricity Usage

At Notion, our journey towards sustainability is reflected in our responsible approach to electricity consumption. Over the past three fiscal years, we have diligently tracked our energy use, recognising its critical role in both our operations and our environmental footprint.

The total consumption recorded in FYE2024 was 53,268,217 Kilowatt-hour.

Electricity Consumption				
	Unit	FYE2022	FYE2023	FYE2024
Total	kWh	77,201,068	49,347,051	53,268,217

Sustainability Statement (Cont'd)

Environmental



Renewable Energy: Solar Power

Notion is dedicated to continuously improve process design and explore methods for ongoing monitoring of energy consumption across our operations to enhance energy efficiency. A significant initiative has been implemented with the installation of solar panels on 3 plants. This effort is aimed at reducing our dependence on purchased electricity, which in turn helps to lower the potential greenhouse gas emissions. Additionally, the adoption of solar power is anticipated to deliver substantial cost savings over the long term.

Below is the energy generated from our solar panels:

Savings on kWh with Solar Power Generation			
	FYE2022	FYE2023	FYE2024
Total	-	2,923,139	4,309,469

Total Energy Consumption (GRI 302-1)

Our overall energy consumption in FYE2024 amounted to **174,093 GJ**, as shown below. With the targeted 10% increase in our sales, we aim to limit our energy consumption to a maximum increase of 5% for the year 2025.

Total Energy Consumption				
	Unit	FYE2022	FYE2023	FYE2024
Electricity	GJ	277,924	177,649	157,142
Solar Energy	GJ	-	10,523	15,514
Diesel	GJ	1,640	1,365	1,122
Petrol	GJ	91	69	315
Total	GJ	279,655	189,606	174,093

* The conversion rates used for petrol and diesel are based on energy conversion calculators provided by the U.S. Energy Information Administration

Water Consumption (GRI 303-5)

As we review our water usage over the past year, we recognise the significance of conserving this vital resource. The Group implements proactive measures to prevent any unwanted leaks in its infrastructure and utilises harvested rainwater for its toilet systems and air conditioning compressors. Furthermore, Notion encourages water-saving practices among employees, such as turning off water appliances when they are not in use.

Throughout this journey, we have learned that monitoring water usage is not merely a regulatory obligation; it is a fundamental aspect of our responsibility to the environment and society.

In FYE2024, Notion's water consumption was 793 Megalitres, as shown below. With the targeted 10% increase in our sales, we aim to limit our water consumption to a maximum increase of 2% for the year 2025.

Total Volume of Water Used				
	Unit	FYE2022	FYE2023	FYE2024
Total volume of water used	Megalitres	817.8	745.6	793.0

Sustainability Statement (Cont'd)

Environmental



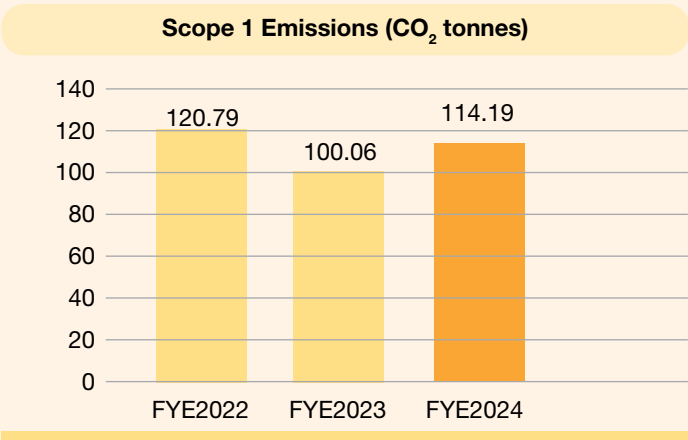
Emissions and Waste Management

Scope 1 & 2 Emissions

The primary sources of emissions for Notion originate from the direct consumption of fossil fuels, such as diesel and petrol (Scope 1), used for company vehicles, as well as purchased electricity (Scope 2). We adhere to the Greenhouse Gas (“GHG”) Protocol for the calculation of our Scope 1 and 2 emissions, ensuring accurate and transparent reporting.

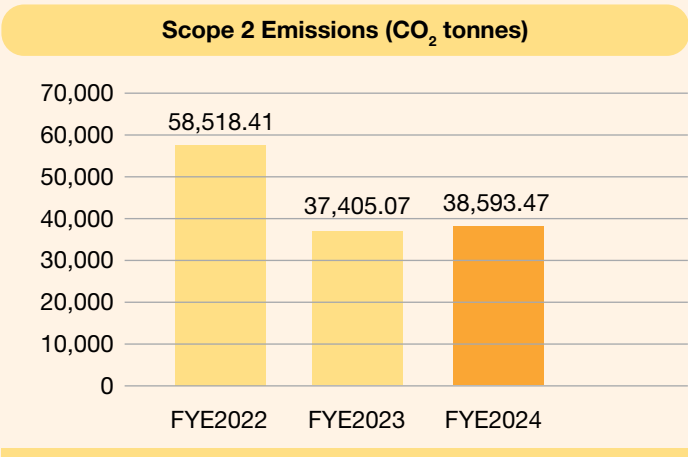
In FYE2024, emissions from fuel consumption (Scope 1) were recorded at approximately 114.19 CO₂ tonnes for the whole organisation. These fuels were used for the Company vehicles in their daily operations.

Scope 1 Emissions (CO₂ tonnes)



* Scope 1 calculation is based on World Resources Institute Greenhouse Gas (“GHG”) Protocol emission factors, 2017

Scope 2 Emissions (CO₂ tonnes)



* Scope 2 calculations for Malaysian entities are based on Suruhanjaya Tenaga (Energy Commission), 2021 Grid Emission Factor for Peninsular which are aligned with GHG protocol and Institute for Global Environmental Strategies (2024). Scope 2 calculation for Thailand entity is based on Grid Emission Factors, version 11.5.

Sustainability Statement (Cont'd)

Environmental

Stack Emissions: HNO₃

Stack emissions refer to the pollutants released into the atmosphere from industrial processes through exhaust stacks or chimneys. These include various pollutants, such as nitrogen oxides (NO_x), sulphur oxides (SO_x), particulate matter, and other harmful substances. Monitoring and managing stack emissions is crucial for compliance with environmental regulations and for reducing the overall carbon footprint of our operations.

At Notion, we prioritise the reduction of stack emissions through rigorous monitoring of our manufacturing processes. Our goal is to maintain low emission levels while ensuring the health and safety of our workforce and the surrounding community.

In our ongoing commitment to environmental sustainability, Notion has closely monitored stack emissions over the past three years. The recorded data and analysis are from our Klang and Johor plants and are based on the Malaysia Environment Quality (Clean Air) Regulation 2014. The total emission value of nitric acid ("HNO₃") for FYE2024 has not exceeded the set limit of not more than 30 mg/m³ per plant. This demonstrates our effective strategies in emission control and our dedication to minimising environmental impact.

Stack Emissions: HNO ₃				
	Unit	FYE2022	FYE2023	FYE2024
Total	mg/m ³	0	0	4

**Note: Notion Thailand plants are not included in the reporting of stack emissions as they have negligible stack emissions.*

Stack Emissions: Particles Matter

Our focus on reducing particles matter emissions is crucial not only for compliance with environmental regulations but also for safeguarding the health of our employees and the surrounding community.

Notion has diligently tracked its stack emissions of particulate matter by our Klang and Johor plants over the past three years. The data illustrates significant progress in reducing these emissions:

- FYE2022: Total stack emissions of particulate matter were recorded at 72.3 mg/m³.
- FYE2023: We achieved a notable reduction, bringing total emissions down to 31.3 mg/m³.
- FYE2024: Our efforts have continued to yield results, with total emissions further reduced to 30.6 mg/m³.

As we continue our attempt in reducing stack emissions, we remain dedicated to transparency and accountability in our environmental performance.

Stack Emissions: Particles Matter				
	Unit	FYE2022	FYE2023	FYE2024
Total	mg/m ³	72.3	31.3	30.6

**Note: Notion Thailand plants are not included in the reporting of stack emissions as they have negligible stack emissions.*

Sustainability Statement (Cont'd)

Environmental



Waste Management (GRI 306-3)

Improper waste management possesses significant risks, such as detrimental effects on air and water quality, soil contamination, and heightened exposure to hazardous materials for our employees and the communities surrounding our operations. At Notion, we recognise the critical importance of strict compliance with local waste regulations as a proactive measure to mitigate these potential risks.

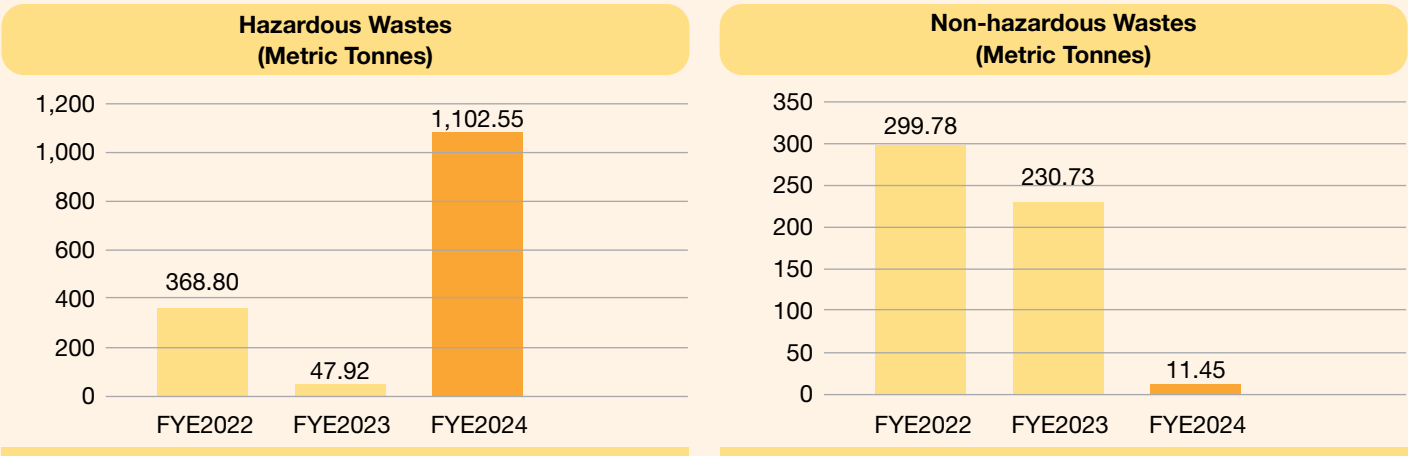
To ensure responsible waste management, we engage authorised external disposal contractors who are tasked with collecting waste generated by our production processes. These contractors follow rigorous protocols to guarantee proper disposal at approved facilities. Additionally, our employees are certified as Competent Persons for Certified Environmental Professional in Scheduled Waste Management (CePSWAM), equipping them with the expertise needed to oversee compliance with environmental standards and regulations effectively.

Through these initiatives, Notion is dedicated to safeguarding both the environment and the health of our workforce and communities.

Scheduled Wastes

Scheduled wastes can be classified into four categories: hazardous wastes, non-hazardous wastes, electronic wastes, and landfill wastes. At Notion, our non-hazardous waste primarily includes sludge from wastewater treatment plants (WWTP), lubricant oil, hydraulic oil, and waste oil oily sludge, which are all derived from rejected materials in our production processes.

We will continue to assess our waste management practices and explore potential initiatives aimed at minimising non-hazardous waste generation in the future.



Landfill wastes such as contaminated rags, gloves, masks, cloth, and filters are transported to the landfill via a proper disposal procedure.

Landfill Wastes - (SW410, Contaminated Rags, Gloves, Masks, Cloth, Filters)				
	Unit	FYE2022	FYE2023	FYE2024
Total	tonnes	130.69	265.56	360.69

Sustainability Statement (Cont'd)

Environmental



Unscheduled Wastes

Notion diligently tracks the volume of effluent generated across our operations. The data for the past three fiscal years reflects our ongoing commitment to responsible waste management and environmental stewardship.

The increase in effluent generation in FYE2024 is attributed to enhanced production activities and improvements in our operational processes. We recognise the importance of managing this effluent responsibly, ensuring that it meets regulatory standards before discharge.

To address the growing volume, Notion has invested in advanced wastewater treatment technologies. Our commitment to rigorous treatment processes not only complies with environmental regulations but also protects local water resources from potential pollutants.

As we move forward, we will continue to focus on optimising our processes to minimise effluent generation while ensuring that our treatment methods are effective and sustainable.

Total Volume of Effluent Generated				
	Unit	FYE2022	FYE2023	FYE2024
Total Volume of Effluent Generated	m ³	242,703	265,985	409,099

Total Waste Diverted from Disposal (Reused, Recycled or Subjected to Other Recovery Operation)				
	Unit	FYE2022	FYE2023	FYE2024
Total waste diverted from disposal	Metric Tonnes	0	0	176.15

Total Waste Directed to Disposal				
	Unit	FYE2022	FYE2023	FYE2024
Total waste directed to disposal	Metric Tonnes	418.29	347.26	577.26

Other Initiatives

To enhance our approach, we aim to implement several initiatives aimed at mitigating climate change risks, including:

Zero Plastic Campaign

The Group has kicked started a Zero Plastic Campaign among our employees in our factories and offices, with intention of moving towards a “Zero Plastic & Styrofoam Environment” in our workplaces. The main objective of this campaign is to create awareness among the employees on the importance of contributing to environmental sustainability.

Throughout the campaign, our employees were encouraged to bring their own tiffin carriers for packing their lunch, to reduce the amount of single-use plastics and Styrofoam packaging used.



Sustainability Statement (Cont'd)



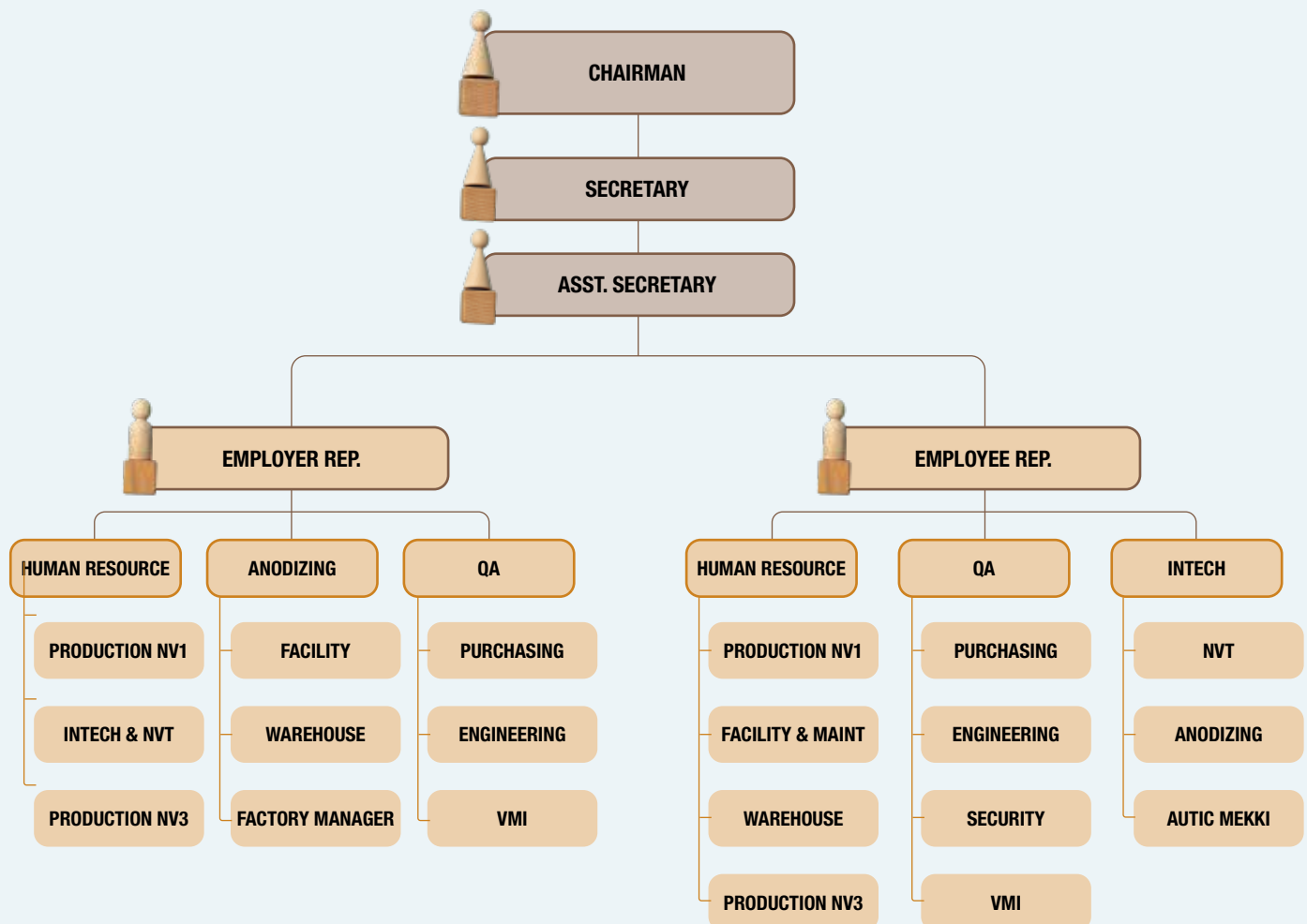
Safety and Health (GRI 403-1, 403-4, 403-5, 403-9)

Occupational Safety and Health (“**OSH**”) is a key priority at Notion. The Group implements robust measures to proactively protect the safety and health of its employees, addressing any OSH concerns that may arise within the organisation.

Health, Safety and Environment (“HSE”) Committee

The Board is responsible for overseeing this critical area. The HSE Committee is established to monitor, implement, and manage HSE-related initiatives effectively. All appointed members are from internal departments within Notion Venture. The Heads of Departments (HODs) and Managers serve as representatives of the employer, while Executives, Supervisors, and Engineers represent the employees from their respective departments. All members of the HSE Committee are required to attend quarterly meetings that discuss on recent accident statistics, safety improvement measures, health and safety knowledge, tips, and other pertinent safety issues.

Below is the organisational chart for our HSE Committee:



Sustainability Statement (Cont'd)

Social



Health, Safety and Environment (“HSE”) Committee (Cont'd)

Notion's OSH measures and HSE Committee are guided by the Group's internal HSE Policy. Key commitments outlined in the HSE Policy include:

1

Complying with all relevant laws and regulations pertaining to health, safety and the environment.

2

Managing HSE risks and allocating appropriate resources to prevent incidents and accidents.

3

Providing HSE training and knowledge to employees.

4

Investigating and reporting any accidents, illnesses, or hazardous occurrences to prevent recurrence.

5

Ensuring that employees, customers, contractors, business partners, and third parties, such as suppliers, adhere to all applicable HSE laws and regulations in their dealings with Notion.

Environmental Policy & Guidelines

In addition to the HSE Policy, OSH practices are also guided by Notion's internal Environmental Policy and Guideline which is referred to as the Environmental Management System under our Department of Environment. This framework fosters awareness and commitment to environmental, safety and health principles among all employees and contractors by providing comprehensive instructions, information, training and supervision.

The Environmental Policy & Guidelines are communicated to customers through the Policy Declaration to Customer form and to third-party procurement partners via the Supplier/Vendor Acknowledgment form. Regarding OHS risk assessments, the HSE Committee thoroughly evaluates work environments, in particularly those deemed high-risk areas, ensuring that these areas receive enhanced monitoring by the Group.

The Group has implemented various initiatives aimed at minimising health and safety risks and hazards. Notion have provided/implemented various required basic provisions as preventive measures to control potential high risk of specific diseases.



Providing personal protective equipment to employees



Maintaining tight supervision from our line leaders and supervisors



Ensuring competent personnel are handling key machinery and equipment (e.g. boiler and other pressure vessels)

Sustainability Statement (Cont'd)

Social



OSH Training

The Heads of Department in designated business units are responsible for selecting employees to participate in both internal and external training programs. External training sessions at Notion are facilitated by third-party consultants, while internal training sessions are delivered by our own staff. Below is a list of the internal safety and health training programs provided for Notion employees in 2024:

Training Course	
KEMPEN 1RAPI Pencegahan Kebakaran	Hazardous materials under the hazardous materials Act.
Machinery / Electrical Safety	Safety committee
Safe Chemical Handling	First aid and CPR/AED
Fire Safety Bomba Talk	Chemicals safety and Chemical emergency plan
Chemical Spillage Response	Train The Trainer
Introduction to First Aid and CPR	Risk assessment techniques
Fire Fighting & Emergency Evacuation Bomba	Basic labour laws and procedures for applying for a work permit
OSH Coordinator	Person in charge of general energy at the plant
HSE Orientation Training	Noise in business establishments and noise pollution management
Corporate Social Responsibility Policy	Project management
Safety & Health Policy	1 Factory 1 Green Area
Safety Induction	Hazardous Chemical Management and Transportation
OSH Regulation	Basic Fire Training 2024
Basic firefighting training.	Training or review of work on cranes

In 2024, a total of 389 participants were given various trainings on health and safety standards. The Group aims to maintain the percentages achieved in 2024 for the year 2025.

Number of employees and contractors trained on health and safety standards			
	FYE2022	FYE2023	FYE2024
Number of employees trained on health and safety standards	138	72	389

OSH Performance

Notion consistently monitors, records and evaluates key OSH performance indicators in its work environments. The Group's OSH performance details are shown below:

OSH Performance			
	FYE2022	FYE2023	FYE2024
Total Hours Worked	3,878,096	3,428,864	3,374,944
No. of Fatality	0	0	0
Lost Time Incident Rate ("LTIR")	0.15	0.17	0.24

**Lost Time Incident Rate ("LTIR") = Number of lost time injuries in the reporting period *200,000/ Total number of hours worked in the reporting period*

The Group faced a slight increase in LTIR during the year, mainly due to the increase in new hires that require further training and familiarity with our operational safety procedures. With increased familiarity and safety awareness, the Group aims to reduce the Lost Time Injury Rate by 10% from FYE2024 levels for the year 2025 and maintain zero work related fatalities for the year 2025.

Sustainability Statement (Cont'd)

Social

**Diversity and Equal Opportunity (GRI 405-1)**

Notion views its workforce as essential to the organisation's sustainability and a key driver of the Group's success. As such, we place significant emphasis on managing human capital, prioritising the rights and well-being of both employees and leadership.

Oversight of human rights, labour standards, diversity, and equal opportunities is the responsibility of the Board.

The Group is dedicated to fair labour practices, complying with the laws of the countries and communities in which it operates, while upholding human rights standards. Notion adheres to Malaysian regulations, including the Malaysian Employment Act of 2022 and the Minimum Wages Order of 2016.

Our Code of Conduct and Code of Ethics clearly define our policies on human rights and labour standards. The Group is committed to upholding and respecting human rights, ensuring that all employees are treated with fairness, dignity, and respect in the workplace. We promote equal employment opportunities, cultivate a safe and harmonious work environment, and reject all forms of discrimination. Every individual at Notion is expected to honour the personal dignity, privacy, and rights of others and is prohibited from contributing to or facilitating any violations of human rights.

Notion aligns with essential human rights standards, including:



Support the prevention of forced labour and child labour according to domestic laws

Promote an ethical and equal opportunity workplace, and will not tolerate unlawful workplace conducts, including discrimination, intimidation, or harassment



Respect the choices of employees in terms of freedom of association and collective bargaining

Remain compliant to local labour laws on working hours and minimum wages



The Human Resources (HR) Department is the driving force behind human rights and labour standards initiatives within the Group. This includes actively participating in the development and implementation of relevant company policies, protocols, guidelines, and standards. Notion communicates its commitment to human rights and labour standards to employees through various channels, such as induction programs, departmental briefings, training sessions, email notifications, memos, the employee handbook, and verbal reminders. These efforts aim to raise awareness and engage employees regarding their rights in the workplace.

The Group also conducts risk assessments on reported labour issues as necessary. Notably, there have been no historical records of human rights violations or labour non-compliance within the Group.

Number of Substantiated Complaints Concerning Human Rights Violations

	FYE2022	FYE2023	FYE2024
Number of substantiated complaints	0	0	0

**Substantiated complaints refer to written statements by regulatory or similar official bodies addressed to the company that identify violations of human rights, or a complaint lodged with the company that has been recognised as legitimate by the Company.*

Sustainability Statement (Cont'd)

Social



Employee Diversity

Notion is dedicated to fostering an optimal working environment that harnesses the talents, skills, knowledge, and potential of all employees by maintaining a diverse and inclusive workplace. This approach allows the organisation to benefit from a wide range of perspectives, experiences, and abilities, promoting a dynamic and high-performance work culture.

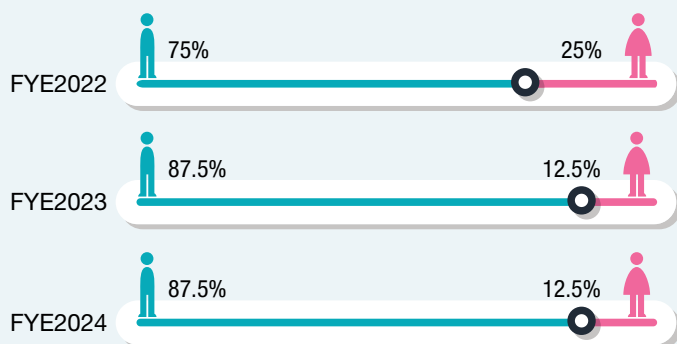
In line with this philosophy, the Group actively seeks to attract employees from diverse backgrounds, ages, and experiences, considering their individual goals and aspirations. We are committed to embracing diversity across various factors, including age, gender, ethnicity, nationality, sexual orientation, cultural background, and other personal considerations.

Notion regards gender diversity as a crucial aspect of sustainable business development. Acknowledging that the engineering and manufacturing industries, in which the Group operates, are often male dominated, we actively promote the participation of female employees in all aspects of our business operations.

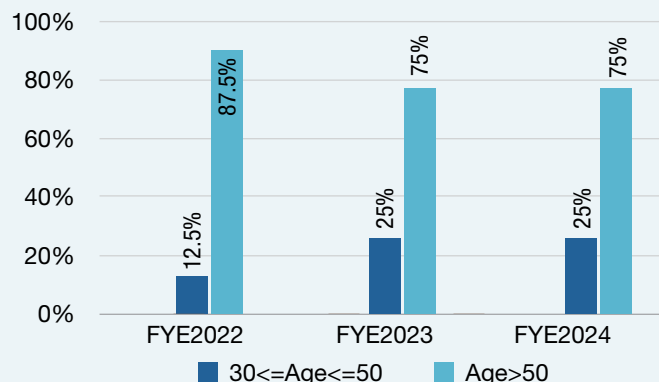
By 2025, the Group aims to increase the level of female employee diversity by 5%, from 28.44% in FYE2024 and maintain the level of director diversity at FYE2024 levels.

Board Diversity

Board Diversity by Gender

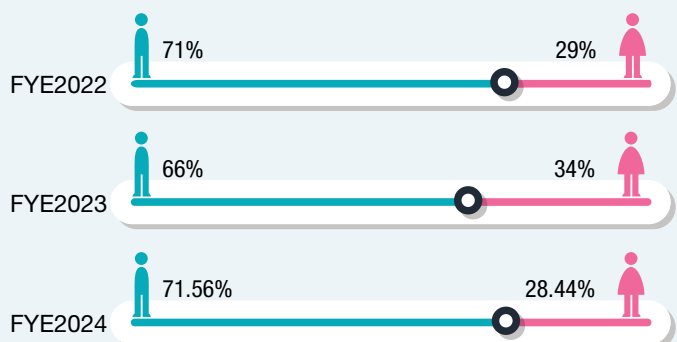


Board Diversity by Age

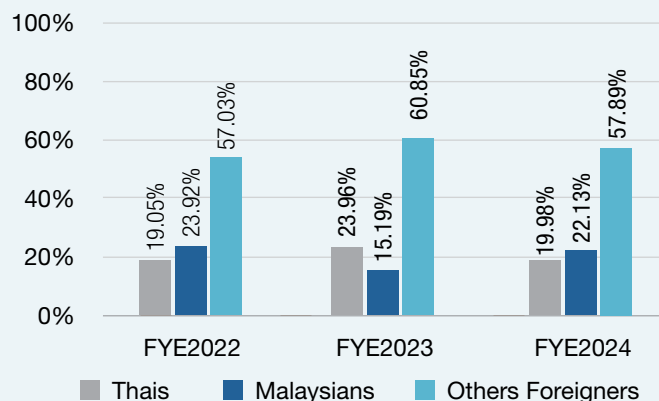


Below are the demographical breakdowns of Notion's workforce for FY2024:

Employee Profile By Gender



Total Workforce Breakdown by Citizenship



Sustainability Statement (Cont'd)

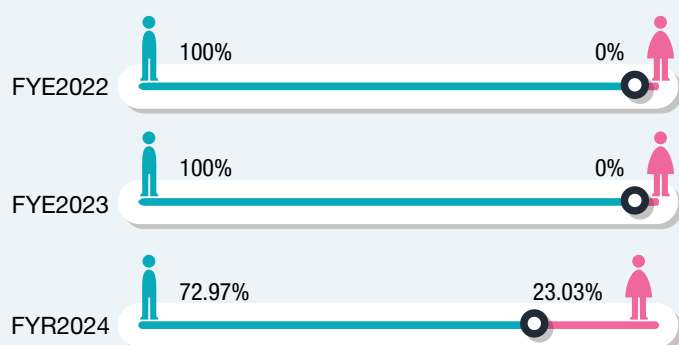
Social



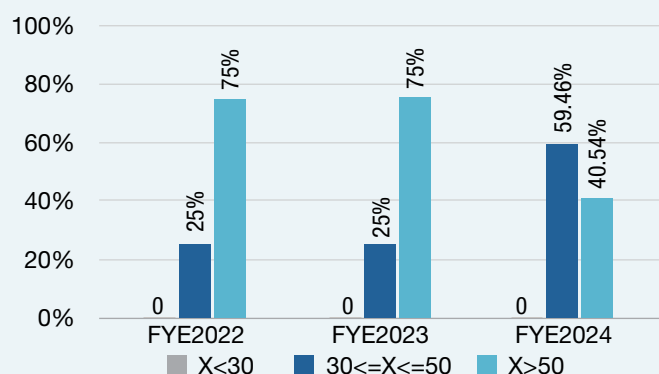
Employee Diversity (Cont'd)

Gender & Age Diversity by Employee Category

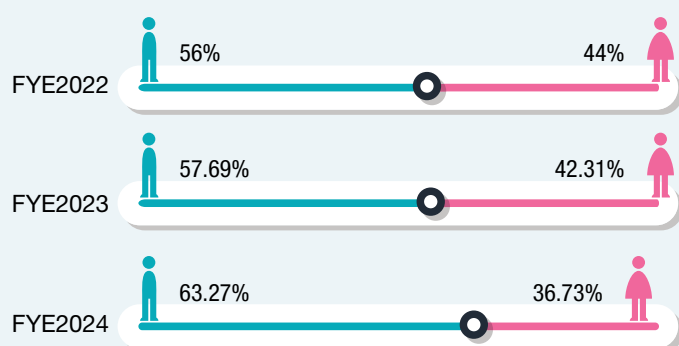
Senior Management Diversity by Gender



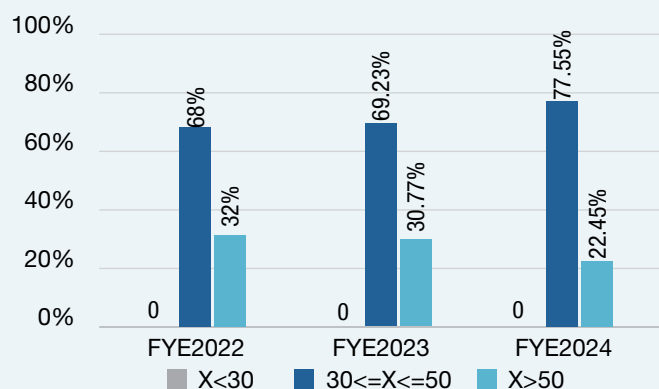
Senior Management Diversity by Age



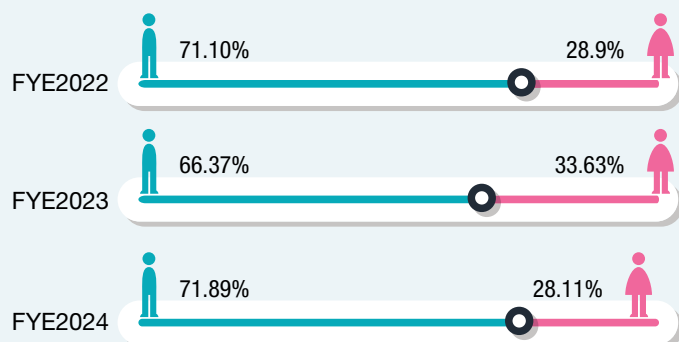
Middle Management Diversity by Gender



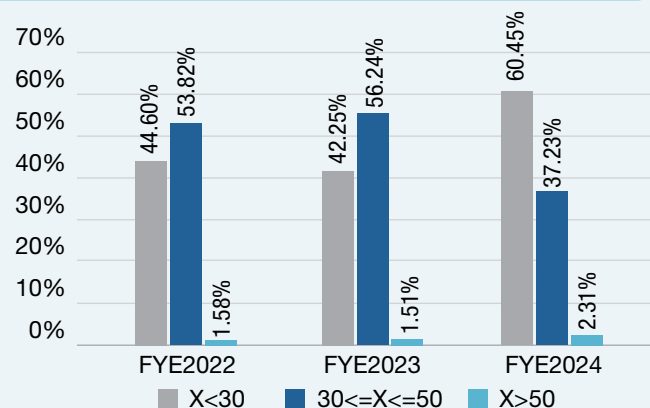
Middle Management Diversity by Age



Other Employees Diversity by Gender



Other Employees Diversity by Age



Sustainability Statement (Cont'd)

Social



Training and Development (GRI 404-1, 404-2)

The Group understands the importance of employee training and development, recognising that it not only supports personal growth but also enhances knowledge, productivity, and overall performance.

Notion’s HR Department spearheads the implementation of training programs, with approval from relevant leadership. Training needs are identified through discussions and feedback from employees, supervisors, and Heads of Department, ensuring that efforts are focused on addressing specific gaps.

Training sessions are comprehensive, covering a wide range of topics such as safety, quality, waste management, human resource management, best practices, competencies, professionalism, and soft skills. These courses are delivered by both in-house and external trainers through webinars and public programs, accommodating employees at all levels. Each division is allocated an annual budget to identify and develop appropriate training and development plans.

In FYE2024, total training hours for Notion were 1,197 hours. The Group aims to increase the number of ‘other employees’ training hours from 976 hours in FYE2024 to 1000 hours for the year 2025.

Highlights of Notion’s trainings are highlighted in the table below.

Total Hours of Training by Employee Category				
	Unit	FYE2022	FYE2023	FYE2024
Senior Management	Hours	24	32	29
Middle Management	Hours	24	184	192
Other Employees	Hours	192	57	976

Employee Retention (GRI 401-1, 401-2, 401-3)

The provided chart outlines the percentage of employees classified as contractors or temporary staff within Notion over the fiscal years 2022 2023 and 2024. This data offers insights into our workforce composition and our evolving employment practices. Notion aims to maintain the percentages at FYE2024 levels for the year 2025.

Percentage of Employees that are Contractors or Temporary Staff				
	Unit	FYE2022	FYE2023	FYE2024
Percentage of employees that are contractors or temporary staff	Percentage	24%	15%	1.3%

The table below presents the total number of new hires across various categories within Notion for the fiscal years 2022, 2023 and 2024.

Total Number of New Hires				
	Unit	FYE2022	FYE2023	FYE2024
Total	Headcount	56	29	402

The table below illustrates the total number of employee turnover by category at Notion for the fiscal years 2022 through 2024.

Total Number of Employee Turnover				
	Unit	FYE2022	FYE2023	FYE2024
Total	Headcount	39	23	554

Sustainability Statement (Cont'd)

Social



Employee Retention (GRI 401-1, 401-2, 401-3) (Cont'd)

As part of our commitment to transparency and continuous improvement, we present an overview of our employee metrics for the fiscal year 2024, focusing on new hire and turnover rates. These metrics are critical indicators of our organisational health and workforce sustainability.

New Hire and Turnover Rate			
	FYE2022	FYE2023	FYE2024
New hire rate	2.29%	1.49%	16.90%
Turnover rate	1.60%	1.18%	23.30%

New Hire Rate

In FYE2024, Notion achieved a new hire rate of 16.90%, a significant increase from 2.29% in FYE2022 and 1.49% in FYE2023. This surge reflects our strategic initiative to expand our workforce in response to changing operational needs. The substantial recruitment efforts were particularly pronounced in the production sector, where we onboarded a considerable number of new employees to bolster our operational capabilities.

Turnover Rate

Our turnover rate for FYE2024 was 23.30%, up from 1.60% in FYE2022 and 1.18% in FYE2023. The high turnover rate can be attributed to the expiration of contracts for a significant number of foreign employees, which necessitated their return to their countries of origin. This factor contributed to the overall increase in employee turnover during the reporting period. Notion aims to reduce the turnover rate from 23.30% in FYE2024 to 15% for the year 2025.

Strategic Response

As we look ahead, Notion is committed to implementing targeted initiatives aimed at improving employee engagement, fostering a supportive culture, and providing development opportunities. The upcoming initiatives include Notion's 30th Celebration, Team Building, Advance Living Series Training program and Corporate Social Responsibility program for an unprivileged community, and rewards.

Remuneration and Benefits

At Notion, we are dedicated to providing fair and competitive compensation and benefits packages that comply with all legal and regulatory standards. Our goal is to enhance employee retention, morale, and overall satisfaction.

We offer a wide array of benefits, including medical and annual leaves, ensuring that 100% of our permanent employees are eligible for these offerings. The assessment of benefits for each employee takes into account factors such as longevity, tenure, and job position within the organisation.

To maintain a competitive remuneration package, Notion regularly reviews both our benefits and monetary compensation in line with the latest industry best practices.

Data Privacy and Cybersecurity (GRI 418-1)

The Group fully complies with the Personal Data Protection Act ("PDPA") and maintains stringent privacy and cybersecurity protocols to ensure the confidentiality of extensive data collected from clients, customers, and internal teams.

Notion has a robust firewall system to protect our networks from external cyber threats. To address the risk of phishing attacks, we provide ongoing training for employees to help them identify genuine emails versus deceptive ones. Employees are also encouraged to forward any suspected phishing emails to the Group's IT team for verification.

Sustainability Statement (Cont'd)

Social



Data Privacy and Cybersecurity (GRI 418-1)

In both FYE2022 and FYE2023, we recorded no incidents of data breaches, demonstrating the effectiveness of our cybersecurity protocols and practices. This trend continued into FYE2024, where we again reported zero incidents of data breaches. Additionally, there were no substantiated complaints in both FYE2022 and FYE2023, and this trend persisted in FYE2024. The Group aims to maintain zero incidents of data breaches for the year 2025.

These results reflect Notion's ongoing dedication to safeguarding sensitive information and ensuring the highest standards of data protection. By prioritising cybersecurity, we foster trust among our clients and stakeholders, reinforcing our commitment to sustainability and responsible data management.

Incidences of Data Breach			
	FYE2022	FYE2023	FYE2024
Incidences of data breach	0	0	0

Number of Substantiated Complaints for Data Security			
	FYE2022	FYE2023	FYE2024
Number of substantiated complaints for data security	0	0	0

Community Engagement and Investment (GRI 201-1)

Notion is dedicated to promoting meaningful Corporate Social Responsibility ("CSR") programs that enhance the well-being of our communities and aid those in need. This commitment reflects our responsibility as a corporate citizen.

Our CSR initiatives not only support community members but also positively impact our employees, encouraging them to participate in volunteer activities. By fostering a culture of volunteerism, we instill values of kindness and generosity within the organisation. Employee volunteers are recognised and rewarded through appropriate incentives approved by the Group.

In our ongoing commitment to CSR, our key initiative this year was the Cervical Cancer Screening program, through which we contributed RM8,700. This program aimed at benefiting 26 foreign women employees, providing essential health screenings that promote awareness and early detection of cervical cancer. This initiative will be an ongoing annual practice ensuring continued support and health awareness for our employees.

Cervical Cancer Screening Program



The Group aims to increase investment for community contribution from RM8,700 in FYE2024 to RM15,000 for the year 2025.

The Group also aims to increase the number of beneficiaries from 29 pax in 2024 to 50 pax for the year 2025.

Community Investment Performance for Last 3 Years			
	FYE2022	FYE2023	FYE2024
Total amount invested where the target beneficiaries are external to Notion (RM)	1,000	500	8,700
Total number of beneficiaries of the investment in communities	30	10	29

Sustainability Statement (Cont'd)

MOVE FORWARD

We recognise the significant challenges posed by global warming and various environmental issues. Acknowledging our substantial role in this effort, our board of directors are committed to integrating climate change strategies into our business plans wherever feasible.

PERFORMANCE TARGETS

In the spirit of pursuing excellence in our ESG journey, Notion has set up ESG targets for FYE2025 with the goal of monitoring and improving our operations, especially those in relation to our identified sustainability material matters. The following outlines our targets for the next financial year. Targets are currently still set on a year-to-year basis and decision on setting future longer-term targets will be discussed within the Group for further alignment with our commitment to fostering positive and lasting change for the future generation.

Sustainability Indicators		Target for FYE2025
Anti-Corruption	Employees anti-corruption training	Maintain 100% training for all employee categories
	Assessment for corruption-related risks	Maintain 100% assessment for all operations
	Number of corruption incidents	Zero corruption incidences
Community/Society	Investments in communities	To increase investment for community contribution from RM8,700.00 FYE2024 to RM15,000.00 FYE2025.
	Number of beneficiaries	To increase beneficiary from 29 pax FYE2024 to 50 pax FY2025.
Diversity	Employee diversity	Increase 5% of level of female employee diversity from 28.44% at FYE2024 levels
	Board of director diversity	Maintain level of director diversity at FYE2024 levels
Energy Management	Energy consumption	Limit to a maximum of 5% increase from FYE2024 levels
Health and Safety	Number of work-related fatalities	Zero work-related fatalities
	Lost time incident rate	Reduction in lost time incident rate by 10% from FYE2024 levels
	Employee safety and health training	Maintain number of employees trained
Labour Practices and Standards	Employee training hours	Increase number of other employees training hours from 976 hours at FYE2024 levels to 1000 hours
	Proportion of temporary/contract staff	Maintain percentages at FYE2024 levels
	Employee turnover	Reduction of employee turnover percentage from 23.30% at FYE2024 to 15% at 2025
	Number of human rights violations	Zero substantiated complaints on human rights violations
Supply Chain Management	Proportion of spending on local suppliers	Maintain percentage of distribution at FYE2024 levels
Data Privacy and Security	Breach of customer data privacy	Zero data privacy and security breaches
Water	Water consumption	Limit to a maximum of 2% increase from FYE2024 levels

Sustainability Statement (Cont'd)

Performance Data Table

Indicators	Measurement Unit	2024
Anti-corruption		
C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	%	100
Middle Management	%	100
Other Employee	%	100
C1(b) Percentage of operations assessed for corruption-related risks	%	100
C1(c) Confirmed incidents of corruption and action taken	Number	0
Community/Society		
C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	8,700
C2(b) Total number of beneficiaries of the investment in communities	Number	29
Diversity		
C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management <30	%	0.00
Senior Management 31-50	%	59.46
Senior Management 51-65	%	40.54
Senior Management >65	%	0.00
Middle Management <30	%	0.00
Middle Management 31-50	%	77.55
Middle Management 51-65	%	22.45
Middle Management >65	%	0.00
Other Employee <30	%	60.45
Other Employee 31-50	%	37.23
Other Employee 51-65	%	2.31
Gender Group by Employee Category		
Senior Management Male	%	72.97
Senior Management Female	%	23.03
Middle Management Male	%	63.27
Middle Management Female	%	36.73
Other Employee Male	%	71.89
Other Employee Female	%	28.11
C3(b) Percentage of directors by gender and age group		
Male	%	87.50
Female	%	12.50
<30	%	0.00
31-50	%	25.00
51-65	%	75.00
>65	%	0.00

Sustainability Statement (Cont'd)

Performance Data Table (Cont'd)

Indicators	Measurement Unit	2024
Energy Management		
C4(a) Total energy consumption	Gigajoules	174,093
Health and Safety		
C5(a) Number of work-related fatalities	Number	0
C5(b) Lost time incident rate	Rate	0.24
C5(c) Number of employees trained on health and safety standards	Number	389
Labour Practices and standards		
C6(a) Total hours of training by employee category		
Senior Management	hours	29
Middle Management	hours	192
Other Employee	hours	976
C6(b) Percentage of employees that are contractors or temporary staff	%	1.3
C6(c) Total number of employee turnover by employee category		
Technical employee	Number	67
Administrative employee	Number	25
Production employee	Number	462
C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Supply Chain Management		
C7(a) Proportion of spending on local suppliers	%	75
Data Privacy and Security		
C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Water		
C9(a) Total volume of water used	Megalitre	793.0
Waste Management		
C10 (a) (ii) Total waste directed to disposal	Metric Tonnes	577.26
Emissions Management		
C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	114.19
C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	38,593.47

ASSURANCE STATEMENT

This Sustainability Statement has not been subjected to an assurance process in SS2024. Notion is considering to undertake assurance on our Sustainability Statements in the future reporting cycles.

Sustainability Statement (Cont'd)

GRI CONTENT INDEX

Notion VTec Berhad has reported the information cited in the GRI content index for the period from 1 October 2023 to 30 September 2024 with reference to the GRI Standards.

GRI Standards	Disclosure	Page
Universal Standards		
GRI 2: General Disclosures 2021	2-2: Entities included in the organisation's sustainability reporting	12-13
	2-3: Reporting period, frequency and contact point	13
	2-14: Role of the highest governance body in sustainability reporting	13-14
	2-29: Approach to stakeholder engagement	14-15
GRI 3: Material Topics 2021	3-1: Process to determine material topics	16
	3-2: List of material topics	16
	3-3: Management of material topics	17-37
200 series (Economic topics)		
GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed	17, 36-37, 75-80
GRI 205: Anti-corruption 2016	205-1: Operations assessed for risks related to corruption	20-21
	205-2: Communication and training about anti-corruption policies and procedures	20-21
	205-3: Confirmed incidents of corruption and actions taken	20-21
300 series (Environmental topics)		
GRI 302: Energy 2016	302-1: Energy consumption within the organization	23
GRI 303: Water and Effluents 2018	303-5: Water consumption	23
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	24
	305-2: Energy indirect (Scope 2) GHG emissions	24
GRI 306: Waste 2020	306-3: Waste generated	26
400 series (Social topics)		
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	34-35
GRI 403: Occupational Health and Safety 2018	403-1: Occupational health and safety management system	28-30
	403-5: Worker training on occupational health and safety	28-30
	403-9: Work-related injuries	28-30
GRI 404: Training and Education 2016	404-1: Average hours of training per year per employee	36-37
	404-2: Programs for upgrading employee skills and transition assistance programs	36-37
GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	31-33
GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	36

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) 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 improve the Group’s financial performance.

The Board is committed to implement the Malaysian Code on Corporate Governance 2021 which was issued by the Securities Commission on 28 April 2021 (“**MCCG 2021**” 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 2024 (“**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 2021 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

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.

Corporate Governance Overview Statement (Cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Board's Roles and Responsibilities (Cont'd)

- (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 responsibilities to the Board Committees, namely the 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 make recommendations to the Board for final decision, where necessary.

The Board conducts at least five (5) 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 to 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 five (5) directorships in listed issuers 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 2024 are as follows:-

Director	Board	ARMC	NC	RC
Thoo Chow Fah	5/5	-	-	-
William Choo Wing Hong	4/5	-	-	-
John Choo Wing Onn	4/5	-	-	-
Lee Tian Yoke	5/5	-	-	-
Choo Wing Yew	5/5	-	-	-
Teh Su-Ching	4/5	4/5	1/1	2/2
Dato' Abu Bakar Bin Mohd Nor	5/5	5/5	1/1	2/2
Alvin Vong Chen Weng	4/5	4/5	1/1	2/2

Corporate Governance Overview Statement (Cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

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 is 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 was last reviewed on 27 November 2023 which can be found at 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.

Code of Conduct and Code of Ethics, Anti-Bribery and Corruption Policy, Whistleblowing Policy and Procedure, and Conflict of Interest Policy

The Board recognises the importance of maintaining high standard of ethics and has adopted the Code of Conduct and Code of Ethics ("the Codes") for its Directors, Management and employees. The Codes outline the ethical values and standards expected from Directors, Management and employees with the aim of promoting the corporate culture which engenders ethical conduct that permeates throughout the Group.

On top of that, the Board 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 Board has also adopted a Whistleblowing Policy and Procedure ("WPP") to provide an secured and confidential 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.

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 WPP 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).

During the financial year under review, the Group has established a Conflict of Interest Policy which outlines the disclosure obligations of each Director and Key Senior Management of the Group with respect of the conflict of interest, procedures to be followed when any actual or potential conflict of interest arise to ensure systematic identification, disclosure and management of conflict of interest in an effective and timely manner.

The Codes, Anti-Bribery and Corruption Policy, WPP and Conflict of Interest Policy are made available on the corporate website at www.notionvtec.com.

Corporate Governance Overview Statement (Cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Sustainability

The Board has adopted a Sustainability Policy on 27 November 2023 as the Board is mindful and aware of the importance of business sustainability, and takes into consideration the impact on the environmental, social and governance (“**ESG**”) aspects in conducting the Group’s businesses. The Group also embraces sustainability in its operations. The Group continuously and constantly monitors the targets and performances of the ESG and if necessary, communicates to all the stakeholders of the Group.

The Sustainability Policy shall be reviewed as and when required, summary of which is available on the corporate website at www.notionvtec.com.

The detailed disclosures on the sustainability practices and performance of the Group are set out in the Sustainability Statement on pages 12 to 40 of this Annual Report.

Clear Functions of the Board and Management

There is a clear division of functions between the Board and the Management to ensure that no single individual or group dominates the decision-making process.

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.

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.

Corporate Governance Overview Statement (Cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Directors' Training

All our Board members had completed the Mandatory Accreditation Programme ("MAP") Part I and will complete the MAP Part II within the prescribed timeframe. As at 30 September 2024, one (1) out of eight (8) Directors has completed MAP Part II.

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 under review, our Board members attended several relevant seminars, exhibitions, forums and training programmes as follows:-

- 2024 Asia Outlook
- Global Market Outlook
- Malaysian Institute of Accountants Conference 2024
- Leverage the Integrated Reporting Framework for Effective Adoption of IFRS S1 and S2
- ESG Matters @ ACCA Webinar – double materiality assessment for sustainability reporting: Challenges of regulatory evolutions
- The impact of ESG reporting across Asia-Pacific
- The importance of data quality in cash flow forecasting
- Fuel your Business Principal's SME and Corporate Seminar
- Mastering Self Leadership and Motivation in the Workplace
- Webinar Unclaimed Money Act 1965
- MIA Town Hall 2023/2024 (session 2)
- Retail and eCommerce Summit and Awards
- Crowe IPO Conference 2024
- Launch of the National Sustainability Reporting Framework

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

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 permit 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.

Access to Information and Advice

The Board has access to information within the Group and the advice and services of the Company Secretaries. 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 five (5) business 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.

Corporate Governance Overview Statement (Cont'd)

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

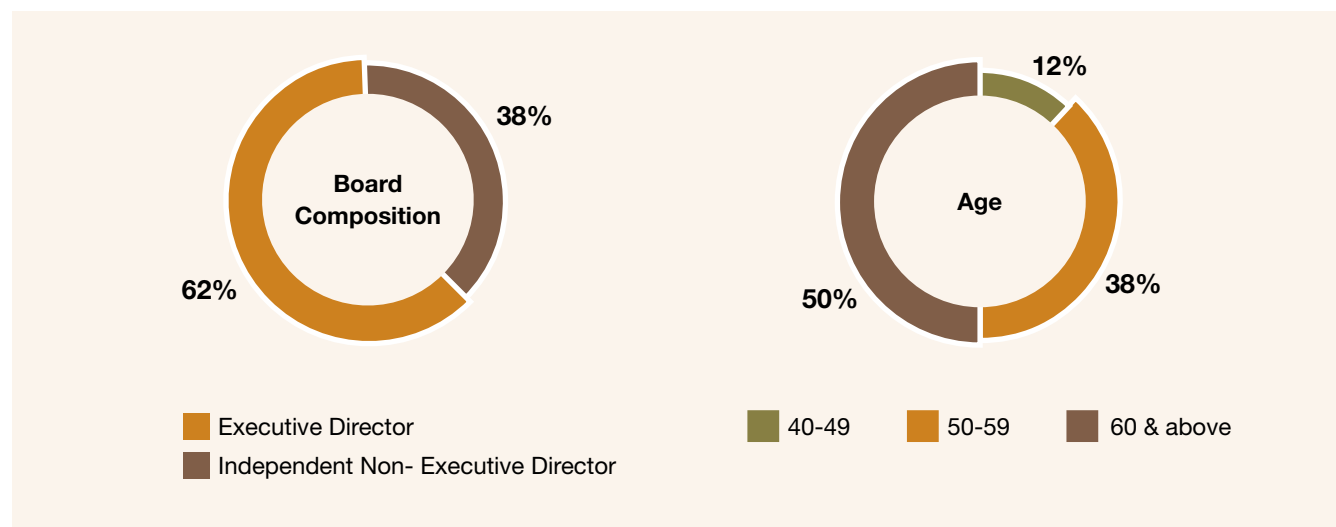
II. BOARD COMPOSITION

Composition and Diversity

During the financial year under review, 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 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 Director.

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 percentage of women representation in Board in order to carry out its duties effectively. Currently, there is one (1) female Independent Non-Executive Director 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 pages 4 to 6 of this Annual Report. The summary of Board composition and age group as at 9 January 2025 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 5.2 of the MCCG 2021, 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.

Corporate Governance Overview Statement (Cont'd)

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

II. BOARD COMPOSITION (CONT'D)

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.

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 of three (3) Independent Non-Executive Directors. At the end of financial year 2024, the members are as follows:-

Name	Designation
Chairman	Dato' Abu Bakar Bin Mohd Nor
Members	Ms Teh Su-Ching
	Mr Alvin Vong Chen Weng

The Board does not consider it is 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 2024, 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 and assessed the independence of the Independent Directors of the Company;
- 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 and assessed the Directors' training needs;
- Reviewed and recommended to the Board to put forth the proposal for the re-election of directors at the Twentieth AGM;
- Reviewed and recommended the Terms of Reference of NC and Directors' Fit and Proper Policy in alignment with the amendments to MMLR of Bursa Securities in relation to Conflict of Interest;
- 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; and
- Reviewed and recommended the redesignation of Mr Alvin Vong Chen Weng as the Chairman of Remuneration Committee and Dato' Abu Bakar Bin Mohd Nor as a Member of Remuneration Committee.

Corporate Governance Overview Statement (Cont'd)

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

II. BOARD COMPOSITION (CONT'D)

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.

The Board has adopted a Directors' Fit and Proper Policy which set out the approach, guidelines and procedures to ensure a formal, rigorous and transparent process is being adhered for the appointment, re-appointment and/or re-election of the Directors of the Company. The Directors' Fit and Proper Policy was last reviewed on 27 November 2023 which can be found at our website at www.notionvtec.com.

In evaluating the suitability of candidates for the Board, the NC review the completed Fit and Proper Self-declaration Form and ensure that the candidates possess the necessary background, skills, professional expertise, experience, track record, character and integrity.

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.

The NC is also responsible to conduct the fit and proper assessments on the Directors who are due for retirement at the AGM. Based on the assessment, the NC and the Board satisfied with the performance of the following Directors who are subject to retirement pursuant to Clause 95 of the Company's Constitution at the forthcoming AGM:-

- i. Mr Thoo Chow Fah
- ii. Dato' Abu Bakar Bin Mohd Nor
- iii. Ms Teh Su-Ching

All the aforesaid retiring Directors have expressed their intention to seek for re-election at the forthcoming AGM.

The NC had also taken into consideration the outcome of the Directors' self-assessment before making recommendations to the Board for the Directors who would be seeking for re-election at the AGM, and whether the Directors are 'fit and proper' under the Directors' Fit and Proper Policy after receiving the submission from the aforesaid retiring Directors.

The NC took reasonable steps to conduct checks using external information as part of the assessment process on whether the Directors have the (i) Character and Integrity; (ii) Experience and Competence; and (iii) Time Commitment to do the job in accordance with the Directors' Fit and Proper Policy. The fit and proper assessments are supported by the relevant independent sources in relation to the persons being assessed.

The profiles on the Directors who are standing for re-election are provided in the Annual Report to facilitate shareholders in making informed decisions.

Corporate Governance Overview Statement (Cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Annual Evaluation

The assessment criteria of the Board and Board committees includes 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 individual Director by identifying the strengths and weaknesses of the Board on 27 November 2024.

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 27 November 2024, 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 2024.

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.

Tenure of Independent Directors

The Board does not establish any policy to fix the 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 determine 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.

Currently, none of the Independent Directors of the Company have served beyond a cumulative term of nine (9) years.

Corporate Governance Overview Statement (Cont'd)

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

III. REMUNERATION

The RC currently comprises exclusively of three (3) Independent Non-Executive Directors as follows:-

Name	Designation
Chairman	Mr Alvin Vong Chen Weng [#]
Members	Dato' Abu Bakar Bin Mohd Nor [*]
	Ms Teh Su-Ching

[#] Re-designated as Chairman on 27 November 2023

^{*} Re-designated as member on 27 November 2023

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 five (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.

Details of the Director Remuneration for the financial year ended 30 September 2024 are as follows:-

Name	Salary (RM)	Fee (RM)	Other Emolument (RM)	Defined Contribution Plan (RM)	Share Based Payment (RM)
Mr Thoo Chow Fah	938,878	-	155,676	128,986	-
Mr Choo Wing Hong	1,130,000	-	302,382	155,350	-
Mr Choo Wing Onn	831,663	-	222,521	115,046	-
Mr Lee Tian Yoke	831,663	-	222,492	115,046	-
Mr Choo Wing Yew	892,583	-	175,752	122,966	-
Ms Teh Su-Ching	-	108,000	9,500	-	-
Dato' Abu Bakar Bin Mohd Nor	-	108,000	9,500	-	-
Mr Alvin Vong Chen Weng	-	108,000	9,500	-	-
Total	4,624,787	324,000	1,107,323	637,394	-

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

Corporate Governance Overview Statement (Cont'd)

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 Terms of Reference sets out its rights, duties, responsibilities and criteria on the composition of ARMC which includes a former key audit partner to observe cooling-off period of at least 3 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 during the financial year (i.e. 27 November 2023, 15 January 2024 and 5 August 2024 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 ARMC 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 it does not give rise to a conflict of interest situation.

For the financial year ended 30 September 2024, 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	70	368
Non-Audit	21	127
Total	91	495

Corporate Governance Overview Statement (Cont'd)

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

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 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.

Axcelasia Sdn Bhd (formerly known as Tricor Axcelasia 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 ARMC Report of this Annual Report.

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 on the risk management and internal control may be found in the Statement on Risk Management and Internal Control of this Annual Report.

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 developed and maintained a dedicated 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 as well as the communication channel for any enquiry pertaining to the Group.

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 13.1 of the MCCG 2021.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

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.

The Company had conducted its fully virtual Twentieth AGM in 2024 through live streaming from broadcast venue using Remote Participation and Voting ("RPV") facilities via TTIH Online Website at <https://tjih.online>. 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 the AGM. 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 9 January 2025.

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 2024.

MEMBERSHIP

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

Name	Designation
Chairperson	Ms Teh Su-Ching (<i>Independent Non-Executive Director</i>)
Members	Dato' Abu Bakar Bin Mohd Nor (<i>Independent Non-Executive Director</i>)
	Mr Alvin Vong Chen Weng (<i>Independent Non-Executive Director</i>)

Ms Teh Su-Ching, who is the Chairperson of the ARMC, 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), a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a member of the Institute of Leadership (IOL) in the United Kingdom. Dato' Abu Bakar Bin Mohd Nor is a Chartered Accountant, Institute of Chartered Accountant, England and Wales, whilst Mr Alvin Vong Chen Weng holds a Bachelor Degree of Commerce in Management Accounting, Investment Finance and Information Management.

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

Audit and Risk Management Committee	Number of Meetings Attended
Teh Su-Ching (<i>Chairperson</i>)	4/5
Dato' Abu Bakar Bin Mohd Nor	5/5
Alvin Vong Chen Weng	4/5

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

SUMMARY OF WORK OF 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 2024:-

- At their meetings held on 27 November 2023, 15 January 2024 and 5 August 2024, 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.
- The ARMC had ensured that the quarterly financial results of the Group complied with the Malaysian Financial Reporting Standard and Appendix 9B of the MMLR of Bursa Securities. The quarterly financial results for the fourth quarter ended 30 September 2023, first quarter ended 31 December 2023, second quarter ended 31 March 2024 and third quarter ended 30 June 2024 were reviewed by the ARMC at their meetings held on 27 November 2023, 21 February 2024, 20 May 2024 and 5 August 2024 respectively.

Audit And Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF 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 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 Risk Management Report of the Group which prepared by the outsourced Risk Management Advisers in order to understand the risk profiles and performance of the business units.
5. At their meeting held on 5 August 2024, 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, if any of the Group was reviewed by the ARMC at every quarterly meeting. The ARMC was satisfied that all Related Party Transactions were within arm's length, fair, reasonable and on normal commercial terms and not detrimental to the interest of the minority shareholders.
7. Reviewed any Conflict of Interest situations and Potential Conflict of Interest situations that may arise within the Group on quarterly basis, including any transaction, procedure or course of conduct that raises question of management integrity.
8. At their meetings held on 27 November 2023, the ARMC reviewed and discussed the following, amongst others:-
 - a. 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 2023;
 - b. Met with External Auditors without presence of the Executive Board Members and Management of the Company;
 - c. Internal Audit Report by the Internal Auditors;
 - d. Internal Audit Planning Memorandum for financial year ended 30 September 2024;
 - e. Quarterly Report in respect of the unaudited results for the fourth quarter ended 30 September 2023;
 - f. Assessment of the performance and independence of the External Auditors for the financial year ended 30 September 2023;
 - g. Assessment on the adequacy of the scope, functions, competency and resources of the internal audit functions;
 - h. Proposed adoption of Conflict of Interest Policy and amendments to the terms of reference of ARMC in alignment with the amendments to MMLR of Bursa Securities in relation to the conflict of interest;
 - i. Related party transactions entered into by the Group;
 - j. Conflict of Interest situations and/or Potential Conflict of Interest situations of Directors and Key Senior Management; and
 - k. Registers in relation to the Anti-Bribery and Corruption Policy.

Audit And Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF ARMC (CONT'D)

9. At their meeting held on 15 January 2024, the ARMC reviewed and discussed the following:-
 - a. Audit Review Memorandum for the financial year ended 30 September 2023 by the External Auditors;
 - b. Audited Financial Statements of the Company and the Group for the financial year ended 30 September 2023 and the Directors' and Auditors' Report;
 - c. Met with External Auditors without presence of the Executive Board Members and Management of the Company;
 - d. Reports and Statements for inclusion in the 2023 Annual Report, i.e. ARMC Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and Corporate Governance Report;
 - e. Fees for audit and non-audit services performed by the External Auditors for the financial year ended 30 September 2023; and
 - f. Proposed re-appointment of Crowe Malaysia PLT as External Auditors for the financial year ended 30 September 2024 to the Board of Directors and subsequently to obtain the shareholders' approval.
10. At their meeting held on 21 February 2024, the ARMC reviewed and discussed the following:-
 - a. Internal Audit Reports by the Internal Auditors;
 - b. Enterprise Risk Management Report by the Risk Management Advisor;
 - c. Quarterly Report in respect of the unaudited results for the first quarter ended 31 December 2023;
 - d. Related party transactions entered into by the Group;
 - e. Conflict of Interest situations and/or Potential Conflict of Interest situations of Directors and Key Senior Management; and
 - f. Registers in relation to the Anti-Bribery and Corruption Policy.
11. At their meeting held on 20 May 2024, the ARMC reviewed and discussed the following:-
 - a. Internal Audit Reports by the Internal Auditors.
 - b. Quarterly Report in respect of the unaudited results for the second quarter ended 31 March 2024;
 - c. Related party transactions entered into by the Group;
 - d. Conflict of Interest situations and/or Potential Conflict of Interest situations of Directors and Key Senior Management; and
 - e. Registers in relation to the Anti-Bribery and Corruption Policy.

Audit And Risk Management Committee Report (Cont'd)

12. At their meeting held on 5 August 2024, the ARMC reviewed and discussed the following:-
- Enterprise Risk Management Report and Corruption Risk Management Report by the Risk Management Advisor;
 - Quarterly Report in respect of the unaudited results for the third quarter ended 30 June 2024;
 - Related party transactions entered into by the Group;
 - Conflict of Interest situations and/or Potential Conflict of Interest situations of Directors and Key Senior Management;
 - Registers in relation to the Anti-Bribery and Corruption Policy;
 - Internal Audit Reports by the Internal Auditors;
 - Met with Internal Auditors without presence of the Executive Board Members and Management of the Company;
 - Audit Planning Memorandum by the External Auditors for the financial year ended 30 September 2024; and
 - Met with External Auditors without presence of the Executive Board Members and Management of the Company.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is carried out by an independent external firm of professional internal auditors, Axcelasia Sdn Bhd (formerly known as Tricor Axcelasia Sdn Bhd), headed by its Executive Director/Chief Operating Officer, Mr David Low Tak Wei, who is a Certified Internal Auditor and a professional member of the Institute of Internal Auditors Malaysia, which reports directly to the ARMC on its activities based on the approved annual Risk-based Internal Audit Plan. The approved annual Risk-based Internal Audit Plan is designed to cover key risk functions and processes of the Group.

The principal role of the Internal Auditor 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.

The objective of internal audit is to assist the ARMC by independently evaluating and improving the effectiveness of the system of internal controls.

The main audit assignments were:

- Review of Supply Chain Management - Procurement of Goods and Services of Notion International (M) Sdn Bhd;
- Review of Information Technology General Controls of Notion Group;
- Review of Quality Management of Notion Venture Sdn Bhd ("NVSB"); and
- Review of Project Evaluation of New Business of NVSB.

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 2024 was RM70,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is committed to maintaining 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 Main Market Listing Requirements of Bursa Malaysia Securities Berhad, 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 to protect the Group's assets. These systems cover, inter-alia, financial, operational and compliance system 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 misstatements 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 systems are 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 it faces. The Board is also assisted by the Audit and Risk Management Committee ("ARMC") in the oversight of the risk management process of 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 a 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 to and subjected to trainings on the Group's policies and procedures;
- Risk management processes applied should aim to take advantage of opportunities, manage uncertainties and minimise 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.

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

THE SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The Group's risk management and internal control system which was previously in place, encompasses, amongst others, the following:

- ISO 9001:2008 Quality Management Systems has been implemented for Notion Venture Sdn Bhd, a wholly owned subsidiary of the Company, 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;
- A strategic planning and an annual budgeting process have 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 assess 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 outsourced this function to an independent professional firm, namely Axcelasia Sdn Bhd (formerly known as Tricor Axcelasia Sdn Bhd), to provide independent assurance the Board requires on the effectiveness and efficiency of the Group's system of risk management and internal control.

The outsourced Internal Auditors adopt a risk-based approach and prepare 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 outsourced Internal Auditors present 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's comments on the audit findings and recommendations.

During the financial 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 on the findings will be conducted.

The cost of internal audit function for the financial year ended 30 September 2024 was RM70,000.

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

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 Group for the financial year ended 30 September 2024 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 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 this statement factually inaccurate.

STATE OF RISK MANAGEMENT AND INTERNAL CONTROL

The existing system of risk management and internal control has operated adequately for the financial year ended 30 September 2024 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.

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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 2024. 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 6 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year attributable to:-		
- Owners of the Company	42,749	10,559
- Non-controlling interest	192	-
	<u>42,941</u>	<u>10,559</u>

DIVIDENDS

The Company paid a first interim single-tier dividend of 1 sen per ordinary share amounting to RM5,209,772 for the financial year ended 30 September 2024 on 12 July 2024.

On 27 November 2024, the Company declared a second interim single-tier dividend of 1 sen per ordinary share amounting to RM5,252,042 in respect of the current financial year, payable on 15 January 2025, to shareholders whose names appeared in the record of depositors on 3 January 2025. The financial statements for the current financial year did not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 September 2025.

The directors do not recommend the payment of any further dividends 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.

ISSUES OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up share capital from RM211,227,594 to RM218,474,660 by way of:-

- (i) issuance of 8,683,310 new ordinary shares pursuant to the Employee Share Option Scheme ("ESOS") as follows; and

Number of shares	Exercise Price RM	Cash Consideration RM
1,080,030	0.53	572,416
1,998,880	0.29	579,675
5,604,400	0.68	3,810,992
<u>8,683,310</u>		<u>4,963,083</u>

Directors' Report (Cont'd)

ISSUES OF SHARES AND DEBENTURES (CONT'D)

- (ii) issuance of 351,384 new ordinary shares at an exercise price of RM0.445 per ordinary share pursuant to the exercise of Warrants 2024/2029 ("Warrants-D").

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 Employee Share Option Scheme ("ESOS") and Executive Share Grant Scheme. The ESOS became effective on 24 February 2017. The Board has subsequently approved for an extension of the Long Term Incentive Plan for 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 11 to the financial statements.

WARRANTS

On 8 May 2024, the Company issued 51,608,580 free Warrants-D on the basis of 1 warrant for every 10 existing ordinary shares held by shareholders of the Company.

The salient features of Warrants-D 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 RM0.445 at any time from the date of issue up to the expiry date.

During the financial year, 351,384 of the Warrants-D were converted to 351,384 ordinary shares. The number of outstanding Warrants-D as at 30 September 2024 was 51,257,196.

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 all 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 that would render the amount written off for bad debts or the amount of the allowance for impairment losses on receivables inadequate to any substantial extent.

Directors' Report (Cont'd)

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 and 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 of 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 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 and of the Company for the financial year in which this report is made.

Directors' Report (Cont'd)**DIRECTORS**

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

Directors of the Company

Thoo Chow Fah
 Choo Wing Hong
 Choo Wing Onn
 Choo Wing Yew
 Lee Tian Yoke
 Dato' Abu Bakar Bin Mohd Nor
 Teh Su-Ching
 Alvin Vong Chen Weng

Director of Subsidiaries (other than directors of the Company)

Yin Ying

DIRECTORS' INTERESTS

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

Name of Director	Number of Ordinary Shares			Balance at 30.9.2024
	Balance at 1.10.2023	Bought	Disposed/ Transferred	
Thoo Chow Fah				
- Direct	19,871,301	-	-	19,871,301
- Indirect *	1,582,962	-	-	1,582,962
Choo Wing Hong				
- Direct	37,172,939	2,540,000	(3,820,000)	35,892,939
Choo Wing Onn				
- Direct	34,217,766	900,000	(980,000)	34,137,766
Choo Wing Yew				
- Direct	13,649,887	-	(5,750,000)	7,899,887
Lee Tian Yoke				
- Direct	17,976,446	1,502,900	(1,200,000)	18,279,346
Dato' Abu Bakar Bin Mohd Nor				
- Direct	41,689	-	-	41,689
Teh Su-Ching				
- Direct	5,000	-	-	5,000
Alvin Vong Chen Weng				
- Direct	50	-	-	50

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

Directors' Report (Cont'd)

DIRECTORS' INTERESTS (CONT'D)

Name of Director	Number of Share Options		
	Balance at 1.10.2023	Granted	Exercised
Thoo Chow Fah	2,100,000	-	-
Choo Wing Hong	3,600,000	-	(1,800,000)
Choo Wing Onn	1,500,000	-	(900,000)
Choo Wing Yew	2,400,000	-	-
Dato' Abu Bakar Bin Mohd Nor	750,000	-	-

Name of Director	Number of Warrants-D		
	Balance at 1.10.2023	Granted	Disposed/ Transferred
Thoo Chow Fah	-	1,987,130	(1,987,130)
- Direct	-	158,296	-
- Indirect *	-	-	-
Choo Wing Hong	-	3,717,293	(3,717,293)
- Direct	-	3,323,776	(3,323,776)
Choo Wing Onn	-	1,364,988	(495,000)
- Direct	-	1,912,934	(1,912,934)
Choo Wing Yew	-	4,168	-
- Direct	-	500	-
Lee Tian Yoke	-	5	-
- Direct	-	-	-
Dato' Abu Bakar Bin Mohd Nor	-	-	-
- Direct	-	-	-
Teh Su-Ching	-	-	-
- Direct	-	-	-
Alvin Vong Chen Weng	-	-	-
- Direct	-	-	-

* 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-D 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 as disclosed in the "Directors' Remuneration" of this report) 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 25 to the financial statements.

Neither during nor at the end of the financial year was the Group or 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.

Directors' Report (Cont'd)

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	Group RM'000	Company RM'000
Executive directors:		
- Salaries, bonuses, allowances and other benefits	5,704	5,704
- Defined contribution plans	637	637
	6,341	6,341
Non-executive directors:		
- Fees	324	324
- Allowances	29	29
	353	353
	6,694	6,694

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 RM14,500 respectively.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

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

AUDITORS

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

The details of the auditors' remuneration for the financial year are as follows:

	Group RM'000	Company RM'000
Audit fees:		
- Crowe Malaysia PLT	368	70
- Other auditors	29	-
Non-audit fees:		
- Crowe Malaysia PLT	13	13
- Member firms of Crowe Malaysia PLT	114	8
	524	91

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 13 JANUARY 2025**

Thoo Chow Fah

Choo Wing Hong

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

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 73 to 121 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 September 2024 and of their financial performance and cash flows for the financial year ended on that date.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 13 JANUARY 2025**

Thoo Chow Fah

Choo Wing Hong

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 73 to 121 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 abovementioned Choo Wing Yew
at Klang in the State of Selangor Darul Ehsan
on this 13 January 2025

Choo Wing Yew

Before me

Lee Pei Nam

No: B 186

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NOTION VTEC BERHAD

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 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements including material accounting policy information, as set out on pages 73 to 121.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2024, and of their financial performance and their 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 of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><u>Valuation of inventories (Refer to Notes 3 and 8 to the financial statements)</u></p> <p>The Group carries significant inventories. Management periodically reviews the inventories for potential write-downs 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.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> Obtaining an understanding of: <ul style="list-style-type: none"> 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 VTec Berhad

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p><u>Impairment of trade receivables (Refer to Notes 3 and 9 to the financial statements)</u></p> <p>The Group carries significant trade receivables. The Group assessed the loss allowance for expected credit losses through detailed analysis by taking into account the customer's ageing profile, credit history, historical payment pattern and the forward-looking information. These assessments involved judgements and estimation uncertainty in forming expectations about future assumptions.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> • Reviewing the ageing analysis of trade receivables and testing the reliability thereof. • Reviewing subsequent cash collections for major trade receivables and overdue amounts. • Testing the adequacy of the Group's allowance for impairment losses on trade receivables by assessing management's policy. • Reviewing the adequacy of the Group's disclosure in this area.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of 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 of 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 of the Company that are free from material misstatement, whether due to fraud or error.

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

Independent Auditors' Report (Cont'd)

To The Members Of Notion VTec Berhad

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that 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, actions taken to eliminate threats or safeguards applied.

Independent Auditors' Report (Cont'd)

To The Members Of Notion VTec Berhad

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 6 to the financial statements.

Other 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

13 January 2025

Cheah Siong Hon

03538/11/2026 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	4	282,435	279,304	728	2
Right-of-use assets	5	924	2,761	-	-
Investments in subsidiaries	6	-	-	88,879	83,779
Other investment	7	-	-	-	-
		283,359	282,065	89,607	83,781
CURRENT ASSETS					
Inventories	8	64,702	53,349	-	-
Receivables	9	161,015	119,203	106,109	105,098
Prepayments		4,278	2,933	-	-
Current tax assets		3,239	4,546	-	-
Cash and cash equivalents	10	62,473	49,699	11,164	4,550
		295,707	229,730	117,273	109,648
TOTAL ASSETS		579,066	511,795	206,880	193,429
EQUITY AND LIABILITIES					
EQUITY					
Share capital	11	218,475	211,228	218,475	211,228
Share option reserve		2,821	4,949	2,821	4,949
Currency translation reserve		1,188	3,868	-	-
Capital reserve		4,800	4,800	-	-
Retained profits/(Accumulated losses)		193,714	156,175	(26,982)	(32,331)
Equity attributable to owners of the Company		420,998	381,020	194,314	183,846
Non-controlling interest		612	-	-	-
TOTAL EQUITY		421,610	381,020	194,314	183,846
NON-CURRENT LIABILITIES					
Loans and borrowings	12	11,059	13,812	-	-
Lease liabilities	13	362	1,368	-	-
Retirement benefits	14	725	840	-	-
Deferred tax liabilities	15	16,545	12,799	7	-
Deferred income on government grants	16	5,093	5,539	-	-
		33,784	34,358	7	-
CURRENT LIABILITIES					
Loans and borrowings	12	17,347	19,494	-	-
Lease liabilities	13	604	1,657	-	-
Payables	17	100,813	74,846	12,558	9,571
Current tax liabilities		4,908	420	1	12
		123,672	96,417	12,559	9,583
TOTAL LIABILITIES		157,456	130,775	12,566	9,583
TOTAL EQUITY AND LIABILITIES		579,066	511,795	206,880	193,429

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	18	487,963	345,258	14,876	7,176
Cost of sales		(378,926)	(317,832)	-	-
Gross profit		109,037	27,426	14,876	7,176
Other income		7,528	13,218	5,065	17
		116,565	40,644	19,941	7,193
Marketing and distribution expenses		(6,862)	(7,555)	-	-
Administrative and other operating expenses		(50,513)	(72,092)	(9,280)	(41,268)
Finance costs		(2,183)	(3,141)	(3)	(2)
Profit/(Loss) before tax	19	57,007	(42,144)	10,658	(34,077)
Tax expense	21	(14,066)	(2,872)	(99)	(470)
Profit/(Loss) for the financial year		42,941	(45,016)	10,559	(34,547)
Other comprehensive (expense)/income:- <i>Item that will be reclassified subsequently to profit or loss:-</i>					
Currency translation differences for foreign operations		(2,677)	3,972	-	-
Total other comprehensive (expense)/income for the financial year		(2,677)	3,972	-	-
Total comprehensive income/(expense) for the financial year		40,264	(41,044)	10,559	(34,547)
Profit/(Loss) attributable to:-					
Owners of the Company		42,749	(45,016)	10,559	(34,547)
Non-controlling interest		192	-	-	-
		42,941	(45,016)	10,559	(34,547)
Total comprehensive income/(expense) attributable to:-					
Owners of the Company		40,069	(41,044)	10,559	(34,547)
Non-controlling interest		195	-	-	-
		40,264	(41,044)	10,559	(34,547)
Earnings/(Loss) per share:	22				
- Basic (sen)		8.28	(8.73)		
- Diluted (sen)		8.18	(8.73)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

Group	Non-distributable			Distributable		Total Equity RM'000
	Share Capital RM'000	Share Option Reserve RM'000	Currency Translation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	
Balance at 1 October 2022	211,145	4,949	(104)	4,800	201,191	421,981
Currency translation differences for foreign operation	-	-	3,972	-	-	3,972
Total other comprehensive income for the financial year	-	-	3,972	-	-	3,972
Loss for the financial year	-	-	-	-	(45,016)	(45,016)
Total comprehensive income/(expense) for the financial year	-	-	3,972	-	(45,016)	(41,044)
Issuance of shares pursuant to Warrants	83	-	-	-	-	83
Total transaction with owners	83	-	-	-	-	83
Balance at 30 September 2023	211,228	4,949	3,868	4,800	156,175	381,020

Group	Non-distributable			Distributable		Attributable to Owners of the Company RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Option Reserve RM'000	Currency Translation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000			
Balance at 1 October 2023	211,228	4,949	3,868	4,800	156,175	381,020	-	381,020
Currency translation differences for foreign operation	-	-	(2,680)	-	-	(2,680)	3	(2,677)
Total other comprehensive expense for the financial year	-	-	(2,680)	-	-	(2,680)	3	(2,677)
Profit for the financial year	-	-	-	-	42,749	42,749	192	42,941
Total comprehensive (expense)/income for the financial year	-	-	(2,680)	-	42,749	40,069	195	40,264
Acquisition of a subsidiary	-	-	-	-	-	-	417	417
Issuance of shares pursuant to Employee Share Option Scheme ("ESOS")	7,091	(2,128)	-	-	-	4,963	-	4,963
Issuance of shares pursuant to Warrants	156	-	-	-	-	156	-	156
Dividends (Note 23)	-	-	-	-	(5,210)	(5,210)	-	(5,210)
Total transactions with owners	7,247	(2,128)	-	-	(5,210)	(91)	417	326
Balance at 30 September 2024	218,475	2,821	1,188	4,800	193,714	420,998	612	421,610

Statements of Changes in Equity (Cont'd)

For The Financial Year Ended 30 September 2024

Company	Share Capital RM'000	Non- distributable Share Option Reserve RM'000	Distributable Retained Profits/ (Accumulated Losses) RM'000	Total Equity RM'000
Balance at 1 October 2022	211,145	4,949	2,216	218,310
Loss for the financial year (representing total comprehensive expense)	-	-	(34,547)	(34,547)
Issuance of shares pursuant to Warrants	83	-	-	83
Total transaction with owners	83	-	-	83
Balance at 30 September 2023/1 October 2023	211,228	4,949	(32,331)	183,846
Profit for the financial year (representing total comprehensive income)	-	-	10,559	10,559
Issuance of shares pursuant to ESOS	7,091	(2,128)	-	4,963
Issuance of shares pursuant to Warrants	156	-	-	156
Dividends (Note 23)	-	-	(5,210)	(5,210)
Total transaction with owners	7,247	(2,128)	(5,210)	(91)
Balance at 30 September 2024	218,475	2,821	(26,982)	194,314

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

Note	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(FOR)				
OPERATING ACTIVITIES				
Profit/(Loss) before tax	57,007	(42,144)	10,658	(34,077)
Adjustments for:-				
Amortisation of deferred income on government grants	(446)	(448)	-	-
Bad debts recovered	(65)	(14)	-	-
Bad debts written off	2	-	-	-
Bargain purchase from acquisition of a subsidiary	(100)	-	-	-
(Decrease)/Increase in liabilities for retirement benefits	(49)	18	-	-
Deposits received forfeited	-	(131)	-	-
Deposits written off	-	70	-	-
Depreciation of property, plant and equipment	23,247	29,388	79	-
Depreciation of right-of-use assets	1,154	1,576	-	-
Dividend income	-	-	(7,700)	-
Gain on lease modifications	(212)	-	-	-
Impairment loss on other receivables	-	12	-	32,948
Impairment loss on plant and equipment	-	30,696	-	-
Impairment loss on trade receivables	1,770	1,422	-	-
Interest expense	1,980	2,891	-	-
Interest income	(433)	(200)	(65)	(17)
Inventories written down	4,344	8,950	-	-
Inventories written off	509	-	-	-
Loss/(Gain) on disposal of plant and equipment	331	(4,303)	-	-
Plant and equipment written off	352	16	-	-
Reversal of impairment loss on investments in subsidiaries	-	-	(5,000)	-
Reversal of impairment loss on other receivables	-	(252)	-	-
Reversal of impairment loss on plant and equipment	(2,659)	-	-	-
Reversal of impairment loss on trade receivables	(359)	(162)	-	-
Reversal of inventories written down	(297)	(2,223)	-	-
Unrealised loss on foreign exchange	11,022	1,636	-	-
Operating profit/(loss) before working capital changes	97,098	26,798	(2,028)	(1,146)
Changes in:-				
Inventories	(15,909)	26,066	-	-
Receivables and prepayments	(46,530)	(7,890)	-	-
Payables	17,153	18,812	(139)	(540)
CASH FROM/(FOR) OPERATIONS	51,812	63,786	(2,167)	(1,686)
Payment for retirement benefits	(46)	(28)	-	-
Interest expense paid	(1,980)	(2,891)	-	-
Tax (paid)/refunded	(4,525)	2,376	(103)	(438)
NET CASH FROM/(FOR) OPERATING ACTIVITIES	45,261	63,243	(2,270)	(2,124)

Statements of Cash Flows (Cont'd)

For The Financial Year Ended 30 September 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS (FOR)/FROM					
INVESTING ACTIVITIES					
Acquisition of a subsidiary, net of cash and cash equivalents	6	2,102	-	-	-
(Advances to)/Repayment from subsidiaries		-	-	(1,011)	2,849
Dividend income received		-	-	7,700	-
Interest income received		433	200	65	17
Proceeds from disposal of plant and equipment		176	4,368	-	-
Purchase of property, plant and equipment	24	(17,815)	(13,304)	(805)	-
Subscription of shares in a subsidiary		-	-	(100)	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(15,104)	(8,736)	5,849	2,866
CASH FLOWS (FOR)/FROM					
FINANCING ACTIVITIES					
Advances from subsidiaries		-	-	3,126	2,165
(Decrease)/Increase in short-term loans and borrowings (net)		(820)	1,045	-	-
Dividends paid		(5,210)	-	(5,210)	-
Drawdown of hire purchase		713	-	-	-
Proceeds from issuance of shares		5,119	83	5,119	83
Repayment of hire purchase obligations	24	(8,139)	(14,970)	-	-
Repayment of lease liabilities	24	(1,164)	(1,648)	-	-
Repayment of term loans	24	(4,308)	(6,802)	-	-
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(13,809)	(22,292)	3,035	2,248
NET INCREASE IN CASH AND CASH EQUIVALENTS		16,348	32,215	6,614	2,990
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		49,699	18,123	4,550	1,560
CURRENCY TRANSLATION DIFFERENCES		(3,574)	(639)	-	-
CASH AND CASH EQUIVALENTS CARRIED FORWARD	10	62,473	49,699	11,164	4,550

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

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 6 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 5 ½, 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 13 January 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation of Financial Statements

The financial statements of the Group and of the Company are prepared under the historical cost convention, modified to include other bases of measurement as disclosed in other sections under material accounting policy information, and in accordance 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:-

MFRS	Effective for annual periods beginning on or after
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition 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 112: International Tax Reform - Pillar Two Model Rules	1 January 2023

The initial application of the above MFRSs did not have any significant impact on the financial statements of the Group and of the Company except as follows:-

Amendments to MFRS 101: Disclosure of Accounting Policies

The Amendments to MFRS 101 'Disclosure of Accounting Policies' did not result in any changes to the existing accounting policies of the Group and of the Company. However, the amendments require the disclosure of 'material' rather than 'significant' accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures. The Group and the Company have made updates to the accounting policies presented in Note 2 to the financial statements in line with the amendments.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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

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

MFRS (issued as at the end of the reporting period)	Effective for annual periods beginning on or after
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
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: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

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

2.2 Business Combinations

A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. If the assets acquired are not a business, the transaction or other event is accounted for as an asset acquisition.

Business combinations are accounted for 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 values. In a business combination achieved in stages, the previously held equity interest in the acquiree is remeasured at its 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 (a) over (b) below:-

- (a) the aggregate of:-
 - (i) the acquisition-date fair value of the consideration transferred;
 - (ii) the amount of any non-controlling interests; and
 - (iii) in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree.
- (b) 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 (b) exceeds (a), the excess represents a bargain purchase gain and, after reassessment, is recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 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.

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 are recognised at their fair values. The resulting difference is then recognised as a gain or loss in profit or loss.

2.4 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.

Freehold land and capital work-in-progress 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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 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 or the Company 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 and the Company have 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.

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 or the Company acts as a lessor, it classifies each lease as either an operating lease or a finance lease. 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 and the Company have not entered into any finance lease.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Investments in Subsidiaries

As required by the Companies Act 2016 in Malaysia, 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.

2.7 Impairment of Non-financial Assets

At the end of each reporting period, the Group and the Company assess 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.

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. 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 and the Company 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 or the Company 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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Financial Assets (Cont'd)

Impairment

At each reporting date, the Group and the Company recognise 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.

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 and of the Company 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 or the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is initially recognised at fair value minus 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 expired.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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.

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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Fair Value Measurement (Cont'd)

The Group and the Company 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.

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

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

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.14 Revenue from Contracts with Customers (Cont'd)

Sale 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.

Dividend 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.

Management Fees

Management fees are recognised in the period in which the services are rendered.

2.15 Other Income

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 would 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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.17 Employee Benefits (Cont'd)

Share-based Payments

The 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 financial 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 in hand, bank balances, demand deposits, 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 with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

2.21 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

2.23 Earnings per Ordinary Share

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

3. JUDGEMENTS AND ESTIMATION UNCERTAINTY

Judgements Made in Applying Accounting Policies

In the process of applying the accounting policies of the Group and of the Company, 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 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. Any changes in these accounting estimates will result in revisions to the valuation of inventories (Note 8).

Impairment of Property, Plant and Equipment and Right-of-use Assets

The Group and the Company assess whether there are any indicators of impairment on its property, plant and equipment and right-of-use assets at each reporting date. These non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable (Notes 4 and 5).

Impairment of Receivables

The Group and the Company recognise loss allowance for expected credit losses on receivables based on a credit risk assessment. 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 9).

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

4. 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
<u>Cost</u>							
Balance at							
1 October 2022	134,512	483,608	22,586	7,825	45,169	566	694,266
Additions	-	12,620	325	252	63	2,328	15,588
Disposals	-	(10,671)	-	(693)	(67)	-	(11,431)
Write-offs	-	(133)	(166)	-	(88)	-	(387)
Transfer/Reclassification	-	1,356	-	-	-	(1,356)	-
Currency translation differences	2,114	3,255	140	55	-	14	5,578
Balance at							
30 September 2023/ 1 October 2023	136,626	490,035	22,885	7,439	45,077	1,552	703,614
Additions	3,107	17,117	660	2,084	2,319	182	25,469
Disposals	-	(440)	(71)	(203)	-	-	(714)
Write-offs	-	-	(88)	-	(617)	-	(705)
Currency translation differences	(878)	(1,319)	(60)	(24)	-	36	(2,245)
Balance at							
30 September 2024	138,855	505,393	23,326	9,296	46,779	1,770	725,419
<u>Depreciation and Impairment Losses</u>							
Balance at							
1 October 2022							
Accumulated depreciation	12,841	281,631	16,841	6,862	36,874	-	355,049
Accumulated impairment loss	666	16,747	210	94	646	-	18,363
	13,507	298,378	17,051	6,956	37,520	-	373,412
Depreciation	1,703	22,225	1,496	400	3,564	-	29,388
Impairment loss	-	29,959	16	-	721	-	30,696
Disposals	-	(10,644)	-	(691)	(31)	-	(11,366)
Write-offs	-	(117)	(166)	-	(88)	-	(371)
Currency translation differences	238	2,205	66	42	-	-	2,551
Balance at							
30 September 2023							
Accumulated depreciation	14,782	305,998	18,237	6,613	40,319	-	385,949
Accumulated impairment loss	666	36,008	226	94	1,367	-	38,361
	15,448	342,006	18,463	6,707	41,686	-	424,310

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

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
<u>Depreciation and Impairment Losses (Cont'd)</u>							
Balance at 1 October 2023	15,448	342,006	18,463	6,707	41,686	-	424,310
Depreciation	1,708	17,452	1,426	534	2,127	-	23,247
Reversal of impairment loss	-	(1,779)	(140)	(94)	(646)	-	(2,659)
Disposals	-	(139)	(41)	(27)	-	-	(207)
Write-offs	-	-	(30)	-	(323)	-	(353)
Currency translation differences	(131)	(1,160)	(40)	(23)	-	-	(1,354)
Balance at 30 September 2024							
Accumulated depreciation	16,359	322,151	19,552	7,097	42,123	-	407,282
Accumulated impairment loss	666	34,229	86	-	721	-	35,702
	17,025	356,380	19,638	7,097	42,844	-	442,984
<u>Carrying Amount</u>							
Balance at 30 September 2023	121,178	148,029	4,422	732	3,391	1,552	279,304
Balance at 30 September 2024	121,830	149,013	3,688	2,199	3,935	1,770	282,435

The carrying amounts of property, plant and equipment pledged as security for credit facilities granted to the Group as at the end of the reporting period are as follows:-

	Group	
	2024 RM'000	2023 RM'000
Freehold land and buildings	33,636	33,792
Factory equipment and machinery	19,111	50,242
Motor vehicles	1,136	203
	53,883	84,237

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:-

	Group	
	2024 RM'000	2023 RM'000
Freehold land and buildings	17,874	17,890
Factory equipment and machinery	-	18,011
	17,874	35,901

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

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

The carrying amounts of plant and equipment acquired under hire purchase financing which remained outstanding as at the end of the reporting period are as follows:-

	Group	
	2024 RM'000	2023 RM'000
Factory equipment and machinery	19,111	32,231
Motor vehicles	1,136	203
	<u>20,247</u>	<u>32,434</u>

Personal Protective Equipment ("PPE") Segment

In the previous financial year, an impairment indicator exists arising from the losses recorded in the PPE segment due to decline in average selling prices of PPE and oversupply of PPE in the market.

The recoverable amounts of plant and machineries were determined using fair value less cost to sell (Level 3 fair value calculation) which were based on the valuation report obtained from an external independent valuer. The recoverable amounts which were measured at fair value for the impairment assessment of property, plant and equipment are set out below:

	Total (RM'000)	Quoted prices in active markets (Level 1) (RM'000)	Significant observable input (Level 2) (RM'000)	Significant unobservable input (Level 3) (RM'000)
Plant and machinery for which recoverable amount is measured at fair value	6,846	-	-	6,846

	Valuation technique	Significant unobservable input
Plant and machinery (included in Property, Plant and Equipment)	Depreciated Replacement Cost Method	Aggregated amount of gross replacement cost of the plant and machineries from which appropriate deductions may then be made for the age and asset condition.

Based on the valuation report, the recoverable amounts of the plant and machineries were lower than their carrying amounts. Hence, an impairment loss of RM30,696,000 on these plant and machineries has been provided in the statements of comprehensive income under the line of 'administrative and other operating expenses'. The impairment loss was recognised within the PPE segment in the Group's segment reporting (Note 26).

During the financial year, the impairment indicators, including the low average selling prices of PPE and oversupply of PPE in the market continue to persist. Hence, the Group has determined that no reversal of impairment loss on these plant and machineries to be made.

Precision Engineering Segment

During the financial year, the Group reversed the impairment losses in view that there was no impairment indicator in the Precision Engineering segment.

A reversal of impairment loss of RM2,659,000 has been recognised in the statements of comprehensive income under the line of 'other income'. The reversal of impairment loss was recognised within the Precision Engineering Segment in the Group's segment reporting (Note 26).

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

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

Company	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Total RM'000
<u>Cost</u>			
Balance at 1 October 2022/30 September 2023/1 October 2023	14	587	601
Additions	-	805	805
Balance at 30 September 2024	14	1,392	1,406
<u>Accumulated Depreciation</u>			
Balance at 1 October 2022/30 September 2023/1 October 2023	12	587	599
Depreciation	-	79	79
Balance at 30 September 2024	12	666	678
<u>Carrying Amount</u>			
Balance at 30 September 2023	2	-	2
Balance at 30 September 2024	2	726	728

5. RIGHT-OF-USE ASSETS

Group	Factory buildings RM'000
<u>Cost</u>	
Balance at 1 October 2022	7,022
Additions	1,855
Derecognition	(3,211)
Balance at 30 September 2023/1 October 2023	5,666
Additions	550
Derecognition	(445)
Modifications of leases	(3,367)
Balance at 30 September 2024	2,404
<u>Accumulated Depreciation</u>	
Balance at 1 October 2022	4,540
Depreciation	1,576
Derecognition	(3,211)
Balance at 30 September 2023/1 October 2023	2,905
Depreciation	1,154
Derecognition	(445)
Modifications of leases	(2,134)
Balance at 30 September 2024	1,480
<u>Carrying Amount</u>	
Balance at 30 September 2023	2,761
Balance at 30 September 2024	924

The Group leases factory buildings from third parties for 2 to 5 years.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

6. INVESTMENTS IN SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
Unquoted shares, at cost	98,962	98,862
Employees' shares options granted to employees of subsidiaries	5,477	5,477
Accumulated impairment losses	(15,560)	(20,560)
	<u>88,879</u>	<u>83,779</u>

The changes in the accumulated impairment losses are as follows:-

	Company	
	2024	2023
	RM'000	RM'000
Balance at 1 October 2023/2022	20,560	20,560
Reversal of impairment loss (Note 19)	(5,000)	-
Balance at 30 September	<u>15,560</u>	<u>20,560</u>

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Equity Interest		Principal Activities
		2024	2023	
		%	%	
Notion Venture Sdn. Bhd.	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; 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	Production, sales and marketing of personal protective equipment and medical related components, devices and products.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Effective Equity Interest		Principal Activities
		2024 %	2023 %	
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 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.
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) (c)}	United Arab Emirates	-	100	Inactive.
Bentong Resources Sdn. Bhd.	Malaysia	100	-	Agricultural business including farming, harvesting and marketing of agricultural commodities.
Notion Industrial Technology (Shenzhen) Limited ^(a)	China	51	-	Trading of household appliances.
<u>Subsidiary of Notion Venture Sdn. Bhd.</u>				
Autic Mekki Sdn. Bhd.	Malaysia	100	100	Provision of surface treatment, electrolysis nickel plating, chrome plating, electroplating and anodizing metal or other similar materials.
<u>Subsidiary of Notion Industrial Technology (Shenzhen) Limited</u>				
Notion Industrial Technology (Dongguan) Limited ^(b)	China	48	-	Inactive.

^(a) not audited by Crowe Malaysia PLT.^(b) not required to be audited and consolidated using unaudited financial statements.^(c) struck off during the financial year.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Acquisition of a Subsidiary

On 24 November 2023, the Company acquired 51% equity interest in Notion Industrial Technology (Shenzhen) Limited.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed as at the date of acquisition.

(i) Fair Value of Purchase Consideration

	Group 2024 RM'000	Company 2024 RM'000
Deferred consideration	334	334

(ii) Fair Value of Net Identifiable Assets Acquired and Liabilities Assumed

	Group 2024 RM'000
Receivables	10,319
Cash and cash equivalents	2,102
Payables	(11,571)
Fair value of net identifiable assets acquired	850

(iii) Cash Flows Arising from Acquisition

	Group 2024 RM'000	Company 2024 RM'000
Purchase consideration (Deferred)	-	-
Cash and cash equivalents of subsidiary acquired (Note 6(ii))	2,102	-
Net cash inflow from the acquisition of a subsidiary	2,102	-

(iv) Bargain Purchase Arising from Acquisition

	Group 2024 RM'000
Fair value of deferred consideration	334
Less: Fair value of identifiable net assets acquired	(434)
Bargain purchase from acquisition of subsidiary (Note 19)	(100)

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)**(v) Non-controlling Interest**

The non-controlling interest at the end of the reporting period comprise the following:-

	Effective Equity Interest 2024 %	Group 2024 RM'000
Notion Industrial Technology (Shenzhen) Limited	49	612

The summarised financial information (before intra-group elimination) for the subsidiary that has non-controlling interest is as follows:-

	Group 2024 RM'000
<u>At 30 September</u>	
Current assets	16,706
Current liabilities	(15,457)
Net assets	1,249
<u>Financial Year Ended 30 September</u>	
Revenue	19,599
Profit for the financial year	392
Total comprehensive income	392
Total comprehensive income attributable to non-controlling interest	192
Net cash flows for operating activities	(1,572)
Net cash flows from investing activities	1

7. OTHER INVESTMENT

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unquoted investment in Malaysia:				
- unquoted shares at fair value through profit or loss	1,000	1,000	1,000	1,000
Less: Fair value loss on financial instruments mandatorily measured at fair value through profit or loss	(1,000)	(1,000)	(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).

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

8. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
<u>At lower of cost and net realisable value</u>		
Raw materials	14,403	9,590
Work-in-progress	14,324	11,525
Consumables	5,133	4,408
Finished goods	30,842	27,826
	<u>64,702</u>	<u>53,349</u>
Recognised in profit or loss:-		
Inventories recognised as cost of sales	378,926	317,832
Inventories written down (Note 19)	<u>4,344</u>	<u>8,950</u>
Inventories written off (Note 19)	<u>509</u>	<u>-</u>
Reversal of inventories written down (Note 19)	<u>(297)</u>	<u>(2,223)</u>

9. RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade receivables:-				
- Unrelated parties	154,532	112,275	-	-
- Allowance for impairment loss	(2,999)	(1,716)	-	-
	<u>151,533</u>	<u>110,559</u>	<u>-</u>	<u>-</u>
Other receivables:-				
- Unrelated parties	9,210	8,693	-	-
- Allowance for impairment loss	(49)	(49)	-	-
	<u>9,161</u>	<u>8,644</u>	<u>-</u>	<u>-</u>
- Related party	58	58	58	58
- Allowance for impairment loss	(58)	(58)	(58)	(58)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
- Director of a subsidiary	321	-	-	-
- Subsidiaries	-	-	156,037	155,026
- Allowance for impairment loss	-	-	(49,928)	(49,928)
	<u>-</u>	<u>-</u>	<u>106,109</u>	<u>105,098</u>
	<u>9,482</u>	<u>8,644</u>	<u>106,109</u>	<u>105,098</u>
	<u>161,015</u>	<u>119,203</u>	<u>106,109</u>	<u>105,098</u>

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

9. RECEIVABLES (CONT'D)

The currency profiles of receivables are as follows:-

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Chinese Yuan	3,100	-	-	-
Euro	13,445	19,545	-	-
Ringgit Malaysia	33,620	40,521	106,109	105,098
Thai Baht	17,786	5,322	-	-
United States Dollar	93,061	53,805	-	-
Others	3	10	-	-
	161,015	119,203	106,109	105,098

Trade Receivables

The Group determines credit risk concentrations in terms of counterparties and geographical areas. As at 30 September 2024, there were 4 (2023 - 1) major customers that individually accounted for 10% or more of the Group's trade receivables and the total outstanding balances due from these major customers amounted to RM78,401,000 (2023 - RM14,226,000). The credit risk concentration profile by geographical areas of trade receivables is as follows:-

	Group	
	2024 RM'000	2023 RM'000
China	26,561	15,247
Malaysia	27,918	32,007
Philippines	20,676	11,714
Thailand	51,079	16,141
United States of America	9,445	16,269
Others	15,854	19,181
	151,533	110,559

The credit terms of trade receivables range from 30 to 120 (2023 - 30 to 120) 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	
	2024 RM'000	2023 RM'000
Not past due	106,531	71,360
Past due 1 to 30 days	24,419	18,844
Past due 31 to 120 days	18,371	15,925
Past due more than 120 days	2,212	4,430
	151,533	110,559

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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

9. RECEIVABLES (CONT'D)

Trade Receivables (Cont'd)

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	
	2024	2023
	RM'000	RM'000
Balance at 1 October 2023/2022	1,716	683
Impairment loss recognised (Note 19)	1,770	1,422
Impairment loss reversed (Note 19)	(359)	(162)
Impairment loss written off	(128)	(227)
Balance at 30 September	2,999	1,716

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 a related party, a director and subsidiaries are repayable on demand and are to be settled in cash. The amounts owing by unrelated parties, including refundable deposits amounting to RM3,967,000 (2023 - RM4,199,000), 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	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Balance at 1 October 2023/2022	107	367	49,986	17,038
Impairment loss recognised (Note 19)	-	12	-	32,948
Impairment loss reversed (Note 19)	-	(252)	-	-
Impairment loss written off	-	(20)	-	-
Balance at 30 September	107	107	49,986	49,986

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

10. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Highly liquid investments	8,439	3,602	8,439	3,602
Term deposits (fixed rate)	72	67	49	47
Cash and bank balances	53,962	46,030	2,676	901
	62,473	49,699	11,164	4,550

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

10. CASH AND CASH EQUIVALENTS (CONT'D)

The effective interest rate of term deposits as at 30 September 2024 was 2.45% (2023 - 1.70% to 2.06%) 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	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Chinese Yuan	449	-	-	-
Euro	6,672	2,872	-	-
Ringgit Malaysia	38,197	18,909	11,164	4,550
Thai Baht	5,198	16,105	-	-
United States Dollar	11,938	11,782	-	-
Others	19	31	-	-
	62,473	49,699	11,164	4,550

11. SHARE CAPITAL

	No. of ordinary shares ('000) with no par value	RM'000
<u>Issued and fully paid:-</u>		
Balance at 1 October 2022	515,682	211,145
Issuance of shares pursuant to Warrants	147	83
Balance at 30 September 2023/1 October 2023	515,829	211,228
Issuance of shares pursuant to ESOS	8,683	7,091
Issuance of shares pursuant to Warrants	351	156
Balance at 30 September 2024	524,863	218,475

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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

11. SHARE CAPITAL (CONT'D)

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.

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
Outstanding at 30 September 2023	19,727,210	0.59	0.34	3.4 years
Exercisable at 30 September 2023	19,254,510			
Outstanding at 1 October 2023	19,727,210			
Exercised	(8,683,310)	0.57		
Outstanding at 30 September 2024	11,043,900	0.60	0.84	2.4 years
Exercisable at 30 September 2024	10,571,200			

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

11. SHARE CAPITAL (CONT'D)

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

* Exercise price before bonus issue

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.

12. LOANS AND BORROWINGS

	Group	
	2024	2023
	RM'000	RM'000
<u>Secured</u>		
Bankers' acceptances	1,597	-
Hire purchase payables	18,153	17,925
Revolving credits	5,000	8,000
Term loans (floating rate)	3,073	7,381
Trust receipt	583	-
	28,406	33,306
Disclosed as:-		
- Current liabilities	17,347	19,494
- Non-current liabilities	11,059	13,812
	28,406	33,306

Hire purchase payables are secured against the assets acquired thereunder (Note 4). Other loan and borrowings are secured against certain property, plant and equipment (Note 4).

The effective interest rates of loans and borrowings as at 30 September 2024 ranged from 2.29% to 7.42% (2023 - 1.31% to 6.54%) per annum.

Except for hire purchase payables and 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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

12. LOANS AND BORROWINGS (CONT'D)

Hire Purchase Payables

Hire purchase payables are repayable over 1 to 5 years. The repayment analysis is as follows:-

	Group	
	2024 RM'000	2023 RM'000
Minimum hire purchase payments:-		
- Within 1 year	8,559	8,103
- Later than 1 year and not later than 2 years	6,350	9,061
- Later than 2 years and not later than 5 years	5,005	2,354
Total contractual undiscounted cash flows	19,914	19,518
Future finance charges	(1,761)	(1,593)
Present value of hire purchase payables:-		
- Within 1 year	7,643	7,188
- Later than 1 year and not later than 2 years	5,877	8,496
- Later than 2 years and not later than 5 years	4,633	2,241
	18,153	17,925

The fair values of hire purchase payables 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 are considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximate to the effective interest rate of hire purchase payables.

Term Loans

Term loans are repayable over 1 to 3 years. The repayment analysis is as follows:-

	Group	
	2024 RM'000	2023 RM'000
Gross loan instalments:-		
- Within 1 year	2,738	4,799
- Later than 1 year and not later than 2 years	585	2,940
- Later than 2 years and not later than 5 years	-	377
Total contractual undiscounted cash flows	3,323	8,116
Future finance charges	(250)	(735)
Present value of term loans:-		
- Within 1 year	2,524	4,306
- Later than 1 year and not later than 2 years	549	2,723
- Later than 2 years and not later than 5 years	-	352
	3,073	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 are 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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

13. LEASE LIABILITIES

	Group	
	2024 RM'000	2023 RM'000
Gross lease liabilities:-		
- Within 1 year	640	1,799
- 1 to 5 years	373	1,427
Total contractual undiscounted cash flows	1,013	3,226
Future finance charges	(47)	(201)
Present value of lease liabilities	966	3,025
Disclosed as:-		
- Current liabilities	604	1,657
- Non-current liabilities	362	1,368
	966	3,025

The incremental borrowing rate applied to lease liabilities as at 30 September 2024 ranged from 5.64% to 6.64% (2023 - 5.64% to 6.64%) per annum.

14. 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 obligations is as follows:-

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 October 2023/2022	840	798
Defined benefit costs (Note 19)	(49)	18
Paid during the year	(46)	(28)
Currency translation differences	(20)	52
Balance at 30 September	725	840

The components of defined benefit costs are as follows:-

	Group	
	2024 RM'000	2023 RM'000
Current service cost	(62)	(2)
Interest expense	13	20
	(49)	18

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

14. RETIREMENT BENEFITS (CONT'D)

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

	Group	
	2024	2023
	%	%
Discount rate	2.43	3.15
Future salary growth rate	3.50	3.50

The following table demonstrates the sensitivity analysis of the defined benefit obligations 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	
	Increase/ (Decrease) In Profit 2024 RM'000	(Decrease)/ Increase In Loss 2023 RM'000
Increase in discount rate by 1%	43	(50)
Decrease in discount rate by 1%	(48)	56
Increase in expected rate of salary by 1%	(51)	59
Decrease in expected rate of salary by 1%	46	(53)

The weighted average duration of the defined benefit obligations is 8.05 (2023 - 8.14) years.

15. DEFERRED TAX LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Balance at 1 October 2023/2022	12,799	11,442	-	-
Deferred tax expense relating to origination and reversal of temporary differences (Note 21)	3,746	(1,283)	7	-
Deferred tax liabilities underprovided in the prior year (Note 21)	-	2,640	-	-
Balance at 30 September	16,545	12,799	7	-

In respect of (deductible)/taxable temporary differences of:-

- Inventories	(3,365)	(2,527)	-	-
- Financial instruments	(2,334)	1,253	-	-
- Property, plant and equipment	23,506	20,739	7	-
- Unabsorbed capital allowances	-	(4,533)	-	-
- Unutilised tax losses:-				
- expires year of assessment 2031	(1,262)	(2,133)	-	-
	16,545	12,799	7	-

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

16. DEFERRED INCOME ON GOVERNMENT GRANTS

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 October 2023/2022	5,539	5,987
Recognised in profit or loss (Note 19)	(446)	(448)
Balance at 30 September	5,093	5,539

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.

17. PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade payables:-				
- Related parties	14,810	-	-	-
- Unrelated parties	55,693	48,996	-	-
	70,503	48,996	-	-
Other payables:-				
- Director of the Company	340	-	-	-
- Director of a subsidiary	314	-	-	-
- Related party	170	-	-	-
- Subsidiaries	-	-	12,034	8,908
- Unrelated parties	29,486	25,850	524	663
	30,310	25,850	12,558	9,571
	100,813	74,846	12,558	9,571

The currency profiles of payables are as follows:-

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Chinese Yuan	15,425	-	-	-
Ringgit Malaysia	64,533	60,685	12,558	9,571
Thai Baht	5,593	1,626	-	-
United States Dollar	13,584	10,628	-	-
Others	1,678	1,907	-	-
	100,813	74,846	12,558	9,571

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

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

17. PAYABLES (CONT'D)

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 amounts owing to directors, a related party and subsidiaries are repayable on demand and are to be settled in cash. 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.

18. REVENUE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers:-				
- Sale of goods	487,963	345,258	-	-
Revenue from other sources:-				
- Dividend income	-	-	7,700	-
- Management fees	-	-	7,176	7,176
	-	-	14,876	7,176
	487,963	345,258	14,876	7,176

- (i) The information on the disaggregation of the Group's revenue is disclosed in Note 26.

The information on the disaggregation of the Company's revenue has not been disclosed as the Company derives revenue mainly from rendering management services to subsidiaries and receiving dividend income from subsidiaries in Malaysia.

- (ii) The information about the performance obligations in contracts with customers is summarised below:-

<u>Nature of Goods</u>	<u>Timing and Method of Revenue Recognition</u>	<u>Significant Payment Terms</u>	<u>Variable Considerations</u>	<u>Warranty and Obligation for Returns or Refunds</u>
Sale of goods	When the goods are delivered and accepted by customers	Credit period of 30 to 120 days from invoice date	Not applicable	Not applicable

- (iii) The information of the revenue from other sources is summarised below:-

Dividend Income

Dividend income is recognised when the right to receive dividend payment is established.

Management Fees

Management fees are recognised in the period in which the services are rendered.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

19. PROFIT/(LOSS) BEFORE TAX

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

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- Audit fees:-				
- Crowe Malaysia PLT				
- for the financial year	368	338	70	64
- underprovided in prior years	-	22	-	1
- Other auditors				
- for the financial year	29	27	-	-
- Non-audit fees:-				
- Crowe Malaysia PLT	13	13	13	13
- Member firms of Crowe Malaysia PLT	114	181	8	88
Bad debts written off	2	-	-	-
Deposits written off	-	70	-	-
Depreciation of property, plant and equipment (Note 4)	23,247	29,388	79	-
Depreciation of right-of-use assets (Note 5)	1,154	1,576	-	-
Impairment loss on other receivables (Note 9)	-	12	-	32,948
Impairment loss on plant and equipment (Note 4)	-	30,696	-	-
Impairment loss on trade receivables (Note 9)	1,770	1,422	-	-
Interest expense for financial liabilities not at fair value through profit or loss	1,882	2,681	-	-
Interest expense for lease liabilities	98	210	-	-
Inventories written down (Note 8)	4,344	8,950	-	-
Inventories written off (Note 8)	509	-	-	-
Loss/(Gain) on disposal of plant and equipment	331	(4,303)	-	-
Loss/(Gain) on foreign exchange:				
- Realised	1,469	(6,796)	-	-
- Unrealised	11,022	1,636	-	-
Personnel expenses (Note 20)	72,145	73,530	8,060	7,336
Plant and equipment written off (Note 4)	352	16	-	-
Rental expenses	1,640	1,576	-	-
Amortisation of deferred income on government grants (Note 16)	(446)	(448)	-	-
Bad debts recovered	(65)	(14)	-	-
Bargain purchase from acquisition of a subsidiary (Note 6)	(100)	-	-	-
Deposits received forfeited	-	(131)	-	-
Dividend income	-	-	(7,700)	-
Gain on lease modifications	(212)	-	-	-
Insurance claim	(114)	(123)	-	-
Interest income for financial assets not at fair value through profit or loss	(433)	(200)	(65)	(17)
Rental income	(219)	(110)	-	-
Retirement benefits (Note 14)	(49)	18	-	-
Reversal of impairment loss on investments in subsidiaries (Note 6)	-	-	(5,000)	-
Reversal of impairment loss on other receivables (Note 9)	-	(252)	-	-
Reversal of impairment loss on plant and equipment (Note 4)	(2,659)	-	-	-
Reversal of impairment loss on trade receivables (Note 9)	(359)	(162)	-	-
Reversal of inventories written down (Note 8)	(297)	(2,223)	-	-

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

20. PERSONNEL EXPENSES (INCLUDING DIRECTORS' REMUNERATION)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Executive directors:-				
- Salaries, bonuses, allowances and other benefits	5,704	5,060	5,704	5,060
- Defined contribution plans	637	595	637	595
	6,341	5,655	6,341	5,655
Non-executive directors:-				
- Fees	324	275	324	275
- Allowances	29	40	29	40
- Gratuity	-	150	-	150
	353	465	353	465
	6,694	6,120	6,694	6,120
Other employees:-				
- Salaries, bonuses, allowances and other benefits	62,045	64,112	1,201	1,079
- Defined contribution plans	3,406	3,298	165	137
	65,451	67,410	1,366	1,216
	72,145	73,530	8,060	7,336

21. TAX EXPENSE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Tax based on results for the financial year:-				
- Current tax	10,336	1,095	94	90
- Deferred tax (Note 15)	3,746	(1,283)	7	-
	14,082	(188)	101	90
Tax (over)/underprovided in prior year:-				
- Current tax	(16)	420	(2)	380
- Deferred tax (Note 15)	-	2,640	-	-
	14,066	2,872	99	470

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

21. TAX 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 financial year is as follows:-

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax	57,007	(42,144)	10,658	(34,077)
Tax at the statutory tax rate of 24% (2023 - 24%)	13,682	(10,115)	2,558	(8,178)
Non-deductible expenses	4,938	2,863	593	8,157
Non-taxable income	(4,138)	(1,741)	(3,050)	(2)
Increase in unrecognised deferred tax assets	538	11,753	-	113
Utilisation of deferred tax assets not recognised in prior years	(605)	(2,761)	-	-
Differential in tax rates of foreign subsidiaries	(249)	(187)	-	-
Tax relief	(84)	-	-	-
Tax (over)/underprovided in prior year:-				
- Current tax	(16)	420	(2)	380
- Deferred tax	-	2,640	-	-
	14,066	2,872	99	470

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

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	12,650	8,445	-	-
Unabsorbed capital allowances	21,237	24,999	-	-
Unutilised tax losses:-				
- expires year of assessment 2028	184	184	-	-
- expires year of assessment 2029	-	-	-	-
- expires year of assessment 2030	1,046	1,046	-	-
- expires year of assessment 2031	1,767	1,767	-	-
- expires year of assessment 2032	10,379	10,379	-	-
- expires year of assessment 2033	13,685	13,947	-	-
- expires year of assessment 2034	5,517	-	-	-
Inventories	1,054	6,822	-	-
Trade receivables	413	529	-	-
Others	827	919	-	-
	68,759	69,037	-	-

Certain comparative figures have been restated to reflect the revised tax losses carry-forward and other temporary differences available to the Group.

Based on the current legislation, unutilised tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unutilised tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

22. EARNINGS/(LOSS) PER SHARE

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

	Group	
	2024	2023
Profit/(Loss) for the financial year (RM'000)	42,941	(45,016)
Number of shares in issue at 1 October 2023/2022 ('000)	515,829	515,682
Effect of shares issued pursuant to Warrants ('000)	2,554	126
Weighted average number of shares for computing basic earnings per share ('000)	518,383	515,808
Number of shares under ESOS and Warrants deemed to have been issued for no consideration ('000)	6,657	-
Weighted average number of shares for computing diluted earnings per share ('000)	525,040	515,808
Basic earnings/(loss) per share (sen)	8.28	(8.73)
Diluted earnings/(loss) per share (sen)	8.18	(8.73)*

* The effects of potential ordinary shares arising from the conversion of 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.

23. DIVIDENDS

	Group and Company	
	2024	2023
	RM'000	RM'000
First interim single tier dividend of 1 sen per ordinary share in respect of the financial year ended 30 September 2024	5,210	-

On 27 November 2024, the Company declared a second interim single-tier dividend of 1 sen per ordinary share amounting to RM5,252,042 in respect of the current financial year, payable on 15 January 2025, to shareholders whose names appeared in the record of depositors on 3 January 2025. The financial statements for the current financial year did not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 30 September 2025.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

24. NOTES TO THE STATEMENTS OF CASH FLOWS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Purchase of Property, Plant and Equipment				
Cost of property, plant and equipment purchased (Note 4)	25,469	15,588	805	-
Amount financed through hire purchase	(7,654)	(2,284)	-	-
Net cash disbursed	17,815	13,304	805	-
Acquisition of Right-of-use Assets				
Cost of right-of-use assets acquired (Note 5)	550	1,855	-	-
Acquisition by means of leases	(550)	(1,855)	-	-
Net cash disbursed	-	-	-	-
Bankers' Acceptances				
Balance at 1 October 2023/2022	-	-	-	-
Net cash flow changes	1,597	-	-	-
Balance at 30 September (Note 12)	1,597	-	-	-
Hire Purchase Payables				
Balance at 1 October 2023/2022	17,925	30,611	-	-
Additions	8,367	2,284	-	-
Repayment	(8,139)	(14,970)	-	-
Balance at 30 September (Note 12)	18,153	17,925	-	-
Lease Liabilities				
Balance at 1 October 2023/2022	3,025	2,818	-	-
Additions	550	1,855	-	-
Modifications	(1,445)	-	-	-
Repayment	(1,164)	(1,648)	-	-
Balance at 30 September (Note 13)	966	3,025	-	-
Revolving Credits				
Balance at 1 October 2023/2022	8,000	5,000	-	-
Net cash flow changes	(3,000)	3,000	-	-
Balance at 30 September (Note 12)	5,000	8,000	-	-
Term Loans				
Balance at 1 October 2023/2022	7,381	14,183	-	-
Repayment	(4,308)	(6,802)	-	-
Balance at 30 September (Note 12)	3,073	7,381	-	-
Trust Receipt				
Balance at 1 October 2023/2022	-	1,955	-	-
Net cash flow changes	583	(1,955)	-	-
Balance at 30 September (Note 12)	583	-	-	-

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

25. RELATED PARTY DISCLOSURES

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other key management personnel compensation:-				
- Salaries, bonuses, allowances and other benefits	4,383	3,331	610	641
- Defined contribution plans	427	357	79	82
	4,810	3,688	689	723
Dividend income received from subsidiaries	-	-	7,700	-
Management fees charged to subsidiaries	-	-	7,176	7,176
Purchases from a related party	18,126	-	-	-
Rental expense charged by a related party	12	-	-	-
Rental expense charged by a director	60	60	-	-

26. SEGMENT REPORTING

Group

Operating Segments

For management purposes, the Group organised business segments 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 Equipment: 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.

2024	Precision Engineering RM'000	Personal Protective Equipment RM'000	Total RM'000
Revenue			
External revenue	486,281	1,682	487,963
Represented by:-			
<u>Revenue recognised at a point of time</u>			
- Sale of goods	486,281	1,682	487,963
Results			
Segment profit/(loss)	45,661	(2,720)	42,941

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

26. SEGMENT REPORTING (CONT'D)**Group (Cont'd)****Operating Segments (Cont'd)**

	Precision Engineering RM'000	Personal Protective Equipment RM'000	Total RM'000
2024			
Results (Cont'd)			
Segment profit/(loss) includes the followings:-			
Amortisation of deferred income on government grants	(288)	(158)	(446)
Bad debts recovered	(61)	(4)	(65)
Bad debts written off	-	2	2
Depreciation of property, plant and equipment	22,843	404	23,247
Depreciation of right-of-use assets	1,154	-	1,154
Gain on lease modification	(212)	-	(212)
Impairment loss on trade receivables	1,755	15	1,770
Insurance claim	(114)	-	(114)
Interest expense	1,450	530	1,980
Interest income	(430)	(3)	(433)
Inventories written down	4,297	47	4,344
Inventories written off	-	509	509
Loss on disposal of plant and equipment	331	-	331
Personnel expenses	72,085	60	72,145
Plant and equipment written off	352	-	352
Realised loss on foreign exchange	1,467	2	1,469
Retirement benefits	(49)	-	(49)
Reversal of impairment loss on plant and equipment	(2,659)	-	(2,659)
Reversal of impairment loss on trade receivables	(356)	(3)	(359)
Reversal of inventories written down	(297)	-	(297)
Unrealised loss/(gain) on foreign exchange	11,023	(1)	11,022
Assets			
Segment assets	576,564	2,502	579,066
Additions to non-current assets other than financial instruments:-			
Property, plant and equipment	25,455	14	25,469
Right-of-use assets	550	-	550
Liabilities			
Segment liabilities	150,866	6,590	157,456

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

26. SEGMENT REPORTING (CONT'D)

Group (Cont'd)

Operating Segments (Cont'd)

	Precision Engineering RM'000	Personal Protective Equipment RM'000	Total RM'000
2023			
Revenue			
External revenue	338,411	6,847	345,258
Represented by:- <u>Revenue recognised at a point of time</u>			
- Sale of goods	338,411	6,847	345,258
Results			
Segment profit/(loss)	362	(45,378)	(45,016)
Segment profit/(loss) includes the following:-			
Amortisation of deferred income on government grants	(290)	(158)	(448)
Bad debt recovered	-	(14)	(14)
Deposits received forfeited	-	(131)	(131)
Deposits written off	-	70	70
Depreciation of property, plant and equipment	23,861	5,527	29,388
Depreciation of right-of-use assets	1,534	42	1,576
Gain on disposal of plant and equipment	(18)	(4,285)	(4,303)
Impairment loss on other receivables	12	-	12
Impairment loss on plant and equipment	-	30,696	30,696
Impairment loss on trade receivables	988	434	1,422
Insurance claim	(123)	-	(123)
Interest expense	2,139	752	2,891
Interest income	(195)	(5)	(200)
Inventories written down	7,890	1,060	8,950
Personnel expenses	72,233	1,297	73,530
Plant and equipment written off	-	16	16
Realised (gain)/loss on foreign exchange	(6,813)	17	(6,796)
Retirement benefits	18	-	18
Reversal of impairment loss on other receivables	(252)	-	(252)
Reversal of impairment loss on trade receivables	(154)	(8)	(162)
Reversal of inventories written down	(592)	(1,631)	(2,223)
Unrealised loss/(gain) on foreign exchange	1,656	(20)	1,636
Assets			
Segment assets	498,968	12,827	511,795
Additions to non-current assets other than financial instruments:-			
Property, plant and equipment	15,147	441	15,588
Right-of-use assets	1,855	-	1,855
Liabilities			
Segment liabilities	118,940	11,835	130,775

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

26. SEGMENT REPORTING (CONT'D)

Group (Cont'd)

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 External Revenue		Group Non-current Assets	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
China	67,009	22,502	-	-
Malaysia	104,955	93,119	242,597	235,185
Philippines	54,360	32,377	-	-
Thailand	149,032	81,859	40,762	46,880
Others	112,607	115,401	-	-
	487,963	345,258	283,359	282,065

Major Customers

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

	Group External Revenue		Segment
	2024	2023	
	RM'000	RM'000	
Customer I ^(a)	103,717	38,977	Precision engineering
Customer II ^(a)	71,663	74,403	Precision engineering
Customer III ^(a)	53,381	-	Precision engineering

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

27. COMMITMENT FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group	
	2024 RM'000	2023 RM'000
Contracted but not provided for	7,001	1,809

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

28. 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 RM271,167,000 (2023 - RM263,702,000). The total utilisation of those credit facilities as at 30 September 2024 amounted to approximately RM30,039,000 (2023 - RM39,548,000).

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	
	2024 RM'000	2023 RM'000
Contractual undiscounted cash flows - on demand or within one year	30,039	39,548

29. 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 28.

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 9. As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is low.

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 28, 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.

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

29. FINANCIAL RISK MANAGEMENT (CONT'D)

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"), Thai Baht ("THB") and Chinese Yuan ("CNY"). The major foreign currencies transacted are Euro ("EUR") 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 9), cash and cash equivalents (Note 10) and payables (Note 17).

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 Increase/ (Decrease) in Profit 2024 RM'000	Group (Decrease)/ Increase in Loss 2023 RM'000
Appreciation of EUR against RM by 10%	1,529	(1,704)
Depreciation of EUR against RM by 10%	(1,529)	1,704
Appreciation of USD against RM by 10%	6,948	(4,177)
Depreciation of USD against RM by 10%	(6,948)	4,177

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.

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 (Decrease)/ Increase in Profit 2024 RM'000	Group Increase/ (Decrease) in Loss 2023 RM'000
Increase in interest rate by 100 basis points	(61)	117
Decrease in interest rate by 100 basis points	61	(117)

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

30. 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. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group at the end of the reporting period are as follows:-

	Group	
	2024 RM'000	2023 RM'000
Loans and borrowings (Note 12)	28,406	33,306
Lease liabilities (Note 13)	966	3,025
Total borrowings	29,372	36,331
Less: Cash and cash equivalents (Note 10)	(62,473)	(49,699)
Net cash	(33,101)	(13,368)
Total equity	421,610	381,020
Debt-to-equity ratio	- *	- *

* Not applicable as the Group's cash and cash equivalents exceed its total borrowings.

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

31. FINANCIAL INSTRUMENTS

Classification of Financial Instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Other investment (Note 7)	-	-	-	-
<u>Amortised Cost</u>				
Receivables (Note 9)	157,048	115,004	106,109	105,098
Cash and cash equivalents (Note 10)	62,473	49,699	11,164	4,550
	219,521	164,703	117,273	109,648

Notes to the Financial Statements (Cont'd)

For The Financial Year Ended 30 September 2024

31. FINANCIAL INSTRUMENTS (CONT'D)

Classification of Financial Instruments (Cont'd)

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Financial Liabilities				
<u>Amortised Cost</u>				
Loans and borrowings (Note 12)	28,406	33,306	-	-
Lease liabilities (Note 13)	966	3,025	-	-
Payables (Note 17)	100,813	74,846	12,558	9,571
	130,185	111,177	12,558	9,571

Gains or Losses Arising From Financial Instruments

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Financial Assets				
<u>Amortised Cost</u>				
Net losses/(gains) recognised in profit or loss	(15,027)	(2,323)	65	(32,931)
Financial Liabilities				
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	1,110	(3,010)	-	-

Fair Value Information

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The fair values of loans and borrowings and lease liabilities that carry fixed interest rates approximated their carrying amounts as the impact of discounting is not material.

The fair values of term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

The fair values of unquoted equity investments 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). There were no transfers between level 1, level 2 and level 3 during the financial year.

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (i) On 24 November 2023, the Company acquired 51% equity interest in Notion Industrial Technology (Shenzhen) Limited.
- (ii) On 23 February 2024, the Company incorporated a wholly-owned subsidiary known as Bentong Resources Sdn. Bhd. with an initial share capital of RM100,000 comprising 100,000 ordinary shares of RM1 each. The subsidiary is principally engaged in agricultural business including farming, harvesting and marketing of agricultural commodities.

LIST OF PROPERTIES**(AS AT 30 SEPTEMBER 2024)**

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 Address: No. 11, Jalan Teruntum 20 KU/08, Jalan Teratai, Batu 5½, Jalan Meru, 41050 Klang, Selangor	20	26 February 2004	7,653	Freehold	424,854
1½ Storey Semi-Detached Light Industrial Factory held under HS(M) No. 22230, PT No. 27967, Mukim Kapar, Daerah Klang Address: No. 11A, Jalan Teruntum 20 KU/08, Jalan Teratai, Batu 5½, Jalan Meru, 41050 Klang, Selangor	20	26 February 2004	7,653	Freehold	424,854
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 Address: Lot 6123, Jalan Haji Salleh, Batu 5½, Jalan Meru, 41050 Klang, Selangor	19	10 August 2006	304,988	Freehold	50,040,051
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 Address: No. 1/48, Rojana Industrial Park Moo 5, Tambol Kanham, Amphur U-Thai. Pranakorn Sri Ayutthaya, 13210, Thailand	27	02 October 2009	262,937	Freehold	16,083,522
1½ Storey light industrial factory held under HS(M) 19366, PT24011, Mukim Kapar, Daerah Klang Address: No. 31, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	28 January 2010	1,959	Freehold	161,778
1½ Storey light industrial factory held under HS(M) 19373, PT24018, Mukim Kapar, Daerah Klang Address: No. 45, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	28 January 2010	1,970	Freehold	161,778

List of Properties (Cont'd)

(As at 30 September 2024)

Location	Approximate Age of Building (years)	Date of Acquisition/ Completion	Land Area (sq ft)	Tenure	Net Book Value (RM)
1½ Storey light industrial factory held under HS(M) 19374, PT24019, Mukim Kapar, Daerah Klang Address: No. 47, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	28 January 2010	1,970	Freehold	161,778
1½ Storey light industrial factory held under HS(M) 19375, PT24020, Mukim Kapar, Daerah Klang Address: No. 49, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	28 January 2010	1,970	Freehold	161,778
1½ Storey light industrial factory held under HS(M) 19376, PT24021, Mukim Kapar, Daerah Klang Address: No. 51, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	28 January 2010	3,197	Freehold	323,555
2 Storey Office Building with Factory building held under HS(D) No. 22776 PT No. 10644, Mukim Kapar, Daerah Klang Address: Lot 6123, Jalan Haji Salleh, Batu 5½, Jalan Meru, 41050 Klang, Selangor	28	29 April 2010	108,931	Freehold	3,593,700
1½ Storey light industrial factory held under HS(M) 19372, PT24017, Mukim Kapar, Daerah Klang Address: No. 43 Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	08 February 2012	1,970	Freehold	191,411
1½ Storey terrace factory held under HS(M) 19367, PT24012, Mukim Kapar, Daerah Klang Address: No. 33, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	05 July 2024	1,959	Freehold	482,770
1½ Storey terrace factory held under HS(M) 19368, PT24013, Mukim Kapar, Daerah Klang Address: No. 35, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor	28	05 July 2024	1,959	Freehold	482,770

List of Properties (Cont'd)

(As at 30 September 2024)

Location	Approximate Age of Building (years)	Date of Acquisition/ Completion	Land Area (sq ft)	Tenure	Net Book Value (RM)
1 Storey Factory with a 2 Storey Office held under HS(D) No. 135933, PT No. 52829, Mukim Kapar, Daerah Klang Address: Lot 6071, Jalan Haji Manan, Batu 5½, Off Jalan Meru, 41050 Klang, Selangor	32	13 March 2012	283,952	Freehold	16,407,064
1 Storey Industrial Lot, Sri Ayutthaya Address: 63 Tambon Thanu, Amphur Uthai, Pra Nakhon Sri Ayutthaya Province	30	11 August 2016	92,311	Freehold	3,321,574
2 Storey Industrial Lot, Sri Ayutthaya Address: 40 Moo 4 Tambon U-Thai, Amphur Uthai, Pra Nakhon Sri Ayutthaya Province	17	03 May 2018	163,439	Freehold	9,157,919
1 plot of Industrial Land, Johor Bahru Address: Plot 4, HSD 547617, PTD 200311, Mukim Pulai, Johor Bahru	10	28 February 2018	136,583	Freehold	11,572,565
2 Storey Industrial Lot Address: No. 2, Jalan Haji Abdul Manan 3/KU8 Kawasan Perindustrian Meru Barat 41050 Klang, Selangor	7	31 July 2018	41,591	Freehold	6,539,091
1 Agricultural Land, Negeri Pahang Address: Geran Mukim 886, No. Lot 8233, Mukim Bentong, Daerah Bentong, Negeri Pahang.	29	04 June 2024	355,284	Freehold	1,722,499
1 Agricultural Land, Negeri Pahang Address: No. Geran Mukim 7057, No. Lot 4758, Mukim Gali, Daerah Raub, Negeri Pahang	15	03 September 2024	183,826	Freehold	415,630
TOTAL					121,830,941

ANALYSIS OF SHAREHOLDINGS

AS AT 31 DECEMBER 2024

SHAREHOLDINGS

Issued Shares : 525,204,224 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 : 12,348

ANALYSIS BY SIZE OF HOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
1 - 99	1,170	9.475	51,186	0.010
100 - 1,000	2,444	19.793	1,456,616	0.277
1,001 - 10,000	5,967	48.324	29,207,188	5.561
10,001 - 100,000	2,370	19.193	73,375,570	13.971
100,001 - 26,260,210 (*)	396	3.207	385,220,725	73.347
26,260,211 and above (**)	1	0.008	35,892,939	6.834
TOTAL :	12,348	100.000	525,204,224	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 2024

No.	Name	No. of Shares held as at 31 December 2024			
		Direct	%	Indirect	%
1	THOO CHOW FAH	19,871,301	3.784	1,582,962 ^[1]	0.301
2	CHOO WING HONG	35,892,939	6.834	-	-
3	CHOO WING ONN	32,137,766	6.119	-	-
4	LEE TIAN YOKE	15,279,346	2.909	-	-
5	CHOO WING YEW	8,199,887	1.561	-	-
6	TEH SU-CHING	5,000	0.001	-	-
7	DATO' ABU BAKAR BIN MOHD NOR	41,689	0.008	-	-
8	ALVIN VONG CHEN WENG	50	0.000	-	-

Remark:

^[1] - Deemed interested in shares held by his spouse, Choo Wai Sook, pursuant to Section 59(11)(c) of the Companies Act 2016**SUBSTANTIAL SHAREHOLDERS**

No.	Name	No. of Shares	%
1	CHOO WING HONG	35,892,939	6.834
2	CHOO WING ONN	32,137,766	6.119

Analysis of Shareholdings (Cont'd)

As at 31 December 2024

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No.of Shares	%
1	CHOO WING HONG	35,892,939	6.834
2	CHOO WING ONN	19,945,766	3.797
3	THOO CHOW FAH	19,871,301	3.783
4	YEOH YEW CHOO	17,145,000	3.264
5	WANDEERFULL PROPERTY & DEVELOPMENT SDN BHD	17,094,800	3.254
6	LEE TIAN YOKE	15,279,346	2.909
7	TAN PAU SON	12,586,800	2.396
8	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOO WING ONN	12,192,000	2.321
9	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 14)	7,861,820	1.496
10	CHOO WING LEONG	7,791,665	1.483
11	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR ARECA EQUITYTRUST FUND (211882)	6,605,900	1.257
12	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY MOY KOH (MY3164)	6,415,000	1.221
13	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 19)	6,118,800	1.165
14	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEOH LEE PENG (T MUTIARA-CL)	6,000,000	1.142
15	CHOO WING KIN	5,489,050	1.045
16	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA SHARIAH GROWTH OPPORTUNITIES FUND (50156 TR01)	5,457,700	1.039
17	CHIN KOK WAI	5,000,000	0.952
18	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (MYBK AM SC E)	5,000,000	0.952
19	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	4,954,700	0.943
20	TAY MOY KOH	4,672,700	0.889
21	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LAI MING CHUN @ LAI POH LIN (PB)	4,600,000	0.875
22	CHOO WING YEW	4,217,800	0.803
23	PAUSON CORPORATION SDN BHD	4,118,300	0.784
24	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PETROLIAM NASIONAL BERHAD (ACF-KENANGA-EQ)	4,002,700	0.762
25	MAYBANK NOMINEES (TEMPATAN) SDN BHD NATIONAL TRUST FUND (IFM MAYBANK) (412183)	4,000,000	0.761
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BERHAD FOR ETHEREAL CAPITAL SDN BHD (GROWTH FUND) (445788)	3,958,000	0.753
27	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG GROWTH FUND	3,600,000	0.685
28	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF TACTICAL FUND	3,300,000	0.628
29	CHOO WING YEW	3,232,087	0.615
30	HONG LEONG ASSURANCE BERHAD AS BENEFICIAL OWNER (UNITLINKED DP)	3,180,000	0.605
		259,584,174	49.425

ANALYSIS OF WARRANT HOLDINGS

AS AT 31 DECEMBER 2024

WARRANTS-D HOLDINGS

No. of Warrants D in issue : 51,226,516
 Exercise price of the Warrants D : RM0.445
 Issue date of the Warrants D : 8 May 2024
 Expiry date of the Warrants D : 7 May 2029

ANALYSIS BY SIZE OF WARRANT HOLDINGS

Size of Holdings	No. of Holders	%	No. of Warrants	%
1 - 99	2,643	31.230	64,565	0.126
100 - 1,000	3,708	43.814	1,554,518	3.035
1,001 - 10,000	1,634	19.308	6,062,798	11.835
10,001 - 100,000	418	4.939	12,806,735	25.000
100,001 - 2,561,324 (*)	58	0.685	18,158,580	35.448
2,561,325 and above (**)	2	0.024	12,579,320	24.556
TOTAL :	8,463	100.000	51,226,516	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 2024

No.	Name	No. of Warrants held as at 31 December 2024			
		Direct	%	Indirect	%
1	THOO CHOW FAH	-	-	-	-
2	CHOO WING HONG	-	-	-	-
3	CHOO WING ONN	-	-	-	-
4	LEE TIAN YOKE	-	-	-	-
5	CHOO WING YEW	278,208	0.543	-	-
6	TEH SU-CHING	500	0.001	-	-
7	DATO' ABU BAKAR BIN MOHD NOR	4,168	0.008	-	-
8	ALVIN VONG CHEN WENG	5	0.000	-	-

Analysis of Warrant Holdings (Cont'd)

As at 31 December 2024

LIST OF TOP 30 WARRANT HOLDERS

No.	Name	Holdings	%
1.	TAN PAU SON	9,009,320	17.587
2.	PAUSON CORPORATION SDN BHD	3,570,000	6.969
3.	THO SIEW WAH	1,856,000	3.623
4.	WANDEERFULL PROPERTY & DEVELOPMENT SDN BHD	1,338,700	2.613
5.	NUSANTARA FOOD SDN BHD	1,078,100	2.104
6.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEOH LEE PENG (T MUTIARA-CL)	950,000	1.854
7.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY MOY KOH (SEGAMAT-CL)	904,000	1.764
8.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY MOY KOH (MY3164)	675,000	1.317
9.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEY YAO DONG (MY4293)	540,400	1.054
10.	ONG LAM HUAT	528,600	1.031
11.	CHOO WING LEONG	471,766	0.920
12.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOOI BOON HAN (MY4392)	428,000	0.835
13.	LEE SIEW PENG	380,000	0.741
14.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEN HUI YANG (7000068)	370,000	0.722
15.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BERHAD FOR ETHEREAL CAPITAL SDN BHD (GROWTH FUND) (445788)	367,300	0.717
16.	NIK ANIS AMINEE BIN NIK MOHAMED	320,500	0.625
17.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR STALLONE LEE PENG FOONG (MF00671)	300,000	0.585
18.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR MOHD SALMAN @ LEONG YEW MUN	300,000	0.585
19.	LIEW AI LING	290,000	0.566
20.	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	285,900	0.558
21.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEOH CHENG SHONG (E-SS2)	275,000	0.536
22.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI TECK CHOY (6000815)	259,000	0.505
23.	CHAN YUET MUI	250,000	0.488
24.	ZAINUL ABIDEEN BIN FAZLE ABBAS	240,000	0.468
25.	YUEN THUI YANG	236,256	0.461
26.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MTRUSTEE BERHAD FOR ETHEREAL-OMEGA EQ FUND (445330)	212,100	0.414
27.	CHOO WING YEW	203,208	0.396
28.	ROSITA BINTI MANSOR	200,000	0.390
29.	ZURIANA BINTI DIN	190,600	0.372
30.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG WEI CHIAN (MY3311)	187,700	0.366
		26,217,450	51.179

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 2024 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 Employee Share Option Scheme and Executive Share Grant Scheme. 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 from 24 February 2022.

Additional Compliance (Cont'd)

A detailed breakdown of the allocation of the options as at 30 September 2024 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 2023	19,254,510	10,800,000
Exercised	(8,683,310)	(2,700,000)
As at 30 September 2024	10,571,200	8,100,000

- (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 2024:

Directors and Senior Management	Since the commencement of the LTIP up to financial year ended 30 September 2024
Aggregate maximum allocation	12,450,000
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 2023	Granted	Exercised	Balance as at 30 September 2024
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 Twenty-First (“21st”) Annual General Meeting (“AGM”) of NOTION VTEC BERHAD (“Company” or “NVB”) will be held at Ballroom 3, Level 1, Wyndham Acmar Klang Hotel, No. 1-G-1, Jalan Persiaran Bukit Raja 2/KU1, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan, Malaysia on Wednesday, 5 March 2025 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 2024 together with the Reports of the Directors and Auditors thereon. **[Please refer to Note (i) 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 Thoo Chow Fah **(Ordinary Resolution 1)**
 - ii. Dato’ Abu Bakar Bin Mohd Nor **(Ordinary Resolution 2)**
 - iii. Ms Teh Su-Ching **(Ordinary Resolution 3)****[Please refer to Note (ii) of the Explanatory Notes]**
3. To approve the Directors’ Fees of up to RM350,000 (2023: RM350,000) and benefits payable to the Directors of the Company of up to RM50,000 (2023: RM50,000) from 6 March 2025 until the conclusion of the next AGM of the Company, to be paid monthly in arrears. **(Ordinary Resolution 4)**
[Please refer to Note (iii) of the Explanatory Notes]
4. 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:

5. **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, 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.”

(Ordinary Resolution 6)

[Please refer to Note (iv) of the Explanatory Notes]

Notice of Annual General Meeting (Cont'd)

6. Proposed Granting of Options to Ms Teh Su-Ching, Independent Non-Executive Director, under the Long Term Incentive Plan ("LTIP") of the Company

"THAT subject to the passing of Ordinary Resolution 3 above, approval be and is hereby given to the Board to authorise the LTIP Committee to award and to grant to Ms Teh Su-Ching, who is an Independent Non-Executive Director of the Company, options to subscribe for up to 750,000 new ordinary shares in the Company, from time to time throughout the duration of the LTIP, **PROVIDED ALWAYS THAT:**

- (i) not more than 10% of the NVB shares made available under the LTIP and any other scheme involving issuance of new NVB shares to employees which may be implemented from time to time by the Company is allocated to her if she, either singly or collectively through persons connected with her, holds 20% or more of the issued and paid-up share capital of the Company (excluding treasury shares); and
- (ii) she does not participate in the deliberation or discussion of her own allocation of the number of NVB shares comprised in the options to be offered to her as well as that of the persons connected with her within the meaning of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") under the LTIP,

and subject always to such terms and conditions of the By-Laws and/or any adjustment which may be made in accordance with the provisions of the By-Laws and the MMLR of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time;

AND THAT approval be and is hereby given to the Board to allot and issue such number of NVB shares to Ms Teh Su-Ching, from time to time, pursuant to the exercise of options under the LTIP."

(Ordinary Resolution 7)

[Please refer to Note (v) of the Explanatory Notes]

7. Proposed Granting of Options to Mr Alvin Vong Chen Weng, Independent Non-Executive Director, under the LTIP of the Company

"THAT approval be and is hereby given to the Board to authorise the LTIP Committee to award and to grant to Mr Alvin Vong Chen Weng, who is an Independent Non-Executive Director of the Company, options to subscribe for up to 750,000 new ordinary shares in the Company, from time to time throughout the duration of the LTIP, **PROVIDED ALWAYS THAT:**

- (i) not more than 10% of the NVB shares made available under the LTIP and any other scheme involving issuance of new NVB shares to employees which may be implemented from time to time by the Company is allocated to him if he, either singly or collectively through persons connected with him, holds 20% or more of the issued and paid-up share capital of the Company (excluding treasury shares); and
- (ii) he does not participate in the deliberation or discussion of his own allocation of the number of NVB shares comprised in the options to be offered to him as well as that of the persons connected with him within the meaning of the MMLR of Bursa Securities under the LTIP,

and subject always to such terms and conditions of the By-Laws and/or any adjustment which may be made in accordance with the provisions of the By-Laws and the MMLR of Bursa Securities, or any prevailing guidelines issued by Bursa Securities or any other relevant authorities, as amended from time to time;

AND THAT approval be and is hereby given to the Board to allot and issue such number of NVB shares to Mr Alvin Vong Chen Weng, from time to time, pursuant to the exercise of options under the LTIP."

(Ordinary Resolution 8)

[Please refer to Note (v) of the Explanatory Notes]

8. To transact any other business that may be transacted at the 21st 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

17 January 2025

Notice of Annual General Meeting (Cont'd)

Explanatory Notes:

(i) 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**.

(ii) Ordinary Resolutions 1 to 3 - Re-election of Directors

The profiles of the Directors who are standing for re-election as per Agenda item no. 2 are set out in the Board of Directors' profile for Annual Report 2024.

The performance, contribution, effectiveness and independence (as the case may be) of the retiring Directors, namely Mr Thoo Chow Fah, Dato' Abu Bakar Bin Mohd Nor and Ms Teh Su-Ching (collectively "**Retiring Directors**") have been assessed by the Nomination Committee ("**NC**"). In addition, the NC has also conducted an assessment on the fitness and propriety of the Retiring Directors including the review of their fit and proper declarations and results of their background checks in accordance with the Directors' Fit & Proper Policy. The Retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election.

Based on the recommendation of NC, the Board endorsed the same, having been satisfied with the performance as well as fitness and propriety of the Retiring Directors.

(iii) Ordinary Resolution 4 - Directors' Fees and Benefits Payable

Section 230(1)(b) of the Act provides that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries companies shall be approved at a general meeting. There is no revision to the amount proposed.

Details of the Directors' fees for the financial year ended 30 September 2024 are disclosed in the Corporate Governance Report 2024.

The amount of Directors' fees to each Director of the Company and its subsidiaries for the period from 6 March 2025 and up to the date of next AGM are as follows:

Directors	Amount (RM)
Notion VTec Berhad:-	
Mr Thoo Chow Fah	-
Mr Choo Wing Hong	-
Mr Choo Wing Onn	-
Mr Lee Tian Yoke	-
Mr Choo Wing Yew	-
Dato' Abu Bakar Bin Mohd Nor	108,000
Ms Teh Su-Ching	108,000
Mr Alvin Vong Chen Weng	108,000

In determining the estimated total amount of Directors' fees and benefits payable to the Directors of the Company, the Board has considered various factors including the roles and responsibilities, and required time commitment expected from Independent Non-Executive Directors, the current Board size, and the number of scheduled meetings for the Board and Board Committees, and general meeting.

Payment of Directors' fees and any benefits payable will be made by the Company on a monthly basis or as and when incurred. The Board is of the view that it is just and equitable for the Directors' fees to be paid on monthly basis or as and when incurred, after the Independent Non-Executive Directors have discharged their responsibilities and rendered their services to the Company.

(iv) Ordinary Resolution 6 - Proposed Authority to Allot and Issue Shares pursuant to Section 76 of the Act

The proposed Ordinary Resolution 6 is to obtain a general mandate for issuance of shares by the Company under Section 76 of the Act.

The proposed Ordinary Resolution 6, 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). 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 next AGM.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 59 of the Constitution of the Company will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.

As at the date of this Notice, there were no new shares issued pursuant to the mandate granted to the Directors of the Company at the 20th AGM held on 1 March 2024 and which will lapse at the conclusion of the 21st AGM. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect thereof.

Notice of Annual General Meeting (Cont'd)

(v) **Ordinary Resolutions 7 and 8 - Proposed Granting of Options to Ms Teh Su-Ching and Mr Alvin Vong Chen Weng, Independent Non-Executive Directors**

The LTIP was implemented on 24 February 2017 following the shareholders' approval obtained at the Extraordinary General Meeting of the Company held on 23 February 2017. Pursuant to the By-Laws of the LTIP, the LTIP was extended for a period of five (5) years until 23 February 2027.

Ms Teh Su-Ching and Mr Alvin Vong Chen Weng were appointed to the Board of Directors on 2 August 2021 and 17 April 2023 respectively. The proposed Ordinary Resolutions 7 and 8 if passed, will allow the Board of Directors to offer and grant to Ms Teh Su-Ching and Mr Alvin Vong Chen Weng, options to subscribe for up to 750,000 new ordinary shares in the Company in accordance with the By-Laws of the LTIP.

Notes:

- (1) 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.
- (2) A member may appoint up to two (2) proxies to attend the AGM. Where a member appoints two (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.
- (3) 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.

- (4) 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, Malaysia or drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (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://tiah.online>. Please refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIIH Online.
- (5) Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all the resolutions set out in the notice of the general meeting will be put to vote 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.
- (6) 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 25 February 2025 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.

FORM OF PROXY

NOTIONVTEC

NOTION VTEC BERHAD

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

No. of Shares held	CDS Account No.

I/We, _____ (name of shareholder as per NRIC)

NRIC/Passport/Registration No. _____ of _____

_____ (full address)

being a Member(s) of NOTION VTEC BERHAD, hereby appoint _____ (name of proxy as per NRIC)

NRIC/Passport No. _____ of _____ (full address)

and/or failing him/her, _____ (name of proxy as per NRIC) NRIC/Passport No. _____

of _____ (full address) or

the Chairman of the Twenty-First (“21st”) Annual General Meeting (“AGM”) as *my/our proxy to vote for *me/us on *my/our behalf at the 21st AGM of the Company to be held at Ballroom 3, Level 1, Wyndham Acmar Klang Hotel, No. 1-G-1, Jalan Persiaran Bukit Raja 2/KU1, Bandar Baru Klang, 41150 Klang, Selangor Darul Ehsan, Malaysia on Wednesday, 5 March 2025 at 9.30 a.m. or at any adjournment thereof and to vote as indicated below:-

Agenda			For	Against
1	To re-elect Mr Thoo Chow Fah 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 Directors’ fees and benefits payable to the Directors of the Company from 6 March 2025 until the conclusion of the next AGM of the Company, to be paid monthly in arrears.	Ordinary Resolution 4		
5	To re-appoint Crowe Malaysia PLT as Auditors of the Company.	Ordinary Resolution 5		
6	To approve the proposed authority to allot and issue shares pursuant to Section 76 of the Companies Act 2016.	Ordinary Resolution 6		
7	To approve the proposed granting of options to Ms Teh Su-Ching, Independent Non-Executive Director, under the Long Term Incentive Plan of the Company	Ordinary Resolution 7		
8	To approve the proposed granting of options to Mr Alvin Vong Chen Weng, Independent Non-Executive Director, under the Long Term Incentive Plan of the Company	Ordinary Resolution 8		

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 Twenty-First (“21st”) Annual General Meeting (“AGM”)” and insert the name(s) of the person(s) desired.

* Delete if not applicable

Tel:

Signature of Shareholder or Common Seal

Dated this _____ day of _____ 2025.



NOTES :

- (1) 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.
- (2) A member may appoint up to two (2) proxies to attend the AGM. Where a member appoints two (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.
- (3) 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.
- (4) 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, Malaysia or drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than forty-eight (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 TIH Online website at <https://tlih.online>. Please refer to the Administrative Guide on the procedures for electronic lodgement of proxy form via TIH Online.
- (5) Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in the notice of the general meeting will be put to vote 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.
- (6) 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 25 February 2025 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 17 January 2025.

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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

Please Fold Here

NOTIONVTEC
NOTION VTEC BERHAD

Registration No. 200301035125 (637546-D)

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Batu 5 1/2, Jalan Meru, 41050 Klang,
Selangor Darul Ehsan, Malaysia

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