

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

MINUTES OF THE TWENTY-FIRST ANNUAL GENERAL MEETING OF NOTION VTEC BERHAD (“**THE COMPANY**” OR “**NVB**”) 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.

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**PRESENT:**

**DIRECTORS**

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

**IN ATTENDANCE**

Ms Tan Ai Ning	-	Company Secretary
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The list of shareholders, proxies and invitees who attended the Twenty-First Annual General Meeting (“**21st AGM**” or “**the Meeting**”) are set out in the Attendance Lists attached and shall form an integral part of these Minutes.

**1. CHAIRMAN**

Mr Thoo Chow Fah, being the Chairman of the Board of Directors presided as Chairman of the Meeting and welcomed all shareholders, proxies and invitees (“**Participants**”) to the 21<sup>st</sup> AGM.

The Chairman then proceeded to introduce the Board of Directors, the Company Secretary and the External Auditors who were in attendance.

**2. QUORUM AND SUMMARY OF PROXIES RECEIVED**

The Company Secretary confirmed that a quorum was present for the Meeting. The Company had received in total 21 proxy forms from the shareholders for a total of 38,974,745 ordinary shares representing 7.41 % of the total number of issued shares of the Company.

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Out of those, there were 11 shareholders who have appointed the Chairman of the Meeting as proxy to vote on his/her behalf and the shares so represented stood at 23,780,842, which represent 4.52% of the total number of issued share of the Company.

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

**3. NOTICE**

The Notice convening the Meeting having been circulated within the prescribed period was with the permission of the Meeting taken as read.

To avoid any disruption to the proceedings of the Meeting, the Chairman requested all present to switch their handphone, tablets or such other similar devices to silent mode.

The Participants were encouraged to participate, speak and vote for the resolutions at the Meeting.

**4. VOTING PROCEDURES**

The Meeting noted that pursuant to Paragraph 8.29A of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), all resolutions set out in the Notice of Meeting must be voted by poll.

The Chairman informed that the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd to conduct the electronic poll voting and Quantegic Services Sdn Bhd as the Scrutineer to verify the poll results.

The Chairman further informed that the electronic polling process will be conducted upon the conclusions of the deliberations of all items on the Agenda.

**5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024 TOGETHER WITH THE DIRECTORS’ AND AUDITORS’ REPORTS THEREON**

The Audited Financial Statements for the financial year ended 30 September 2024 (“**AFS 2024**”) together with the Directors’ and Auditors’ Reports thereon, which have been circulated to all shareholders for the prescribed period, were tabled for discussion.

This Agenda item was meant for discussion only and would not put for voting as the provision of Section 340 of the Act does not require a formal approval of the shareholders.

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The Chairman informed that the Company had received a letter from Minority Shareholders Watch Group (“MSWG”) seeking clarification/information on several issues pertaining to operational, financial, sustainability and corporate governance matters of the Group. At invitation of the Chairman, the CFO presented the questions raised by MSWG and replies from the Company, as set out in Appendix I attached to this Minutes.

After addressing the questions received from MSWG, the Chairman invited questions from the floor on the AFS 2024. The questions raised were succinctly addressed by the Chairman and the Executive Directors. The salient questions raised and replies from the Company were set out in the Appendix II attached to this Minutes.

There being no further questions raised, it was recorded that the AFS 2024 together with the Directors’ and Auditors’ Reports thereon be and are hereby received by the shareholders and proxies.

Thereafter, the Chairman went through each of the motions set out in the Notice of the Meeting.

**6. VOTING**

After all the motions have been tabled to the Meeting, the Chairman directed that the registration of the shareholders and proxies for the Meeting to close and proceeded with the electronic polling process.

The Members were briefed on the electronic polling process and directed to cast their votes at the voting kiosk set up in the meeting room. The Members present were then given time to cast their votes.

The Chairman informed that the outcome of the poll would be announced after a short break as it would take some time for the Scrutineers to tabulate the results of the poll. The AGM was then adjourned at 11.16 a.m. for the shareholders and proxies to cast their votes.

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**POLL RESULTS**

The Meeting resumed at 11.37 p.m. for the declaration of the results of the poll:-

<b>Ordinary Resolution 1</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To re-elect Mr Thoo Chow Fah who is retiring in accordance with Clause 95 of the Constitution of the Company.	135,322,343	99.8173	247,652	0.1827

It was RESOLVED:-

THAT Mr Thoo Chow Fah who retired in accordance with Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

<b>Ordinary Resolution 2</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To re-elect Dato' Abu Bakar Bin Mohd Nor who is retiring in accordance with Clause 95 of the Constitution of the Company.	128,780,106	95.0208	6,748,200	4.9792

It was RESOLVED:-

THAT Dato' Abu Bakar Bin Mohd Nor who retired in accordance with Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

<b>Ordinary Resolution 3</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To re-elect Ms Teh Su-Ching who is retiring in accordance with Clause 95 of the Constitution of the Company.	130,521,742	96.2763	5,048,253	3.7237

It was RESOLVED:-

THAT Ms Teh Su-Ching who retired in accordance with Clause 95 of the Constitution of the Company be and is hereby re-elected as Director of the Company.

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<b>Ordinary Resolution 4</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To approve the Directors' Fees of up to RM350,000 and benefits payable to the Directors of the Company of up to RM50,000 from 6 March 2025 until the conclusion of the next AGM of the Company, to be paid monthly in arrears.	135,523,198	99.9999	58	0.0000

It was RESOLVED:-

THAT the Directors' Fees of up to RM350,000 and benefits payable to the Directors of the Company of up to RM50,000 from 6 March 2025 until the conclusion of the next AGM, to be paid monthly in arrears be and is hereby approved.

<b>Ordinary Resolution 5</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	135,569,942	99.9999	53	0.0000

It was RESOLVED:-

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

<b>Ordinary Resolution 6</b>	<b>Votes in favour</b>		<b>Votes against</b>	
	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>
To approve the proposed authority to allot and issue shares pursuant to Section 76 of the Act.	128,311,542	94.6460	7,258,453	5.3540

It was RESOLVED:-

THAT pursuant to Section 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may in their absolute

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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 7	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve the proposed granting of options to Ms Teh Su-Ching, Independent Non-Executive Director, under the Long Term Incentive Plan ("LTIP") of the Company	126,136,066	93.0447	9,428,929	6.9553

It was RESOLVED:-

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 MMLR of Bursa Securities under the LTIP,

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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 8	Votes in favour		Votes against	
	No. of shares	%	No. of shares	%
To approve the proposed granting of options to Mr Alvin Vong Chen Weng, Independent Non-Executive Director, under the LTIP of the Company	126,141,016	93.0450	9,428,929	6.9550

It was RESOLVED:-

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.

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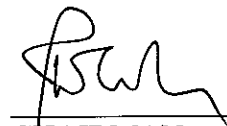
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**CONCLUSION**

The Chairman expressed his appreciation to the Participants for their attendance. There being no other business to be transacted, the Chairman declared the Meeting closed at 11.40 a.m..

SIGNED AS A CORRECT RECORD

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

CHAIRMAN



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APPENDIX I to Minutes of 21<sup>st</sup> Annual General Meeting held on 5 March 2025

**MINORITY SHAREHOLDERS WATCH GROUP QUESTIONS AND REPLIES AT  
THE 21<sup>ST</sup> ANNUAL GENERAL MEETING HELD ON 5 MARCH 2025**

**Operational & Financial Matters**

1. *The Hard Disk Drive (“HDD”) segment and Electronic Manufacturing Services (“EMS”) segment experienced significant revenue growth of 69% and 79%, respectively, with revenue increasing to RM133.3 million and RM189.9 million. The growth was primarily driven by the tailwind of both AI and data centre growth. [Pages 9 & 10 of Annual Report 2024 (“AR2024”).]*

*In light of recent U.S. restrictions on AI-related chips, which may in turn slow data centre expansion, what is the Board’s view on the potential impact of these developments on the demand for the Group’s HDD and EMS products?*

NVB’s reply:-

The Board of Directors believes that the HDD segment will remain stable, whilst the EMS segment is expected to continue growing, driven by new product launches.

2. *The Malaysian minimum wage is set to increase from RM1,500 to RM1,700 per month in February 2025.*

- a) *How many factory and general workers does the Group currently employ?*

NVB’s reply:-

The Group currently employs 1,929 workers.

- b) *To what extent does the minimum wage impact the Group’s profit margins? What measures are in place to mitigate rising labour costs?*

NVB’s reply:-

The increase in minimum wage is expected to raise production costs by 2.1% leading to a reduction in profit margins by 1.6%. To mitigate this impact, we will negotiate with customers to pass on the cost increase to them.

## **Sustainability Matters**

3. *In relation to fuel consumption (Page 22 of AR2024):*

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

*Why was there a significant increase in fuel consumption for petrol in FYE2024?*

NVB's reply:-

The increase in petrol consumption is in line with the revenue growth for FYE2024 of 41% compared to FYE2023 as a result of increased distribution and logistics activities.

4. *The Lost Time Injury Rate increased slightly to 0.24 from 0.17 in the previous year; mainly due to the increase in new hires that require further training and familiarity with the operational safety procedures. The Group hired 402 new employees in FYE 2024, but only 389 employees were trained on health and safety standards. (Pages 30 & 34 of AR2024)*

*Do all new hires receive health and safety training as part of the intake orientation? What are the standard operating procedures for health and safety training for both new hires and existing employees?*

NVB's reply:-

All new hires receive basic health and safety training as part of the intake orientation induction programme. More comprehensive training will be provided as employee progress in his job responsibility. The 13 workers have attended the compulsory basic health and safety induction programme and will attend more specific health and safety training once their job placement is made permanent.

## **Corporate Governance Matters**

5. *Under Ordinary Resolutions 7 & 8, shareholders' approval is being sought for the proposed granting of share options under the Long-Term Incentive Plan ("LTIP") to Ms. Teh Su-Ching and Mr. Alvin Vong Chen Weng, being the Independent Non-Executive Directors of the Company.*

*MSWG discourages the participation of independent directors in any form of share options due to their non-executive management roles and responsibilities in overseeing the allocation of share options to executive directors and employees.*

*The granting of share options to independent directors raises concerns regarding potential conflicts of interest, dilution of independence and impaired objectivity. These risks arise from the possibility that independent directors may be influenced by personal financial interests aligned with share price performance, compromising their objectivity in oversight duties and decision-making processes.*

*Considering that independent directors do not have executive responsibilities and are already adequately compensated through directors' fees and other benefits, please justify granting share options to the independent directors.*

NVB's reply:-

While we acknowledge MSWG's preference for fixed fees for independent directors, we believe that a combination of fixed fees and Employees' Share Option Scheme ("ESOS") provides a balanced approach to compensation. This structure not only rewards directors for their service but also aligns their interests with the long-term performance of the company.

We understand the importance of maintaining the independence and impartiality of our independent directors. To this end, the ESOS grants to independent directors are structured to ensure that their independence is not compromised. The grants are modest and are designed to reward their contributions without creating a conflict of interest.

Our ESOS framework is governed by stringent policies and procedures to ensure transparency and fairness. The allocation of ESOS to independent directors is subject to approval by the shareholders at the General Meeting, ensuring that all stakeholders have a say in the matter.

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APPENDIX II to Minutes of 21<sup>st</sup> Annual General Meeting held on 5 March 2025

Summary of Key Matters discussed at the 21<sup>st</sup> Annual General Meeting

### **Question and Answer Session**

1. *Mr Teh Kian Lang enquired on the following:-*

(i) *Were the properties listed on pages 122 to 124 of AR2024 revalued?*

The properties listed on pages 122 to 124 of AR 2024 were recorded at historical values and have not been revalued.

(ii) *What is the purpose of the Company’s purchase of two (2) agriculture lands in Pahang?*

The two (2) agriculture lands acquired in Pahang were for investment purposes and to support the Group’s Environment, Social and Governance (“ESG”) initiatives.

(iii) *What is the percentage of foreign workers in the Group? Has Notion faced any challenges in the employment of foreign workers?*

Foreign workers constitute at least 80% of the Group’s total workforce. The Group engages labour contractors for the recruitment and supply of foreign workers. The current quota for foreign worker employment has been fully utilised. The Group will apply for additional foreigner workers once the government’s freeze on foreign workers employment is lifted.

(iv) *Is the Group currently encountering a shortage of foreign workers?*

The Group was currently experiencing a shortage of foreign workers due to the return of foreign workers to their home countries. Nevertheless, this situation remains under control. The Group was considering local employment and engaging outsourced workers as alternatives.

2. *Mr Chee Sai Mun (“**Mr Chee**”) enquired on the following:-*

(i) *What were the reasons for the fluctuation of the Groups profit before tax over the past two years and was it due to changes in the Group’s business model.*

The Group was significantly affected by the COVID-19 pandemic and it took about four years to recover. During the COVID-19 pandemic, the Group diversified into

the face mask and glove segments and subsequently, these ventures were discontinued, which affected overall business performance over the past few years.

FYE2024 marked a turning point, with strong growth emerging in the Hard Disk Drive (“HDD”) and Electronics Manufacturing Services (“EMS”) segments. As disclosed in the AR2024, the HDD segment and EMS segment generated approximately 27% and 39% of total sales respectively, and were expected to continue to grow.

The Group’s relationship with its customers can be identified as direct and indirect. The Group supplies contract manufacturers (indirect customers) with the metal components, printed circuit boards, and other relevant parts to produce finished products such as hair dryers, vacuum cleaners, air purifiers, and hand dryers.

In addition, the Group also supplies high-IP products directly to customers, such as shafts and aluminium impellers. The Group had successfully developed the samples that meet the product specifications and requirements, and secured business orders for motor hubs and motor-related components.

Looking ahead to financial years 2025 and 2026, the Group anticipates that its growth will be driven by the expansion of the manufacturing for these newly developed components.

- (ii) *What were the factors strengthening the Company’s confidence in its competitive positioning within the EMS segment in light of the stronger performance by its competitors?*

It was clarified that the competitors outlined by Mr Chee are the customers to the Group and the Group’s primary competitors are the small and medium-sized EMS manufacturers in Johor.

- (iii) *How confident is Management in the long-term sustainability of the business amid ongoing market uncertainties?*

The Group acknowledged that unforeseeable risks are inherent in any business environment and remains focus on adapting to industry shifts. Notably, the HDD industry is transitioning from aluminium-based HDD to glass-based HDD, which requires the Group to undertake an entire new manufacturing process. The Group is preparing for this transition in 2026–2027 in alignment with key customers’ strategic direction toward high-capacity glass-based HDD.

- (iv) *What level of investment and capital expenditure has been allocated to the Automotive segment?*

The Group has secured a new automotive customer based in the United Kingdom with requirements of steel-based part rather than aluminium. The Group has initially invested in two turn-mill machines from China valued at below RM1 million. Subject to the stabilisation of the machining process, the Group plans to expand the investment to acquire up to 10 machines, with an estimated capital expenditure of approximately RM5 million.

- (v) *What is the Group's position on emerging technologies such as artificial intelligence and robotics, and the Group's approach to address industry challenges?*

The Group is actively exploring the processes required for automation and robotics development and the Group is working closely with the customers on these technological advancements. The Group envisions increasing significant automation in the operations over the next five years, with reducing reliance on foreign workers.

- (vi) *How does the Group manage the impact of the industry's shift from internal combustion engines vehicles to electric vehicles and what steps has the Group taken to position itself in the evolving electric vehicle market?*

The Group's automotive product portfolio includes plungers, which are aluminium pistons used in hydraulic braking systems. This hydraulic braking system shall remain essential regardless of the vehicle's power source. Hence, the demand for automotive products remains strong and relevant in evolving electric vehicles market.

- (vii) *Do raw materials constitute the Group's production costs compared to labour costs?*

The raw material costs account for approximately 25% to 30% of the Group's total production costs.

- (viii) *What is the Group's outlook regarding the raw material price trends in light of current market volatility?*

Commodity prices are inherently volatile and hardly to forecast. The Group observes that crude oil price generally correlates with other commodity prices. For instance, an increase in crude oil prices is often accompanied by corresponding rises in other commodity prices.

(ix) *What is the Group's strategy in China and the rationale behind its expansion?*

The Group's expansion into China was primarily driven by the requirement of a major UK-based multinational customer with a significant operation in the region. Additionally, extensive research and development activities were being conducted in China, leveraging the latest processes and innovation, low operating costs and advanced manufacturing technologies available there.

(x) *Does the Company have any plans to undertake a share buyback exercise?*

The Company had no intention to undertake a share buyback exercise, as it believes that its financial resources would be more effectively utilised in supporting business expansion initiatives or strategic asset acquisitions with the aim of driving long-term growth.

(xi) *What are the current business segments of the Group?*

The Group's current core business segments as of now include HDD, Automotive, EMS, and Camera/Industrial Products, which may change from time to time based on the prevailing market demand.

3. *Mr Ang Wee Loon enquired whether the personal protective equipment ("PPE") segment remains operational, given that an impairment loss of RM30.696 million on plant and machinery has been recognised under the PPE segment.*

The Group has discontinued the operations under the PPE segment.

4. *Mr Ng Kok Kiong enquired on the following:-*

(i) *What is the Group's foreign exchange hedging policy in light of an unrealised foreign exchange loss reported for the FYE2024?*

The Group reported an unrealised foreign exchange gain of RM11.879 million and a realised foreign exchange loss of RM5.150 million for the FYE2024. Approximately 55% of the Group's receivables were denominated in United States Dollars ("USD"), making it the most significant currency affecting the Group's financial performance.

The Group previously hedged partial exposure during the depreciation of USD to RM4.10: USD1 and thereafter, the exchange rate of USD rebounded. The Group will observe and consider hedging when the USD strengthens to RM4.60: USD1 with limit of not more than 20% of its total exposure to avoid excessive risk.

- (ii) *Does the Group have any plans to hedge raw materials?*

The Group had previously explored commodity hedging such as aluminium, and subsequently, the Group did not implement due to lack of suitable commodity for hedging. At present, the Company does not engage in any commodity hedging.

- (iii) *Does the Group have any plans to adopt artificial intelligence and automation in production and what is the anticipated capital expenditure required for such implementation?*

The deployment of artificial intelligence and robotics in productions would significantly enhance production efficiency and cost effectiveness. While the Group aims to incorporate artificial intelligence-driven automation in its operations, this initiative is still in the preliminary stage. Detailed capital expenditure plans will be developed as the initiative progresses.

- (iv) *Is the Group currently using robotics in its manufacturing plants?*

The Group has deployed collaborative robots in its operation which primarily utilised to perform repetitive tasks and resulted in increased production efficiency.

- (v) *What are the Group's plans following its acquisition of Notion Industrial Technology (Shenzhen) Limited ("**Notion Shenzhen**")?*

The Group expanded its presence in China through Notion Shenzhen to cater the EMS customers in China. The Group has established a manufacturing plant in China, of which the operations are expected to commence in March 2025.

- (vi) *Does the Group have any plans to replace the company vehicle with electric vehicles and install solar panels in alignment with carbon emissions reduction and solar energy initiative?*

It was noted that solar panels had been installed on the rooftops of three manufacturing plants in Klang without incurring any capital expenditure.

Additionally, the Group has plans to progressively replace the company vehicles with electric vehicles to support the Group's ESG initiatives.

5. Encik Rien Hashim enquired on the following:-

- (i) *What are the reasons causing the investment bank downgraded the Company's investment rating?*

The investment rating downgraded by the investment bank was beyond the Company's control. The investment ratings are inherently subjective and



influenced by various factors, including market sentiment, global economic trends, investor behavior and share market conditions. The Company remains focused on strengthening its business operations and managing factors within its control. It was further noted that the Group's business model has been significantly improved over the past five years.

(ii) *What is the Group's outlook for the foreseeable future?*

The Group acknowledged the challenges in the first and second quarters but expressed cautious optimism for improvements in the third and fourth quarters of the financial year 2025. It was emphasised that sustainable growth should be assessed in long term, as business improvements typically take time to materialise.

(iii) *Is the Company shifting its business towards supplying HDDs to data centres as speculated in the market?*

This was merely speculation as data centres require extensive land, significant electrical consumption for cooling systems and servers, and high computing power by HDDs. While the industry has seen a shift from aluminium-based HDDs to glass-based HDDs, the Group has yet to possess the specialised machine or equipment required for manufacturing glass-based HDDs at this stage.

The transition to glass-based HDDs production would be on gradual basis which would unlikely lead to a sudden decline in demand for aluminium-based HDDs. The Group will continue to assess the feasibility of this transition and explore potential business opportunities in glass-based HDDs market.

(iv) *What are the implications of U.S. tariffs on the Group's business operations?*

It would be difficult for the Group to provide a definitive assessment at this stage, given the United States government's evolving stance on its tariff policies. However, imposition of tariffs would inevitably have impacts not only for the Group but also for the global economy.

(v) *How the Company responded to the short selling of the Company's shares, which resulted in a temporary suspension of its trading?*

The Company did not engage in or have control over share trading activities. The Company remains committed to reinforcing its business fundamentals and delivering long-term value to shareholders, regardless of short-term market volatility.