

# ***VisDynamics***

**VisDynamics Holdings Berhad**

Registration No. 200501000050 (677095-M)



ANNUAL REPORT

# 2024

Versatile | Innovative | Simplicity



## OUR VISION



To be the semiconductor industry's top choice of equipment solution provider through value innovation, best-in-class performance, excellent service & support, cost effectiveness, environmental friendliness and partnership with customers, peers, suppliers & employees

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## OUR MISSION



- Strive to meet or exceed expectations of customers, peer partners, suppliers, employees & investors
- Identify and employ/partner with the best talents in the market
- Unleash the best potential of partners & employees
- Contribute to local & global communities in education & long term economic sustainability

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## CORPORATE STRUCTURE

### VisDynamics Holdings Berhad

Registration No. 200501000050 (677095-M)

100%

### VisDynamics Research Sdn. Bhd.

Registration No. 200201032992 (600657-D)

- Design, R&D and Assembly of Back-end Semiconductor Equipment
- High Speed Transfer and Inspection Machine for Non-Semiconductor Devices



## CORPORATE INFORMATION

### Board of Directors

**Pang Nam Ming**

*Independent Non-Executive Chairman*

**Choy Ngee Hoe**

*Executive Director/Chief Executive Officer*

**Ong Hui Peng**

*Executive Director/Chief Technical Officer*

**Chan Heng Soon**

*Executive Director*

**Chin Peck Li**

*Independent Non-Executive Director*

**Olivia Lim**

*Independent Non-Executive Director*

**Gan Lim**

*Independent Non-Executive Director*

### Audit Committee

**Chin Peck Li**

*Chairperson, Independent Non-Executive Director*

**Olivia Lim**

*Independent Non-Executive Director*

**Gan Lim**

*Independent Non-Executive Director*

### Nomination Committee

**Olivia Lim**

*Chairperson, Independent Non-Executive Director*

**Chin Peck Li**

*Independent Non-Executive Director*

**Gan Lim**

*Independent Non-Executive Director*

### Remuneration Committee

**Gan Lim**

*Chairman, Independent Non-Executive Director*

**Chin Peck Li**

*Independent Non-Executive Director*

**Olivia Lim**

*Independent Non Executive Director*

### Company Secretaries

**Peggy Chek Hong Kim**

*(MIA 23475 & SSM PC No. 202008003139)*

**Teo Mee Hui**

*(MAICSA 7050642 & SSM PC No. 202008001081)*

**Cheng Weng Soon**

*(MAICSA 7071849 & SSM PC No. 202308000579)*

### Registered Office

Level 13, Menara 1 Sentrum  
201, Jalan Tun Sambanthan, Brickfields  
50470 Kuala Lumpur, Malaysia  
Telephone No. : 603-2382 4288  
Facsimile No. : 603-2382 4710  
Email : TMFKL-CoSec@tmf-group.com

### Corporate Head Office

Lot 3844, Jalan TU 52  
Kawasan Perindustrian Tasik Utama, Ayer Keroh  
75450 Melaka, Malaysia  
Telephone No. : 606-2323 023  
Facsimile No. : 606-2323 600  
Website : www.vis-dynamics.com

### Share Registrar

**Boardroom Share Registrars Sdn. Bhd.**

11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Telephone No. : 603-7890 4700  
Facsimile No. : 603-7890 4670

### Auditors

**Al Jafree Salihin Kuzaimi PLT (AF 1522)**

*Chartered Accountants*  
555, Jalan Samudra Utara 1,  
Taman Samudra, 68100 Batu Caves,  
Selangor, Malaysia  
Telephone No. : 603-6185 9970  
Facsimile No. : 603-6184 2524

### Principal Bankers

United Overseas Bank Malaysia Berhad  
Public Bank Berhad  
Hong Leong Bank Berhad

### Stock Exchange Listing

ACE Market of Bursa Malaysia Securities Berhad

Stock Name : VIS  
Stock Code : 0120

## PROFILE OF BOARD OF DIRECTORS



### PANG NAM MING

*Independent Non-Executive Chairman*



Malaysian



Male



Aged 52

**Mr. Pang Nam Ming** was appointed as an Independent Non-Executive Director on 10 June 2015 and was redesignated as the Chairman of the Board on 22 September 2022.

He is a member of the Malaysian Institute of Accountants, fellow member of the Association of Chartered Certified Accountants, a professional member of the Institute of Internal Auditors Malaysia and a Certified Internal Auditor and has a Certification in Risk Management Assurance.

He started his career with a Multi-National Company specialising in semiconductor assembly. Since then, he has held various senior finance positions in two groups of companies listed on Bursa Malaysia Securities Berhad.

Throughout his career of more than 20 years, he was exposed to a wide spectrum of areas, which include strategic management, corporate finance, cash management, corporate governance, financial accounting, management accounting, costing, risk management & internal audit, human resource, direct/indirect taxation, company secretarial and management information system.

With his extensive commercial and corporate experience and exposure, he was instrumental in the successful listing of an advanced technology company on the MESDAQ market (now known as ACE Market) of Bursa Malaysia Securities Berhad. In order to leverage his experience and exposure gained throughout his years in commercial scene to scale further in his career, he joined Crowe Horwath Consulting (South) Sdn. Bhd. (now known as Crowe Consulting (South) Sdn. Bhd.) ("Crowe") as a Director of Consulting Division. During his tenure with Crowe, he has been significantly involved in overseeing and managing a portfolio of risk management, internal audit, management consulting, corporate finance, initial public offering as well as financial due diligence assignments.

Currently, he is the Director of NeedsBridge Advisory Sdn. Bhd. and NeedsBridge Consulting Sdn. Bhd., which he founded, specialising in management consulting with a focus on corporate finance advisory, outsourced internal audit function and risk management facilitation.

He does not hold any other directorship in public companies and listed issuers.

## Profile of Board of Directors (Cont'd)



### CHOY NGEEO HOE

*Executive Director/ Chief Executive Officer*



Malaysian



Male



Aged 62

**Mr. Choy Ngee Hoe** was appointed as an Executive Director on 14 January 2005.

He is a major shareholder of the Company and the Chief Executive Officer and one of the founder members of VisDynamics Research Sdn. Bhd. ("VRSB"), a subsidiary of the Company. He is the leader of the team of talented and experienced engineers in VRSB. He oversees the management team and in charge of devising the corporate strategies and plans of the Company.

He graduated from the University of Malaya with a Bachelor of Science Degree in Mechanical Engineering (Honours) in 1988. He began his career in the semiconductor industry in 1988 as a Process Engineer in a subsidiary of National Semiconductors Corporation, a well-known Multi-National Corporation in the semiconductor industry, in Melaka.

He was exposed to manufacturing and process technologies covering molding, stripping or laser marking, solder plating, trim and form, electrical tests, reliability tests and all the way to final pack in various consumers, industrial and military or aerospace products. Other than process related responsibilities such as yield improvement, cost savings, upgrades, productivity enhancement, equipment qualification, product transfer and etc. He was also actively involved in new product development that required him to work with the corporate research and developments (R&D) team. His last position at National Semiconductor Corporation was Equipment Manager.

He joined Telford as an Operations Manager in 1994 and helped them form TQS Manufacturing Sdn. Bhd. ("TQSSB"). TQSSB is a Tape and Reel ("TNR") contract manufacturer. He was later promoted to Business Director of TQSSB where he was heavily involved in semiconductor equipment development.

In 1997, Telford acquired the backend equipment division of a major semiconductor Integrated Device Manufacturer ("IDM"), Texas Instruments Incorporated, where he was one of the members of the acquisition team. Telford's equipment division was then spun off to become the Semiconductor Technologies & Instruments ("STI") Group of Companies. He helped form STI Sdn. Bhd. and was appointed as the President of the company.

In 1999, Telford amalgamated with STI Group of Companies under ASTI Holding Ltd ("ASTI") and listed on the Singapore Exchange Ltd. He also held directorship and chairmanship in various international ASTI subsidiaries and helped ASTI with another major acquisition, namely the Reel Service Ltd Group of Companies, making ASTI as one of the world's largest TNR contract manufacturers. He resigned from STI on 31 December 2002 and subsequently set up VRSB with the rest of the promoters.

He does not hold any other directorship in public companies and listed issuers.



## Profile of Board of Directors (Cont'd)



### ONG HUI PENG

Executive Director/  
Chief Technical Officer



Malaysian



Female



Aged 50

**Ms. Ong Hui Peng** was appointed as an Executive Director on 14 January 2005.

She is one of the founder members of VisDynamics Research Sdn. Bhd. ("VRSB"). She was promoted to Chief Technical Officer of the Company on 1 April 2024 to oversee the vision software, mechanical design, machine software and equipment assembly sections. In addition, she is also the research and developments (R&D) project leader, in which she is in charge of the overall R&B activities undertaken by the Company. She also participates in the formulation and implementation of R&D strategies.

She graduated from University of Malaya with a Bachelor's Degree (Honours) in Computer Science in 1999.

She started her career in the semiconductor industry in 1999 as a Software Engineer in STI Sdn. Bhd. ("STISB"), a subsidiary of ASTI Holding Ltd., specialising in machine software development, and later as a Section Head of Machine Software.

She resigned from STISB on 15 November 2002, after which she and the rest of the promoters formed VRSB where she assumed the post of Section Head of Machine Software Development and subsequently Machine Software Department Manager. Her specialisation in software development and experience during her career has been recognised by the industry.

She does not hold any other directorship in public companies and listed issuers.



### CHAN HENG SOON

Executive Director /  
Head of Vision Software



Malaysian



Male



Aged 50

**Mr. Chan Heng Soon** was appointed as an Executive Director on 1 April 2024.

He is one of the founder members of VisDynamics Research Sdn. Bhd. ("VRSB"). Presently, he oversees the Vision Software section and is responsible for all vision software development projects for the Company. He also participates actively in the research and developments (R&D) activities undertaken by the Company under the leadership of the Chief Technical Officer (CTO). Apart from that, he also participates in the formulation and implementation of the Company's R&D strategies.

He graduated from Universiti Teknologi Malaysia in 1998 with a Bachelor's Degree in Electrical Engineering and obtained his Master Degree in Engineering Management from Universiti Teknologi Malaysia in 1999.

He started his career in 1999 developing vision software for semiconductor industry and has been continuing in the same profession until now.

He does not hold any other directorship in public companies and listed issuers.



## Profile of Board of Directors (Cont'd)



### CHIN PECK LI

*Independent Non-Executive Director*



Malaysian



Female



Aged 54

**Ms. Chin Peck Li** was appointed as an Independent Non-Executive Director on 1 June 2022. She is the Chairperson of the Audit Committee and a member of the Nomination Committee and Remuneration Committee.

She is qualified Chartered Accountant with the Malaysian Institute of Accountants (MIA) and a Fellow of the Australian Society of Certified Practising Accountants (ASCPA). She obtained her Masters in Finance in 1998 from RMIT University, Australia. She is also a member of the Chartered Tax Institute of Malaysia (CTIM).

She worked with PricewaterhouseCooper for a period of 4 years where she gained experiences in tax planning, accountancy research and staff supervision skills. She was also a lecturer in Accountancy for a local university for a period of 3 years.

She is currently the Managing Director of CPL Group of Companies which provide business consultancy, accounting, tax consultancy and corporate secretarial services. She is also the owner of CPL & Co. PLT, a firm providing business consultancy and accounting services.

Currently, she is an Independent Non-Executive Director of MYMBN Berhad and Carlo Rino Group Berhad.



### OLIVIA LIM

*Independent Non-Executive Director*



Malaysian



Female



Aged 46

**Ms. Olivia Lim** was appointed as an Independent Non-Executive Director on 1 June 2022. She is the Chairperson of the Nomination Committee and a member of the Audit Committee and Remuneration Committee.

She graduated in 2003 from Universiti Kebangsaan Malaysia with a Bachelor of Laws (Honours). Subsequently, she was called to the Malaysian Bar in February 2004. She brings with her more than 20 years of experience in the legal profession.

In 2015, she set up her own legal firm, Olivia Lim & Co, where she has been principally involved in the legal aspects of corporate finance, capital and equity markets and corporate advisory matters.

Throughout her working experience, she has been involved in, among others, various corporate exercises on companies undertaking initial public offerings in Malaysia as well as legal advisory services related to capital and equity raising exercises and takeovers.

Currently, she is an Independent Non-Executive Director of Unique Fire Holdings Berhad and Infoline Tec Group Berhad, all of which are listed on ACE Market of Bursa Malaysia Securities Berhad. Additionally, she is also a Director at RT Pastry Holdings Berhad, a non-listed public company.

## Profile of Board of Directors (Cont'd)



### GAN LIM

*Independent Non-Executive Director*



Malaysian



Male



Aged 63

**Mr. Gan Lim** was appointed as an Independent Non-Executive Director on 1 June 2022. He is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee.

He graduated with Degree of Bachelor of Engineer from the University of Malaya in 1987 and obtained a Master of Business Administration from University of Dubuque in 1999.

He has 34 years of semiconductor industry working experience in various multinational companies. He started as a Test Engineer in National Semiconductors in 1987. Later, he joined ST Microelectronics (STM) and Motorola as Test/Product Engineering Manager for 14 years prior to joining Unisem (M) Berhad as Test Operations Vice President in 2003.

In 2008, he worked as Global Test Director for ON Semiconductor covering various factories in Asia and subsequently retired in 2021.

He does not hold any other directorship in public companies and listed issuers.

## PROFILE OF KEY SENIOR MANAGEMENT



### CHONG WEN TAT

Chief Operating Officer



Malaysian



Male



Aged 47

**Mr. Chong Wen Tat** was appointed as the Chief Operating Officer (“COO”) of VisDynamics Research Sdn. Bhd. (“VRSB”) on 1 January 2017. He is one of the founder members of VRSB.

As COO of VRSB, he oversees the mechanical design, electrical design and manufacturing operations for efficiency, quality, and continuous improvement. In addition, he is also Tray Product Line Manager, who manages all the product design and development activities for tray-based product under the leadership of the Chief Technical Officer.

He graduated from University of Malaya with a Bachelor’s Degree (Honours) in Computer Aided Design/Computer Aided Manufacturing (CAD/CAM).

He started his career in the semiconductor equipment industry in 2002 as a Mechanical Design Engineer in STI Sdn. Bhd. (“STISB”), a subsidiary of ASTI Holding Ltd., specialising in mechanical design.

He resigned from STISB in November 2002 and joined VRSB as a Mechanical Design Engineer. In 2006, VRSB foresees the need to initiate the development of tray-based products and promoted him as a Product Line Manager to champion this product segment.

In the realm of research and developments (R&D), he and his team of inventors at VRSB were granted two Malaysian Patents for their inventions in 2009 and 2013. Since then, these inventions have been essential building blocks in VRSB’s products, contributing to the company’s success in a competitive market.

He does not hold any other directorship in public companies and listed issuers.



### PEGGY CHEK HONG KIM

Chief Financial Officer



Malaysian



Female



Aged 47

**Ms. Peggy Chek Hong Kim** joined the Company on 2 February 2009 as Finance & Administrative Manager and the Acting Chief Financial Officer of the Company. She is currently the Chief Financial Officer of the Company.

She graduated from University of Malaya with a Bachelor’s Degree (Honours) in Accountancy in 2001. She attained her Certificate of Meritorious Achievement from the Malaysian Institute of Certified Public Accountants (MICPA) in 2003.

She qualified as a chartered accountant in 2004 from the Malaysian Institute of Accountants (MIA) and has been the member of MIA until today. Currently, she is also the Ambassador of MIA and also mentor for the MIA Chartered Accountant’s Relevant Experience (CARE), a member of the ASEAN Chartered Professional Accountant (ACPACC) and the Chartered Tax Institute of Malaysia (CTIM).

She started her career with PricewaterhouseCoopers in 2001 as an audit associate and was subsequently promoted as a senior associate. She then joined Jaycorp Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad as the Corporate Finance Assistant Manager in 2004. In 2006, she joined National Semiconductor Sdn. Bhd., a Multinational Company as Finance Section Manager. She then left, and in 2009, she joined the Company until today.

She does not hold any other directorship in public companies and listed issuers.

## Profile of Key Senior Management (Cont'd)



### CH'NG PAED WEE

Head of Manufacturing



Malaysian



Male



Aged 47

**Mr. Ch'ng Paed Wee** is one of the founder members of VisDynamics Research Sdn. Bhd. ("VRSB"). He is the Head of Manufacturing Department, and he is overseeing the various functions of the Company such as purchasing, storing, logistic, Field Services Engineer (FSE), machine shop and quality assurance (QA). He also participates actively in the research and developments (R&D) activities undertaken by the Company under the leadership of the Chief Technical Officer (CTO).

He graduated from TAFE college in Seremban, Negeri Sembilan with a Diploma in Mechanical Engineering in 1999 and obtained his Bachelor of Engineering in Mechanical Design and Technology from University of Northumbria in Newcastle, United Kingdom in 2002.

He started his career as Manufacturing Engineer in 1999 when he joined STI Sdn. Bhd. ("STISB"), a subsidiary of ASTI Holding Ltd. He resigned from STISB on 15 November 2002 after which he and the rest of the promoters formed VRSB, where he assumed the position of Assembly Engineer.

He does not hold any other directorship in public companies and listed issuers.



### ROY LOI PENG LIM

Sales Director



Malaysian



Male



Aged 57

**Mr. Roy Loi Peng Lim** joined the Company in 2013 as Associate Sales Director, he is currently the Company's Sales Director, in charge of Company's Sales and Marketing Department.

He is responsible for the establishment of sales objective, the development of annual sales forecast and sales projection for the Company's products. He is also actively involve in monitoring the performance of the worldwide sales agents by coaching, planning, monitoring and appraising the periodical sales results.

He graduated from Singapore Polytechnic with a diploma in mechanical engineering in 1992. In 1996, he obtained his Bachelor's degree in Engineering Management from University of Western Sydney.

He started his career as an aviation QA Engineer when he joined Nordam Singapore in 1992. He was an associate member of Singapore Institute of Aerospace Engineers until 2000.

He embarked on a new career in semiconductor related industry when he joined STI Sdn. Bhd., a subsidiary of ASTI Holding Ltd., in 1996 and worked as the QA Manager and Acting Operation Manager.

He was later recruited to join C-PAK Cergas Sdn. Bhd. and AFA Technologies Sdn. Bhd., where he was designated as Senior Marketing Manager and Technical Sales Manager respectively.

He does not hold any other directorship in public companies and listed issuers.



## Profile of Key Senior Management (Cont'd)



### TEO LEONG KHOON

*Head of Electrical & Electronics*



Malaysian



Male



Aged 53

**Mr. Teo Leong Khoon** is one of the founder members of VisDynamics Research Sdn. Bhd. ("VRSB"). Presently, he oversees the Electrical & Electronics Engineering section and is responsible for all the equipment projects and quality assurance activities of the Company. He also participates actively in research and development (R&D) activities undertaken by the Company under the leadership of the Chief Technical Officer (CTO).

He graduated from Tunku Abdul Rahman College with a Certificate in Electronics Engineering in 1993. In 2001, he obtained his Bachelor of Engineering in Mechanical Design and Technology from University of Northumbria in Newcastle, United Kingdom.

He started his career as an Engineer in 1993 in Tripo Engineering. In 1994, he is assigned to Tripo Marketing & System as Sales and Service Manager where he spent the next five years. In 1999, he joined the subsidiary of one of the well-known multinational corporation in the semiconductor industry, National Semiconductors Corporation, in Melaka, where he was appointed as Head of Maintenance Department. In the same year, he joined STI Sdn. Bhd. ("STISB"), a subsidiary of ASTI Holding Ltd, as a Manufacturing Engineer and was promoted as Senior Manufacturing Engineer on 2001.

He resigned from STISB on 15 November 2002, after which he and the rest of the promoters formed VRSB, where he was promoted to Section Head of Equipment Assembly.

He does not hold any other directorship in public companies and listed issuers.



### JONG PIT FONG

*Head of Mechanical Design*



Malaysian



Male



Aged 52

**Mr. Jong Pit Fong** stands as one of the esteemed founding members of VisDynamics Research Sdn. Bhd. ("VRSB") and concurrently holds a position as a Director within the VRSB leadership. Currently, he serves in the capacity of Product Line Manager, overseeing the gravity-line of products, which encompasses gravity and turret test handlers, as well as the intricately designed die taping machine.

He actively engaged in the Company's research and development (R&D) endeavours, he operates under the guidance of the Chief Technical Officer (CTO). His responsibilities extend to participating in the formulation and execution of the Company's R&D strategies. Moreover, he oversees the processes of machine design and development, shapes machine model architecture, and spearheads research initiatives focused on introducing new modules and functionalities to enhance the competitiveness and breadth of the product offering.

With a track record of leadership, he has successfully led teams in creating innovative product differentiators, positioning the Company strategically against its competitors. This legacy is substantiated by the filing and granting of several patents over the years, seamlessly woven into the foundational DNA of our products. His commitment remains devoted to the success and trajectory of VRSB.

He does not hold any other directorship in public companies or listed issuers.

## Profile of Key Senior Management (Cont'd)



### THYE CHIK CHEN

*Head of Machine Software*



Malaysian



Male



Aged 36

**Mr. Thye Chik Chen** joined VisDynamics Research Sdn. Bhd. ("VRSB") on 2 June 2011 as a Machine Software Engineer and was promoted to Head of Machine Software on 1 March 2024. He has been an integral part of the company since then.

As the Head of Machine Software, he oversees the development, implementation, and optimisation of machine software solutions, ensuring they meet the highest standards of quality and efficiency. He actively participates in the Company's research and development (R&D) activities under the leadership of the Chief Technical Officer (CTO), and contributing to the innovation and advancement of VRSB's product offerings.

He graduated from Multimedia University, Melaka Campus, in 2011 with a Bachelor of Electronics Engineering (Honours), majoring in Robotics & Automation. He began his career at VRSB as a Machine Software Engineer, marking his first professional role after graduation. Over the years, he has demonstrated exceptional expertise and dedication, leading to his promotion as the Head of Machine Software.

Throughout his tenure at VRSB, he has played a key role in enhancing the Company's machine software capabilities, ensuring seamless integration with hardware systems and driving continuous improvement in product performance. His contributions have been instrumental in maintaining VRSB's competitive edge in the semiconductor equipment industry.

He does not hold any other directorship in public companies or listed issuers.

### Notes to Directors' and Key Senior Management's Profile

#### 1. Family Relationships

The Directors and Key Senior Management do not have any family relationship with any Director and/or major shareholder of the Company.

#### 2. Conflict of Interest

None of the Directors and Key Senior Management has any conflict of interest or potential conflict of interest, including any interest in any competing business with the Company and its subsidiary.

#### 3. Conviction of Offences

None of the Directors and Key Senior Management has been convicted for offences within the past five (5) years other than traffic offences or any public sanction or penalty imposed on him/her by the relevant regulatory bodies during the financial year 2024.

#### 4. Attendance at Board Meetings

The details of attendance of the Directors at the Board Meeting are set out on page 53 of this Annual Report.

#### 5. Directors' Shareholdings

The details of the Directors' interest in the securities of the Company are set out in the Analysis of Shareholdings on page 134 of this Annual Report.

#### 6. Directorships in Public Companies and Listed Issuers

Save as disclosed herein, none of the Directors and Key Senior Management hold any other directorship of public companies and listed issuers.

## MESSAGE FROM THE CHAIRMAN

### DEAR SHAREHOLDERS,

The challenges in the world economy have prolonged into financial year 2024 which consequently resulted in the sluggish global economy. In spite of the complex and uncertain economic landscape arisen globally and geopolitical factors, the Group continues to display business resilience, continuing to focus on our research and development activities to produce our latest innovation and new products, while adapting to external pressures.



During this challenging operating environment, the Group generated revenue of RM8.1 million in financial year 2024 (“FY2024”), decrease of RM18.5 million from financial year 2023 (“FY2023”) of RM26.6 million. In line with the decrease in revenue, the Group posted a loss before taxation of RM7.4 million during this FY2024 as compared to profit before taxation of RM3.9 million during FY2023.

Despite the decrease of revenue and profit, the Group’s financial position remains healthy with low gearing levels and healthy cash position with cash and cash equivalents of RM24.2 million as at end of FY2024.

With our healthy financial position for our working capital and expansion and new products innovation and developments, we are ready to embrace the resurgence of the global market.

On behalf of the Board of Directors, I wish to extend our appreciation to members of our management team and employees of the Group. Your effective execution of our business strategies through hard work, focus and determination are very much appreciated and continue to contribute to VisDynamics’ perseverance and success.

Our sincere gratitude also to our shareholders, customers, business associates, suppliers, bankers and relevant government authorities for their confidence and support to the Board and Management.

Finally, to my fellow Board members, thank you for your guidance, dedication, and valuable contributions, which have been instrumental in steering the Group through these challenging times.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS AND OPERATIONS

VisDynamics was established in early 2003 in the state of Melaka, Malaysia. We continue to provide under one roof, technical research and solutions involving the design, software development, assembly, and installation of automated test equipment for the semiconductor industry.

## HIGHLIGHTS OF GROUP'S FINANCIAL INFORMATION FOR THE PAST 5 FINANCIAL YEARS

	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000
Revenue	26,270	47,881	51,084	26,649	8,104
Gross Profit	15,900	31,150	33,715	17,360	4,099
Gross Profit Margin (%)	61	65	65	65	51
Profit/(Loss) Before Taxation	2,917	12,494	16,403	3,900	(7,453)
Taxation	471	2,889	3,688	1,064	261
Profit/(Loss) After Taxation	2,446	9,604	12,715	2,836	(7,714)
Net tangible Assets ("NTA")	42,972	52,899	63,407	64,740	54,803
No. of Ordinary Shares in Issue (units '000)	171,180	174,397	174,829	262,799	262,799
Shareholders' Funds	45,749	56,213	66,733	68,265	57,889
Basic Earnings/(Loss) per Share ("EPS")/LPS (Sen) *	1.4	5.6	7.3	1.3	(2.9)
NTA per Share (Sen)**	25.10	30.33	36.27	24.63	20.85
Net Increase/ (Decrease) in Cash and Cash Equivalents	(2,980)	7,911	12,372	(6,413)	(4,376)
Net cash from/(to) operating activities	7,573	15,223	6,330	5,079	(3,974)

### NOTES

\* The basic EPS is arrived at by dividing the Group's profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

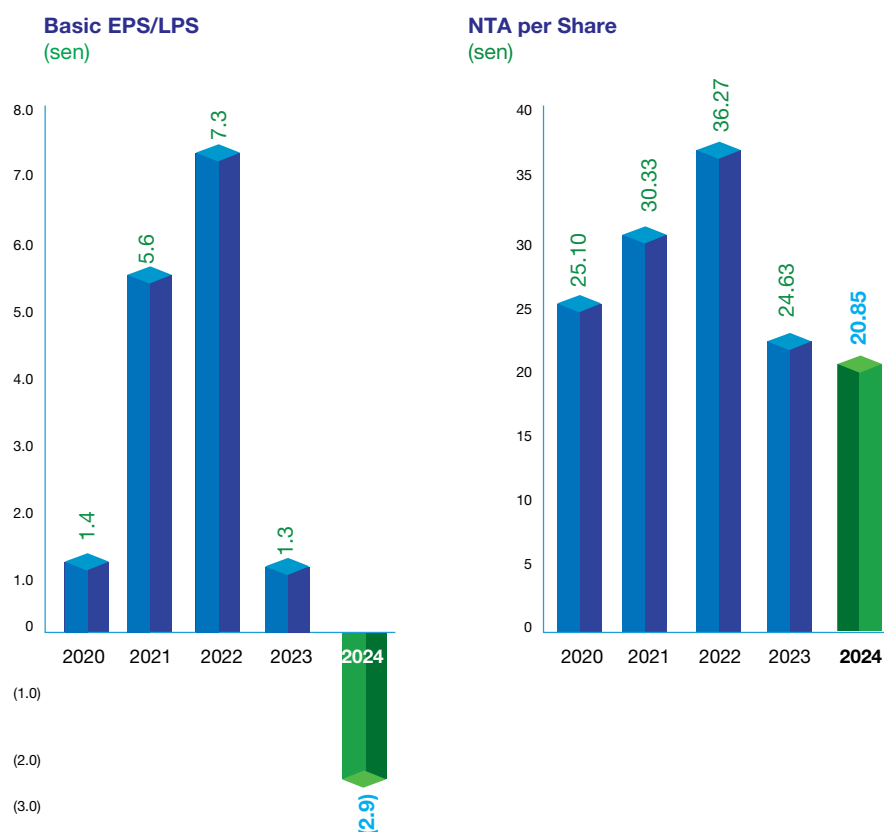
\*\* The NTA per Share is arrived at by dividing NTA value attributable to ordinary shares by the number of ordinary shares in issue.

\*\*\* The Final Single-Tier Dividend of 0.5 sen per ordinary share for the financial year ended 31 October 2024 pending the shareholders' approval at the forthcoming Twentieth Annual General Meeting to be held on 8 April 2025. The dividend entitlement date and payment date are on 15 May 2025 and 28 May 2025 respectively.





## Management Discussion And Analysis (Cont'd)



### REVIEW OF FINANCIAL RESULTS AND CONDITIONS

In the current financial year ended 31 October 2024 ("FY2024"), the Group generated revenue of RM8.1 million, represent a decrease of RM18.5 million or 69% from the corresponding financial year ended 31 October 2023 ("FY2023") of RM26.6 million. The decrease in revenue was due to the decrease in the sales of machines. Gross profit margin decreased from 65% to 51%.

In tandem with the decrease in revenue for FY2024, selling and marketing expenses also decreased by RM2.5 million (68%) from RM3.7 million in FY2023 to RM1.2 million in FY2024 resulted mainly from the lower provision for sales-related commission and incentives.

There is an increase in administrative expenses from RM2.6 million in FY2023 to RM3.3 million in FY2024 mainly due to impairment of goodwill.

In line with the decrease in revenue and gross profit margins, the Group posted a loss before taxation of RM7.5 million during this FY2024 as compared to profit before taxation of RM3.9 million during FY2023.

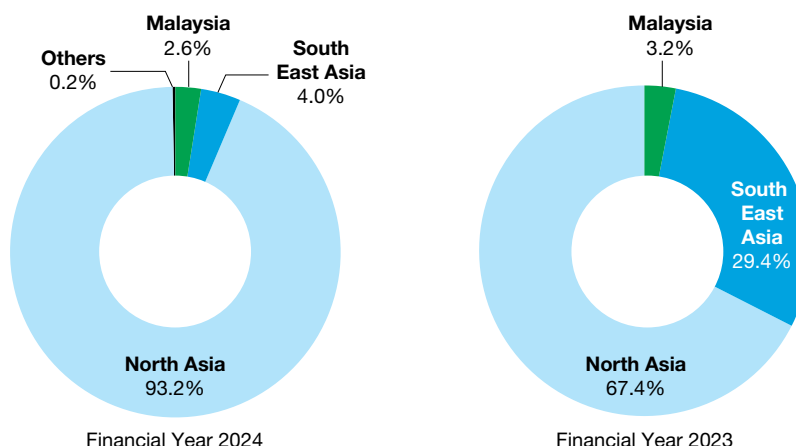
Consequently, overall net loss after taxation for FY2024 was RM7.7 million as compared to profit before taxation of RM2.8 million for FY2023.

### Segmental Results

Sales Revenue by Geographical Market are as follows:

	Financial Year 2024 RM'000	%	Financial Year 2023 RM'000	%
Malaysia	210	2.6	851	3.2
South East Asia	325	4.0	7,832	29.4
North Asia	7,555	93.2	17,966	67.4
Others	14	0.2	-	-
<b>TOTAL</b>	<b>8,104</b>	<b>100</b>	<b>26,649</b>	<b>100</b>

## Management Discussion And Analysis (Cont'd)



### Significant Assets & Liabilities

#### Property, Plant and Equipment

Increase in property, plant and equipment from RM12.8 million as at 31 October 2023 to RM14.4 million as at 31 October 2024 due to the purchase of land.

#### Trade Receivables

Decrease in trade receivables from RM3.5 million as at 31 October 2023 to RM1.5 million as at 31 October 2024 due to collections from customers. There were subsequent receipts from customers amounted to RM410,000 after the financial year ended 31 October 2024.

#### Non-trade Payables

Decrease in non-trade payables from RM4.5 million as at 31 October 2023 to RM3.0 million as at 31 October 2024 was mainly due to lower provision of sales and service commission and provision of warranty in line with the decrease in sales.

#### Cash Flow

Decrease in the cash and cash equivalents from RM23.8 million as at 31 October 2023 to RM18.7 million as at 31 October 2024 mainly due to funding of working capital, payment of dividends, purchase of land and share buy-back performed by the Company.

### TRENDS AND OUTLOOK

According to SEMI, Semiconductor manufacturing equipment growth is expected to continue in the following years, reaching new records of USD121 billion in 2025 and USD139 billion in 2026, supported by both the front-end and back-end segments. The forecast extension through 2026 highlights the robust growth drivers across segments, applications and regions. The wafer fabrication equipment (“WFE”) segment is projected to grow due to the ongoing strong equipment investments in DRAM and high-bandwidth memory (“HBM”) driven by artificial intelligence (“AI”) computing. Additionally, China’s investments continue to play a significant role in the WFE market expansion. Looking ahead, WFE segment sales are projected to expand 6.8% in 2025 and 14% in 2026, reaching USD123 billion due to increased demand for advanced logic and memory applications. On the other hand, the back-end segment growth is expected to accelerate, with test equipment sales surging 14.7% in 2025 and 18.6% in 2026, respectively, while Assembly & packaging (“A&P”) sales are forecast to grow 16% in 2025 followed by 23.5% expansion in 2026. The back-end segments’ growth is supported by the increasing complexity of semiconductor devices for high-performance computing and the expected increase in demand in the mobile, automotive, and industrial end-markets.

Malaysia has a stable outlook, with the current political stability and its economy benefitting from continued investments in data centres and manufacturing. The inflation here is also well-contained and fiscal consolidation efforts are providing additional reassurance to investors. Malaysia’s advancements in technology, such as data centres and AI-driven initiatives, align well with global trends, which would position the country as a competitive player in the broader technological ecosystem.

Considering the above factors, VisDynamics is positive of its future prospects. We will be able to persevere and emerge stronger, as proven all this while.

## Management Discussion And Analysis (Cont'd)

### BUSINESS STRATEGY & RISKS

#### KEY MARKETS

The Group's key markets continue to be driven by customers located mainly in North Asia (93.2% of FY 2024 total revenue) and Southeast Asia excluding Malaysia (4.0% of FY 2024 total revenue).

#### OBJECTIVES & STRATEGIES

The Group's primary objective is to enhance shareholder value by nurturing sustainable growth in all businesses the Group undertakes.

As a high technology business, we will continue to focus on and heavily invest in research & development activities to develop new products, continuously enhance our current product range and deliver innovative machines and services in order to be the industry's top choice for equipment solution providers.

In addition, the Group will continue to explore new markets and business opportunities for new products and services which will enable us to expand our customer base in order to deliver maximum value to its shareholders.

#### ANTICIPATED OR KNOWN RISK

The Group is exposed to a number of risks which could impact the Group's business and operating performance. The Group will address and identify, assess and discuss on how to manage these risks in the Annual Strategy Meeting attended by all the Head of Departments ("HODs") and chaired by the Chief Executive Officer ("CEO").

Risks that are considered material and specific to the Group are set out below:-

##### *Foreign currency exchange rates*

As a large proportion of revenue is derived from export sales, there is a risk that significant fluctuations in the Ringgit Malaysia to US Dollar exchange rate will affect the results of the Group. The exchange rates are difficult to predict given the several number of factors that contribute in determining them. The Group maintained its US Dollar in interest bearing fixed deposits accounts and will convert some of its US Dollar to Ringgit Malaysia as and when the rates considered as favourable.

##### *Availability and cost of raw materials*

Shortage of raw materials and fluctuating costs for these materials can post a risk to the Group. The Group continues to monitor pricing and sourcing of raw materials and maintains good relationships with its suppliers. In addition, the Group also has consignment stocks arrangement with its suppliers, whereby the materials are kept at vendors site and will only be delivered upon instructions.

##### *Competition*

Competition makes us stronger and drives us to deliver better solutions. With an objective to increase productivity without getting into a price war, we address this risk by continuously coming up with innovative features, which have been proven effective and well-accepted by our customers on many occasions.

# SUSTAINABILITY REPORT



## ABOUT THIS REPORT

Since 2019, VisDynamics has been publishing its annual sustainability statement which now evolved into the sustainability report. VisDynamics communicates the Group's approach to embracing and embedding sustainability into its strategic directions and operations. This Report highlights the Group's sustainability performance across all three dimensions, namely Environmental, Social and Governance ("ESG"), as well as initiatives in response to the matters that are most material to the Group and its key stakeholders.

- **Reporting Period and Cycle**

This Report discloses our progress for the activities from 1 November 2023 to 31 October 2024, unless otherwise specified and if relevant to the report. Where possible, information from previous years had been included to provide comparative data.

- **Reporting Scope and Boundaries**

This Report provides information on VisDynamics' sustainability performance for our operations in Melaka, Malaysia, where a majority of the Group's workforce is employed here. Thus, our reporting focuses on this site, which is under our organisational control. Contrarily, our scope excludes all outsourced activities in which we do not have management controls over these entities, unless otherwise stated in the report.

- **Reporting Framework**

This Report has been prepared with reference to the Sustainability Reporting Guide (2nd Edition) and Toolkits released by Bursa Malaysia Securities Berhad ("Bursa Securities"). The disclosures contained herein are focused on material sustainability issues for both VisDynamics and its stakeholders. This Report is published together with the Company's annual financial results; hence, it should be read in conjunction with this Annual Report 2024.

- **External Assurance**

The Company did not seek external assurance for this Report but may consider doing so in the future. We have relied on internal mechanisms to ensure the accuracy of the information disclosed in the Report. Performance data for the corresponding material topic is reported in good faith and to the best of our knowledge.

However, the financial statements in the 2024 Annual Report have been audited by Independent External Auditors. Also, during the financial year 2024, the Internal Auditors has performed the Malaysian Code on Corporate Governance Gap Review.



## Sustainability Report (Cont'd)

### ABOUT THIS REPORT (CONT'D)

- **Availability**

This Report is available on the Company's website: [www.vis-dynamics.com](http://www.vis-dynamics.com) in a downloadable PDF format.

- **Feedback**

To continuously improve on our sustainability efforts, we welcome and encourage our stakeholders to provide feedback pertaining to this Report or our sustainability practises and initiatives. Please drop us a message via our website: <https://www.vis-dynamics.com>.

### ABOUT VISDYNAMICS

VisDynamics is principally engaged in the research and development (R&D), design, assembly and final set-up and tuning of test and backend equipment in the Automated Test Equipment industry for semiconductors and non-semiconductors.

VisDynamics was listed on the ACE Market of Bursa Securities on 13 April 2006 and VisDynamics shares are publicly traded on Bursa Securities.

Most of the key staff have vast years of experience in the development of Mechanical Design, Vision Inspection and Software and we have under one roof solutions in mechanical, electrical and electronic engineering, software, machine vision and marketing.

We provide equipment solutions to the semiconductor assembly & test industry with standalone or integrated package handling, electrical test, inspection, tape & reel, etc using our own proprietary technologies. All our equipment is designed and manufactured with simplicity, cost effectiveness and best-in-class performance as major objectives which has rewarded us with extensive customer acceptance in a very short time in this highly competitive market.

- **Our End Market**

VisDynamics offers equipment and tools to our customers as part of their manufacturing process.

Customers primarily in North Asia 93% of total revenue for financial year ended 31 October 2024 ("FY2024"), and Southeast Asia (excluding Malaysia) 4% of total revenue for FY2024 continue to drive the Group's key markets.



# Sustainability Report (Cont'd)

## SUSTAINABILITY AT VISDYNAMICS

VisDynamics strives to create value for all our stakeholders: employees, customers, shareholders, partners, communities, and the environment. We adopt good practices recommended by sustainability standard setters, by ensuring our products and solutions benefit our customers, workers, and support their wellbeing.

With this mission, the Board is pleased to report on the Group sustainability objectives, strategies, and activities material to the Group, the way the Group manages them and many other efforts undertaken to complement the Group sustainability objectives.

This Report is an enhancement and update to the statement of the previous financial years.

- **Our Approach to Sustainability**

VisDynamics is committed to ensuring sustainability is considered when performing its business activities. This includes carrying out business activities in a responsible manner, considering not only financial results but other important aspects of business, which include **Economic, Environment, Social and Governance** considerations.

In VisDynamics, sustainability means managing business responsibly for long-term success while creating enduring value for customers, employees, shareholders, the community, and the environment. VisDynamics is committed to maintaining a customer focused, socially responsible company that generates sustainable returns for its stakeholders.

The Board of Directors is responsible for reviewing, adopting, and monitoring the overall sustainability plan and reporting for the Group. A formal structure was established in 2019 for sustainability governance as follows:

### SUSTAINABILITY GOVERNANCE



The Sustainability Committee comprises members from the Management, finance, and administrative departments of the Group.

## Sustainability Report (Cont'd)

### SUSTAINABILITY AT VISDYNAMICS (CONT'D)

#### Stakeholder Engagement

As set out in the Board Charter, the Board is responsible for promoting effective communications with shareholders and relevant stakeholders.

While we are committed to providing shareholders, regulators, and employees with comprehensive, accurate, and timely disclosure of information relating to the Group, we are looking to widen this engagement process to other parties such as customers, suppliers, and the local community to gauge the importance of key sustainability matters and for them to understand our actions and direction with greater clarity.

The table below describes in detail our stakeholders' engagement process, focused areas relevant to our stakeholders, our approaches, and the frequency of our engagement with stakeholders.

Stakeholders	Focus Areas	Engagement Approach	Frequency
<b>Investors and Shareholders</b>	<ul style="list-style-type: none"> <li>Business Performance</li> <li>Operation</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly Reports</li> <li>Annual Reports</li> <li>Press Release</li> <li>Company Website</li> <li>Annual General Meeting &amp; Analysts Briefing</li> <li>Investors Relationship Channel</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Annually</li> <li>When Necessary</li> <li>On-going</li> <li>Annually</li> <li>On-going</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Business Performance</li> <li>Health &amp; Safety</li> <li>Communication and Engagement</li> <li>Working Environment</li> <li>Career Development and Training</li> </ul>	<ul style="list-style-type: none"> <li>Staff Briefing</li> <li>Social Events with Employees</li> <li>Emergency Response Team</li> <li>Training and Development</li> <li>Appraisal and Performance Review</li> <li>Meetings and Discussions</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> <li>On-going</li> <li>On-going</li> <li>On-going</li> <li>Annually</li> <li>On-going</li> </ul>
<b>Government and Regulators</b>	<ul style="list-style-type: none"> <li>Regulator Compliance</li> <li>Supporting Country's Economic Growth</li> <li>Approvals and Licenses</li> <li>Standards and Certifications</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with Government Legislative and Regulatory Body Framework</li> <li>Participating in Program Organised by Government Bodies</li> <li>Meetings and Consultation</li> </ul>	<ul style="list-style-type: none"> <li>When Necessary</li> <li>When Necessary</li> <li>When Necessary</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Product Quality and Performance</li> <li>Sustaining Long Term Relationship</li> <li>Product Development and Innovation</li> </ul>	<ul style="list-style-type: none"> <li>Customer Feedback</li> <li>Face to Face Meeting</li> <li>Visit to Customer's Sites</li> <li>On-site Visits at VisDynamics</li> <li>Discussion and Services</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> <li>On-going</li> <li>On-going</li> <li>On-going</li> <li>On-going</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Forging Strategic Partnership</li> <li>Supplier Performance Review</li> <li>Product Quality</li> </ul>	<ul style="list-style-type: none"> <li>Supplier Selection via Pre-Qualification</li> <li>Supplier Meeting</li> <li>Site Visits</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> <li>On-going</li> <li>On-going</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Environment Protection</li> <li>Local Community Activities Involvement</li> </ul>	<ul style="list-style-type: none"> <li>Community Programmes</li> <li>Social Activities</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> <li>On-going</li> </ul>

## Sustainability Report (Cont'd)

### SUSTAINABILITY AT VISDYNAMICS (CONT'D)

#### • Materiality Assessment

A Materiality Assessment is an exercise to gauge what are the most noteworthy economic, environment, social and governance issues that are material or important to the Group.

Potential material industry and operational issues relevant to the Group's business were:

- (a) Internally identified by the Sustainability Committee
- (b) Prioritised and determined by the Management
- (c) Approved by the Board.

based on their importance to the Group and stakeholders. The topics are classified under the three pillars of the Global Reporting Initiatives (GRI) and the Sustainability Reporting Guide relating to economic, environmental and social (EES). The key EES issues prioritised and determined are as follows:



There have been no significant changes in the operations in the last 12 months that impacted the conditions for the materiality assessment, thus, we concluded that the materiality assessment conducted in FY2024 remains valid and vital for us to adequately address, report and communicate in this Report.

Moving forward, the Group will continue to review its material sustainability matters against the dynamic business environment, stakeholder opinions, as well as emerging local and global trends on an annual basis.

VisDynamics has set sustainability commitments to drive progress in its sustainability journey. The sustainability commitments are underpinned by the below targets for each of the strategic sustainability themes:

Material Topics	Target	FY 2024 Progress/ Achievement
<b>ECONOMIC</b>		
E01: Commitment to quality	Ensure customer satisfaction score at least 80%	Based on the customer rating received in FY2024. The Group has achieved a score of 96%.
E02: Transparent dealings with Vendors (Supply Chain Management)	Maintain 70% of the Group purchases from the local market	For FY2024, 80% of the Group's purchases were derived from local market.
	Continue to identify new supplier for collaboration to contribute towards sustainability initiatives	The Group had added 14 new suppliers which potentially will contribute towards sustainability initiatives.



## Sustainability Report (Cont'd)

## SUSTAINABILITY AT VISDYNAMICS (CONT'D)

- Materiality Assessment (Cont'd)

Material Topics	Target	FY 2024 Progress/ Achievement
<b>ENVIRONMENT</b>		
EN1: Energy Management	<p>Ensure electricity consumption per employee do not exceed 5% increment year on year</p> <p>Income from Energy Generation do not decrease too substantially (which might indicates that the solar roof is not functioning efficiently)</p>	<p>The total electricity bill in FY 2024 amounted to RM817.81 per employee as compared to RM825.50 in FY 2023 which represents decrease of 0.81%.</p> <p>There is refurbishment of solar roof top in FY2024 after we noticed the generation of energy in FY2023 of 42,953kW decreased from FY2022 of 62,191kW.</p> <p>There are 3 months of non-generation of power during FY2024 during the refurbishment period however, the Company managed to generate 44,181kW during this current FY2024.</p>
EN2: Water	<p>Installation of rainwater harvesting system</p> <p>Do not waste water. Ensure water consumption per employee do not exceed 5% increment year on year</p>	<p>VisDynamics building is designed by harvesting rainwater for the usage in toilets flushing system.</p> <p>Usage in FY2024 1,121m<sup>3</sup> compared to that of 1,118m<sup>3</sup> in FY2023. Water bill per employee in FY2024 amounted to RM25.55 vs FY2023 RM24.71 which represents increase of 3.41%.</p>
<b>SOCIAL</b>		
S01: Engage existing and potential shareholders	<p>Timely announcement of quarterly financial results</p> <p>Timely responding to enquiry from existing and potential shareholders (i.e., within 24 hours upon receiving enquiry)</p>	<p>Quarterly financial results of the Company were released on timely basis after approval of the Board, on the same meeting day.</p> <p>All questions have been responded by the CEO and Board during the AGM.</p>
S02: Health and safety	<p>Ensure zero major accident</p> <p>Trainings for Safety and Health Committee</p>	<p>There was no major accident reported in FY2024.</p> <p>During FY 2024, there were 5 trainings attended by Committee and also staffs</p>
S03: Labour Practices and Standards	Ensure zero complaints from Labour Office	There was no complaint from Labour Office
S04: Engagement of Employees	Staff briefing	Staff briefings were held to brief staffs on business outlook, financial performance of the Company etc
S05: Fair and equal career opportunities and development (including diversity)	No discrimination of age, race and gender	At VisDynamics, employees from all ages, youngest being 21 years old and the oldest 69 years old and we have multiracial staffs covering both males and females.
S06: Giving back to community those in needs (Community/ Society)	To make donations and conduct homes visit at least once a year	During the year, donations were made to 6 organisations and a visit to children mentally disabled centre.
S07: Ensure Staffs Wellness and Rewards and Work Life Balance	<p>To celebrate all major festive seasons</p> <p>Encourage employees living a healthy and active lifestyle</p>	<p>We celebrated Chinese New Year, Hari Raya and Deepavali.</p> <p>There is weekly badminton and pickleball session where staffs can exercise and interact with each other.</p>

Sustainability Report (Cont'd)

SUSTAINABILITY AT VISDYNAMICS (CONT'D)

Materiality Assessment (Cont'd)

GOVERNANCE		
G01: Compliance to regulatory bodies	Ensure zero non-compliance/ reprimand by regulatory bodies	There was no con-compliance with regulation in FY2024.
G02: Anti-corruption	Zero bribery incident	There was no bribery incident noted in FY2024.
G03: Data Privacy and Security	Zero data breach	There was no data breach incident noted in FY2024.

GOVERNANCE

We aspire to be transparent and conduct our business in an ethical and principled way to achieve long-term success and sustainable growth, as well as to ensure trust amongst shareholders and investors. More details on our corporate governance framework in our Corporate Governance Overview Statement in Page 46 to Page 59 in this annual report.

Our corporate governance initiatives include risk management and internal controls, a Code of Conduct, Anti-Bribery and Corruption and Whistleblowing Policy. These areas are explained in subsequent sections of this Report.

Board of Directors

Our Board is committed to conducting business responsibly and maintaining sound corporate governance across the organisation. This commitment extends to overseeing sustainability issues that may impact the long-term interests of our shareholders and other stakeholders. The Board is led by our Chairman, who is an independent director under the ACE Market Listing Requirements (“AMLR”) of Bursa Securities and the Malaysia Code of Corporate Governance (“MCCG”). Board members are guided by our code and other policies that are available on our website.

The Board has established three committees from among its members to which the Board has delegated specific responsibilities in discharging its duties:

- Audit Committee (AC)
- Nomination Committee (NC)
- Remuneration Committee (RC)

These committees are governed by charters that have been drawn up in line with the AMLR and MCCG and can be found on the corporate website.

Board Oversight of Sustainability

The Board’s oversight responsibilities require ongoing, in-depth consideration of economic, social, and environmental risks and opportunities. In addition to assessing material impacts and discussing associated risks with Management, the Board reviews and considers stakeholder feedback on ESG topics as well as oversees human capital management, including diversity and inclusion.

The Board receives regular updates relating to ESG matters, including climate change risks and opportunities in the quarterly Board meeting from the CEO. The Board also reviews and approves the Sustainability Report in Annual Report. The Company publishes the financial results accordingly in the quarterly and annual reports.

Gender Diversity

The NC strives to maintain a Board with the right balance of experience, skills, continuity, and diversity required to be successful. Three (3) out of seven (7) Board directors are women i.e., 43% female leadership. The members of the Board are elected based on their experience, available knowledge, which may be conducive to the performance of the Group’s activities and contribute valuable insight to the Board, without discrimination based on gender.

## Sustainability Report (Cont'd)

### GOVERNANCE (CONT'D)

- **Board Independence**

Currently, the Board comprises seven (7) members, of whom four (4) are independent non-executive directors. None of the independent director hold any other position in the Group.

- **Aligning Compensation with Sustainability**

Our executive compensation is designed to attract, motivate, and retain our executives, who are critical to our strategic success. We are committed to a performance-based compensation model that focuses our leaders on the achievement of certain financial goals and progress against strategic goals. We believe this strikes the right balance to ensure compensation is responsive to performance and aligned with shareholders' interests.

The Remuneration Policy of the Company is made available on the Company's website.

- **Risk Management and Internal Control**

The fundamentals of good corporate governance derive from maintaining a sound system of risk management and the adequacy and integrity of our internal control system.

Risk management is important to VisDynamics to identify threats and opportunities in the Group's operations and development. Details on our risk management framework are explained in detail in our Statement of Risk Management and Internal Control from Page 65 to Page 69 of this Annual Report.

Our internal controls include various policies and documents to ensure VisDynamics and its employees uphold the highest standard of integrity and ethics in their business conduct. The said policies are available on the Group's website:

- Board Charter
- Code of Conduct
- Terms of Reference of Board Committees (i.e., AC, NC and RC)
- Anti-Bribery & Anti-Corruption Policy; and
- Whistleblowing Policy

- **Code of Conduct & Ethics**

We have established a Code of Conduct which is adopted at all levels in the Group. It covers the principles and guides for direct and indirect employees' rules and responsibilities inside and outside the Company. Those principles are shared with all employees and emphasised during training sessions.

- **Whistleblowing Policy**

We have zero tolerance for any acts of bribery or corruption. Any employees and/or third parties suspecting of misconduct or wrongdoing, are encouraged to report them to the Board Chairman and AC Chairperson through the established reporting mechanism as stipulated in the Whistleblowing Policy. During the year, no instances, or complaints of suspected corrupt or unethical behaviour were reported to us.

- **Anti-Bribery & Anti-Corruption Policy**

As outlined in the Code of Conduct, VisDynamics is committed to conducting its business in the right way, including the zero tolerance for any form of bribery or corruption. The Code of Conduct and the Anti-Bribery and Corruption Policy reflects our commitment to uphold integrity. The policy, which is overseen by the Board, governs our stance in prohibiting any forms of payments and acceptance of bribes within the Group, and stipulates the guidelines for our Board, employees, and business associates in dealing with tangible and intangible gifts and entertainment.

Other preventive and control actions against corruption, such as whistleblowing procedures, dedicated training for staff, vendors, and agents, are implemented to ensure proper functioning of the Group. Training is also included in the induction of new employees. During the year, there were no incidents of confirmed corruption. It is the Group's goal to maintain zero tolerance for corruption.

## Sustainability Report (Cont'd)

### GOVERNANCE (CONT'D)

#### • Compensation

We ensure that the compensation packages meet or exceed the legal minimums and are competitive with industry and the local labour market. Additionally, we ensure that adequate communication on our compensation philosophy is conveyed to our employees through various channels, such as our employee handbook, Company's memo, briefings and trainings, and is in full compliance with applicable wage, work hours, overtime and benefit laws.

#### • Tax Governance

The Group recognises the importance of tax in contributing to the country's economic development and society prosperity. The Group is committed to being responsible for:

- Tax governance and complying with the applicable tax laws and regulations in the jurisdictions where we operate;
- maintaining respect and mutual trust relationships with the tax authorities; and
- optimise available tax incentives and reliefs under applicable laws to minimise the tax cost of conducting business

#### • Data Privacy and Protection

All employees, including the Directors have the responsibility to comply with the applicable local laws and regulations concerning personal data protection. We recognise that maintaining the highest standard of data security and privacy is imperative to our stakeholders. Thus, we are dedicated to ensuring the data stored across our Systems, Databases, and Networks is being adequately safeguarded.

We practise disciplined data management. During the course of business, we are required to regularly collect and assess the data of our employees, job candidates, customers, and business partners. As such, we strive to continually promote and communicate the importance of data protection and strict adherence with local legislation to all relevant employees who are granted the authority and access to sensitive data and confidential information.

Together with all employees, our Management Information System ("MIS") team, which is responsible overseeing, implementing and maintaining various Systems, is required to sign a Non-Disclosure Agreement ("NDA") to ensure all confidential information is not disclosed to any personnel who do not have the authorisation to view or access the said confidential information.

Additionally, our data management is governed through MIS policies and procedures such as password, email, and internet policy, with other safeguarding measures in place to protect the confidential information stored in the Information Technology ("IT") system. The access rights of designated employees were also being reviewed on a regular basis by the Management to ensure they were commensurate with their respective roles.

During the year, we received no complaints concerning breaches of customer or employee privacy, and to the best of our knowledge, there have been no leakages, thefts, or losses of customer or employee data.

#### • Cyber Security

As the cyber security threat continues to evolve, VisDynamics remains committed to safeguarding the information security and data protection of its IT infrastructure, products, and the data security of its employees and customers against sophisticated attacks and threats.

Customer data is processed and centrally stored on our server in our SAMBA system, whereby only the authorised personnel have access to the information kept in the system. To ensure there is no unauthorised access and misuse of authority, user access and its activities are reviewed on a regular basis. During the year, no violations of customer privacy or loss of customer data were reported.

In summary, VisDynamics has developed and maintained an all-encompassing information security management system encompassing information security policies and procedures, implementing relevant information security measure, organising educational training on information security, monitoring, reporting and addressing the information security incidents, updating and managing the information security system, and detecting vulnerabilities in the information system.

During the year, there were no reports of major cyber security violations or loss of proprietary information. Nevertheless, the Group will continue to raise and instil IT security awareness among our employees through our email blasts and invest in security improvements to minimise and prevent relevant security threats.



## Sustainability Report (Cont'd)

### BUSINESS SUSTAINABILITY

#### Economic Performance

The Group's strategy is based on profitable and sustainable growth, which is important to our long-term success as a listed company. We are mindful that our economic performance contributes to financial stability which in turn, has an impact on our ability to meet our financial obligations to the stakeholders, such as payment of salaries to our employees, to government through taxes, to shareholders through attractive returns, to suppliers through purchases, and to communities through donations, sponsorships and internship opportunities.

During the year, the Group generated a revenue of RM8.1 million, a decrease of RM18.5 million or 70% from the corresponding financial year ended 31 October 2023 of RM26.6 million.

#### Profit Development

As resulted by the decrease in revenue, the Group reported a loss before taxation ("LBT") of RM6.5 million for the FY 2024, represented a 267% decrease in profit as compared to the profit before taxation ("PBT") of RM3.9 million in FY2023. The LBT margin for FY2024 was recorded at -80% (FY2023, PBT margin: 15%).

The loss after taxation ("LAT") of the Group for the FY2024 was recorded at RM6.8 million, a 343% decrease in profit as compared to the profit after tax ("PAT") of RM2.8 million for the FY2023. The LAT margin for the FY2024 was recorded at -84% (FY2023, PAT margin: 11%).

#### High Return on Equity

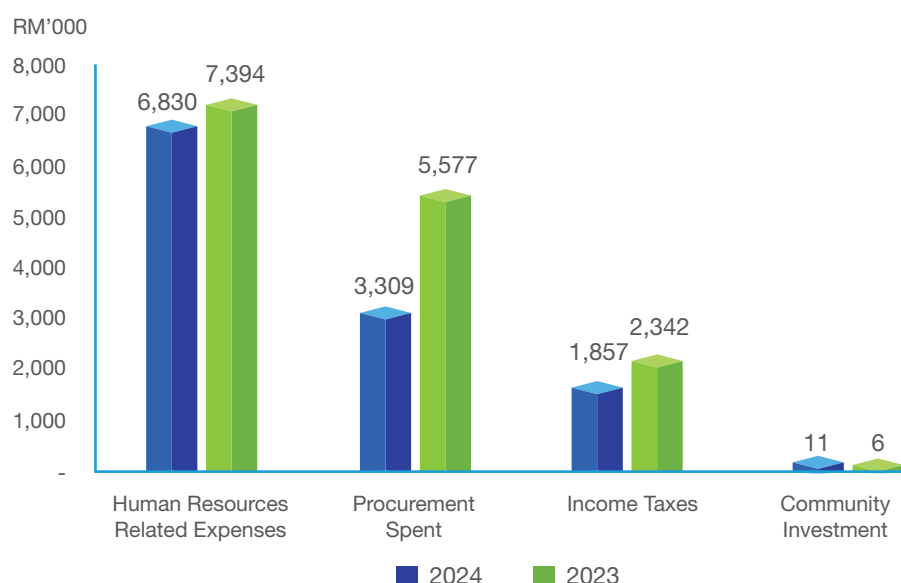
The Group's financials and assets remained strong, with a net asset of RM58.8 million (FY2023: RM68.3 million) and net cash after borrowing of RM24.1 million (FY2023: RM33.8 million).

Return on equity ("ROE") dropped to -11.5% (FY2023: 4.2%).

The cash and cash equivalents stand at RM33.9 million, as compared to RM33.9 million during preceding year.

#### Flow of Capital to Stakeholders

Our stakeholders contribute to and share the revenue and other income that we generate as a company: employees, suppliers, governments, and local communities. As a committed organisation that aims to achieve sustainable business development, the Group is dedicated to stimulating economic activities at the local and regional levels to improve the living standards of our employees and communities. We accomplish this by providing stable, fair-paying jobs, procuring goods and services from local suppliers, paying income and other taxes, and investing in community infrastructure and initiatives.



As indicated above, the Group made payments of RM6.83 million to employee wages and other benefits (FY2023: RM7.39 million) and RM11,000 to local communities (FY2023: RM6,000).

The Group paid taxes on income that amounted to RM1.8 million in the year under review (FY2023: RM2.3 million), which thereupon translated our commitment to contribute to the growth of our country's economic value, both in a direct and indirect way.

Sustainability Report (Cont'd)

BUSINESS SUSTAINABILITY (CONT'D)

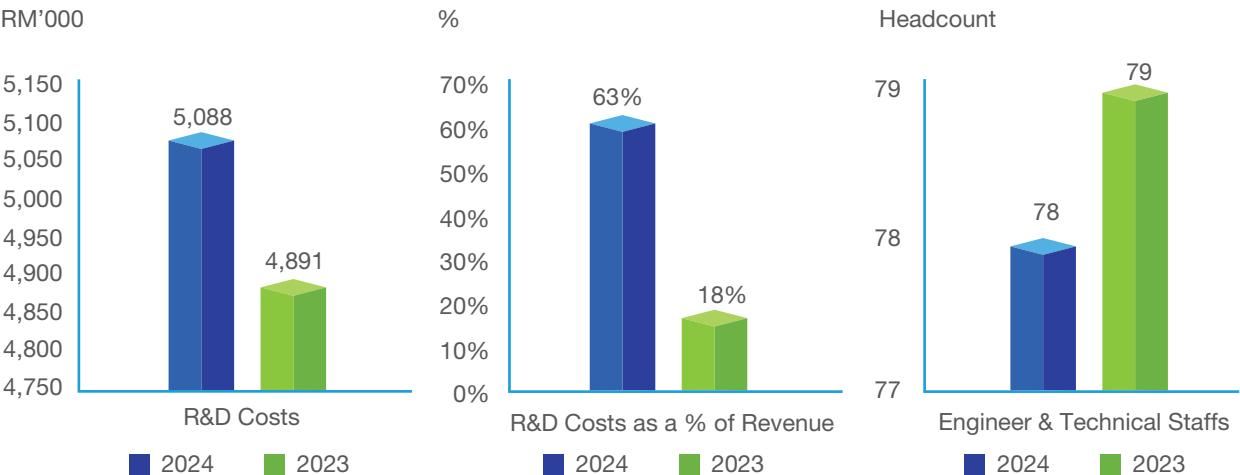
Innovation and Technology

As one of the world’s leading automation solution providers for factories, we strive to rapidly transform creative ideas into commercially viable product and service offerings to meet the sophisticated market’s needs. This is paramount in driving our organic revenue growth and the development of VisDynamics’ operations, by maximising our customers’ expectations and creating values for our strategic partners, including suppliers and collaborators.

We place significant concentration in investing and managing our research and development (“R&D”) activities. We have a dedicated R&D team consisting of 47 engineers and 31 technical staff out of 109 staff which represents 72% (2023: 46 engineers and 33 technical staffs out of 110 staff which represents 72%) contributes to the process enhancement by developing new products, improving current product design and innovative applications.

Sustainability is the key development area in the design of new products such as the use of environmentally friendly materials wherever possible or design aimed at ensuring longevity through maintenance and after sales support via parts that can be exchanged or upgraded whilst enabling resource recovery after the end of useful life.

Research & Development



We design and build machinery that supports the increased demand for factory automation and electrification. We innovate along the entire value chain to meet the sophisticated market needs for sustainable solutions. Some product groups are built around modular systems, which means that the equipment can be adapted to customer-specific needs, yet still be based on relatively standard and known components. This provides a more efficient manufacturing and handling of components with reduced environmental impact.

Our commitment to innovation has led to many high efficiency product and service offerings that enable the industry to reduce energy and resource consumption during application and use, reduce carbon footprint (“CO2”) emissions, and solve complex production challenges today. We are investing in new technologies, products, and services that enable industry to improve health, safety, sustainability, and advance toward a cleaner energy future.

Even during the economic slowdown in 2024, we maintained our intense focus on technology development, investing RM5.09 million in R&D (63% R&D costs over Revenue), as compared to RM4.89 million during the prior year (18% R&D costs over Revenue).

Customer Relationship Management

As an export-oriented company, sustaining the business is of the utmost importance to generate foreign currency inflow and boost Malaysia’s FDI (Foreign Direct Investment).

We continuously promote our products to overseas agents and customers, which indirectly creates economic opportunities locally.

Thus, sustaining the business requires the Company to provide the best service to our customers so that they may continue to purchase our products. VisDynamics has developed an extensive customer relationship to ensure the best during and after-sales service, including regular visits or support at customers’ sites and customers’ instant direct communication with engineers and project owners.

## Sustainability Report (Cont'd)

### BUSINESS SUSTAINABILITY (CONT'D)

#### • Product Quality and Safety

Safety, quality and reliability of our products are the most significant elements of VisDynamics' sustainable business model and value creation. It is pivotal to us in ensuring we develop and deliver products that are safe and functional for all users. As such, we strive to relentlessly build and strengthen the safety and quality standards of our automated equipment at every stage of our product lifecycle, from concept, design, and throughout the manufacturing and production processes, including strict protocols in design reviews, failure mode analysis, and fabrication part approval.

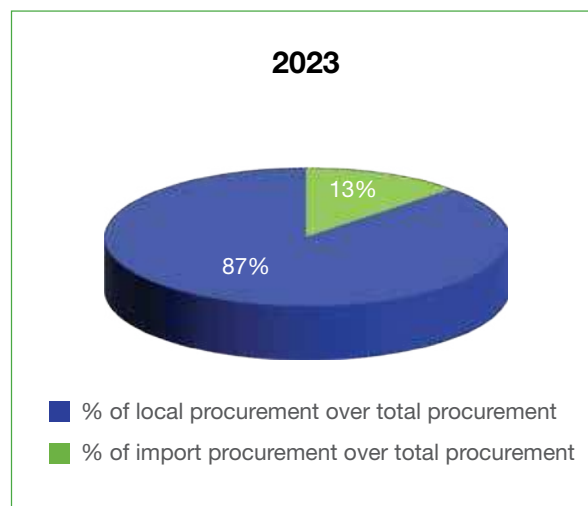
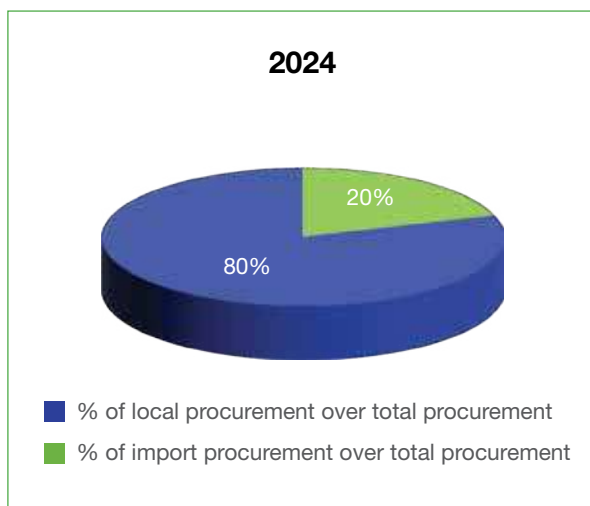
In demonstrating our professional integrity and ethical business practice, we are committed to delivering the highest quality of products and services to our customers, in line with our corporate values and the Code. Our strong commitment to upholding this principle is governed by the robust quality management systems at all our manufacturing plants which are certified by the international ISO 9001:2015 Standard.

With strict quality assurance management and a focus on product safety and quality, we are delighted to report that there was no major incident or report made by our customers or relevant governing bodies concerning the breach of safety and quality standards in the year of reporting.

#### • Procurement Practices

We support our local suppliers where possible, as we believe it will translate into better revenue and supply chain efficiency for the local businesses while simultaneously stimulating the economic growth in Malaysia. Our procurement analysis data is illustrated below:

Stakeholders	2024	2023
Total number of local suppliers (active)	158	114
Amount spent on local procurement (RM'000)	2,648	4,853
% of local procurement over total procurement	80%	87%



The Company pledges to support the growth of local industries through the maximum utilisation of local materials and resources.

Using the Standard Operating Procedure, suppliers are assessed through the selection and qualification process prior to their inclusion in an Approved Supplier List. Regular performance evaluations are conducted to ensure the quality of products and services supplied, delivery performance, after sales service, responsiveness and pricing meet our expectations.

## Sustainability Report (Cont'd)

### ENVIRONMENTAL SUSTAINABILITY

Our commitment to sustainability includes initiatives to reduce the environmental impacts amongst our people, operations, products and services. We strive to continuously develop and maintain a sustainable mechanism to protect the environment by managing our energy consumption, water usage, and waste generated throughout our businesses. As such, we have proactively engaged with key external and internal stakeholders to identify tangible environmental concerns and means for improving of the environmental impact over time.

- **Energy and Climate**

We are aware of the global concern from the community concerning climate change, which arises from the increase in energy consumption and its greenhouse gas ("GHG") emissions.

In order to promote a green environment, VisDynamics 'green building' is designed in an environmentally-friendly manner in pleasant surroundings with efficient use of natural light and fresh air.



The Group continues to seek ways of improving the energy management of our operations, evaluating variables affecting energy indicators and searching for anomalies.

The Group continues to strive to increase the proportion of electricity consumption from renewable sources through the use of on-site solar energy generation. As part of our effort to sustain the environment, the Company has installed solar panels to minimise energy consumption.

We have a solar roof (which is eligible for Malaysia's Feed-in Tariff (FiT) system under Sustainable Energy Development Authority (SEDA) car park that was built in 2019 for employees to have a sheltered car park, and at the same time, we are able to generate solar energy for Tenaga Nasional Berhad ("TNB"), which generates additional income for the Company. The Company has entered into a contract with TNB for 21 years, which will guarantee us income from the solar energy generation.



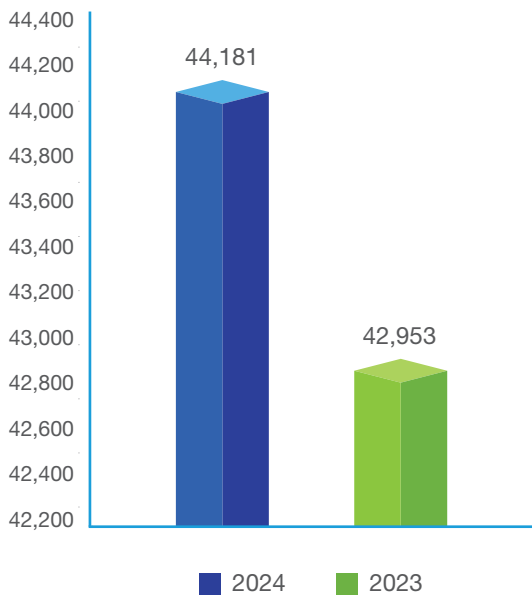


Sustainability Report (Cont'd)

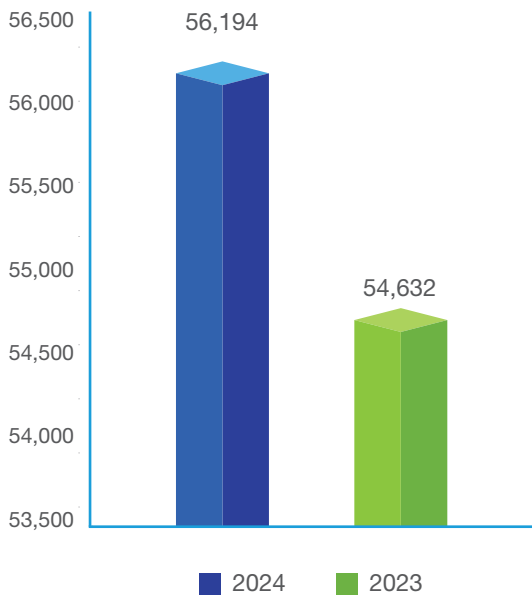
ENVIRONMENTAL SUSTAINABILITY (CONT'D)

• Energy and Climate (cont'd)

Total Solar Energy Generation by Solar Carpark by Year (kWh)



Total Income Generated by Year (RM)



Apart from the above, the Company has also installed solar panels on the factory roof, making it eligible for the Net Energy Metering (NEM) Scheme system introduced by the Government via the Sustainable Energy Development Authority (SEDA). The concept of NEM is that the energy produced from the solar PV installation will be consumed first, and any excess will be exported to TNB at the prevailing displaced cost. This NEM mechanism has so far proven that renewable energy is viable and a sound long-term investment for us.

Malaysian Investment Development Authority (MIDA) has awarded the Company with Investment Tax Allowance (ITA) which enables the company to claim the ITA restricted to 70% of statutory income.



In addition to all the measures above, we had implemented other initiatives such as the adoption of energy efficient technologies such as LED lighting and minimal air conditioning with the use of fan for cooling effect.

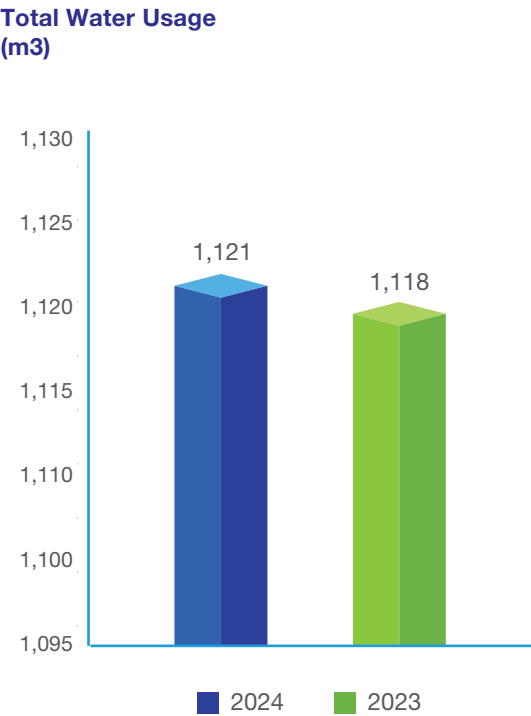
Sustainability Report (Cont'd)

ENVIRONMENTAL SUSTAINABILITY (CONT'D)

Water Withdrawal

Due to the nature of our operations, we have relatively low water consumption in our direct operations as compared to manufacturing companies in other industries. Even though water conservation is not one of the most critical sustainability matters, we remain cautious to track our water consumption and envisage reducing water usage in our products and processes. Our current use of water does not significantly impact the availability of water in the regions where we operate. There is no water shortage at our manufacturing sites. However, we ensure water leakage is promptly addressed and regular maintenance is carried out accordingly.

	2024	2023
Total water usage (m3)	1,121	1,118



Recycle & Reuse

We also practise Recycle and Reuse. Once a month, unused papers. Boxes, and other recyclable items are collected and donated to the Tzu Chi Foundation Malaysia.

We support all minor activities in our operations, which do not appear to be significant but can also help fight climate change, such as printing documents on recycled paper. This protects trees, preserves energy and reduces air pollution.

Environmental Compliance

There was no incident of non-compliance with environmental laws and regulations, and we have not been penalised or fined for any environmental violation during the year.

Moving forward, the Group will continue to review and improve its environmental management system and practices, keep abreast of the latest regulations, and practise strict compliance with the relevant requirements. Additionally, we commit to promote environmental awareness within our organisation and advocate for environmental initiatives launched by the local authorities.

## Sustainability Report (Cont'd)

### SOCIAL SUSTAINABILITY

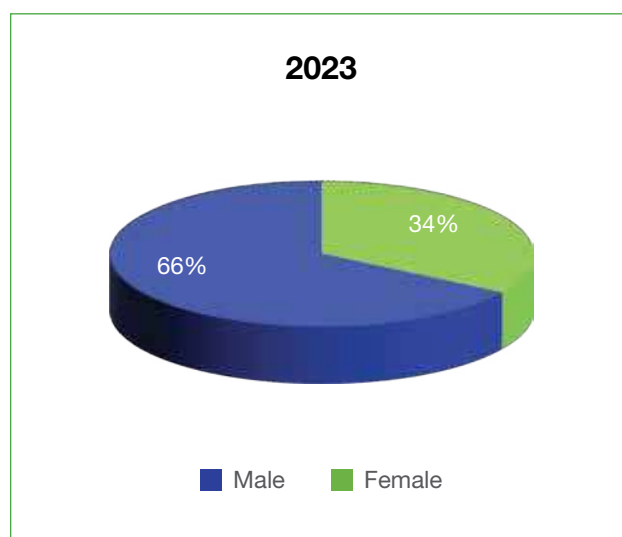
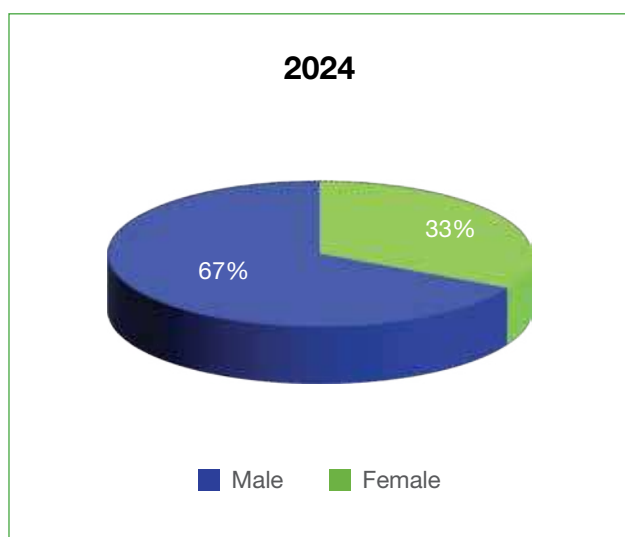
We believe in building strong relationships internally with employees as well as with our customers, suppliers, and local communities. The key for VisDynamics to achieve sustainable growth and provide long-term value creation for our stakeholders is to build a strong and enriching community.

#### • Our People

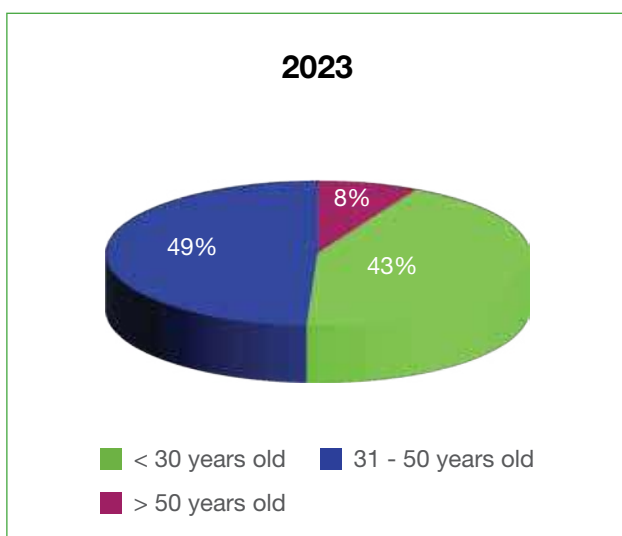
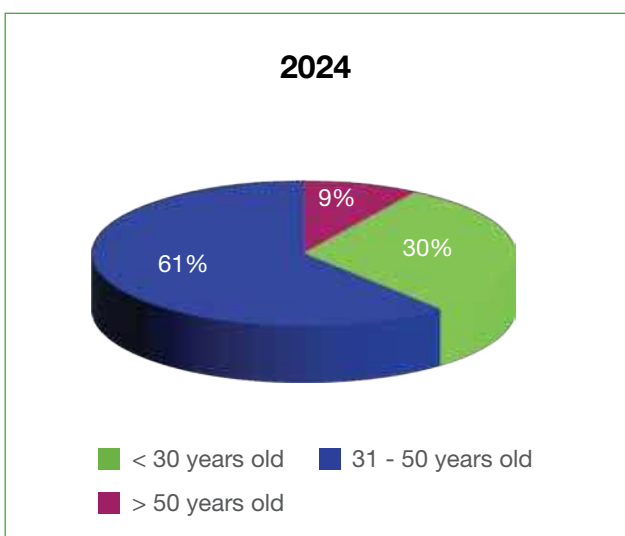
We are committed to building a diverse and inclusive environment where employees are treated and valued equally regardless of age, race, gender, disability, nationality, religion, or sexual orientation. We also aim to provide a safe and secure workplace that supports employee wellbeing and productivity. Investing in our employees is the foundation for the growth and success of the Group.

We embrace all aspects of diversity within our workforce, including race, gender, backgrounds, and experiences. We do not discriminate and hire the candidates who are best fitted for the job.

Our workforce comprises of 67% male and 33% female workers. (FY2023: Male - 66% : Female - 34%).



Our Group's workforce is relatively young with 30% of the workforce below the age of 30 years old, 61% between 31-50 years old, and the remaining 9% represented by our experienced employees aged 50 years and above. (FY2023: below 30 years old - 43% : 31-50 years old - 49% : 51 years old and above - 8%).



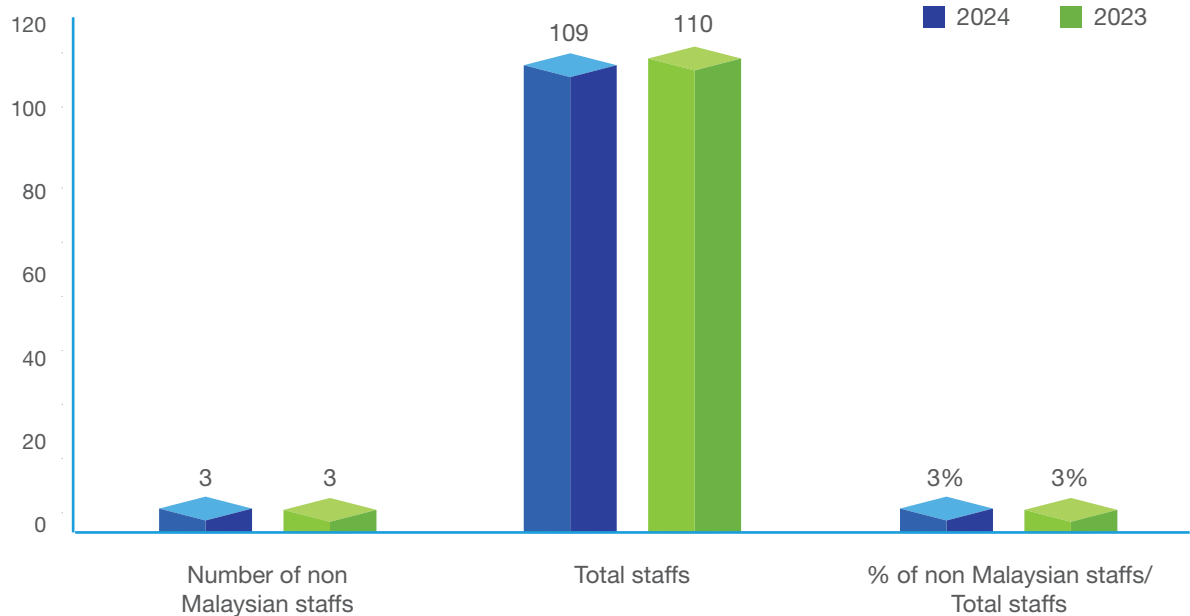
Majority of the staff based in Melaka, Malaysia, are local Malaysians. However, we have 3 Filipino engineers in the Philippines (2023: 3 people) to service our customers there. As for other regions, we have our business partners who provide after sales service to our customers.

Sustainability Report (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

Our People (cont'd)

No of staffs



Workplace Health and Safety

Providing a **safe and healthy workplace** is imperative, as our employees are our greatest asset. Thus, VisDynamics ensures that the health and safety of its employees are taken care of at the workplace by setting-up a Safety and Health Committee to monitor, review, and improve the health and safety rules, operations, and performance, and to raise and promote health and safety awareness at all levels.

At VisDynamics, we continuously promote well-being, prevent accidents and work-related illnesses in our workplaces. Any accidents or near-miss incident should be escalated immediately to employees' superior, the Safety and Health Committee, the Head of Departments and Administration Department.

Our Safety and Health (S&H) Committee comprises of employees (representatives from each different departments) and also representatives from management. The S&H Committee oversees the Group's operations to ensure that safety standards are aligned with industry best practices. They meet and discuss quarterly to review trainings, inspection results, workplace incidents and to track progress on where safety efforts are prioritised. Such efforts include trainings and briefings organised to educate workforce on general health and safety measures, promote prevention approaches and importance of adhering to standard operating procedures in place.

During the year, the following trainings/events were conducted:

- Workplace Ergonomic Awareness 2024
- Chemical Spill Control Training
- First Aid Training 2024
- Safe Handling of Handtools
- Firedrill

We are pleased to announce that VisDynamics has had no regulatory violations by the Department of Occupational Safety and Health ("DOSH") so far and no accidents that happened at work.





## Sustainability Report (Cont'd)

### SOCIAL SUSTAINABILITY (CONT'D)

- **Workplace Health and Safety (cont'd)**



Safe Handling of Handtools Training



Chemical Spill Control Training



Ergonomic Training

- **Engagement of Employees**

VisDynamics' strength is its workforce, and we take great efforts to take care of the wellbeing of our employees. We strive to develop a sense of belonging amongst staff by providing a platform for staff to interact via staff briefings every bi-monthly.

- **Career Path**

We emphasise on continuous upgrading of employees' skill and knowledge in order for them to excel in their work performances through training programmes, workshops and seminars.

In addition, there are always learning or upgrading opportunities for VisDynamics employees, to support more staff's access to high quality education and promote workforce development. The Company will provide scholarships for keen and needy employees to further their studies, which can help them in their career progression later on.

## Sustainability Report (Cont'd)

### SOCIAL SUSTAINABILITY (CONT'D)

#### • Staffs Wellness and Rewards

We aspire to provide and ensure wellness, as well as a rewarding system for our employees to show our recognition and appreciation towards their contributions to the Group. At our workplace, we offer conducive sections such as:

- Mothers room
- Prayers room
- Game room

We always provide and promote a balanced healthy work-life with activities i.e., jogging, running competition, mount climbing and also weekly badminton and pickaball session. During these activities, employees will be able to live an active and healthy lifestyle and also enhance their social relationships.



Pickleball



## Sustainability Report (Cont'd)

### SOCIAL SUSTAINABILITY (CONT'D)

- **Staffs Wellness and Rewards (cont'd)**

In addition, we also have our company recreational activities, such as Company trips, team building, the annual dinner, festive gatherings, and birthday celebrations.



Team Building



## Sustainability Report (Cont'd)

### SOCIAL SUSTAINABILITY (CONT'D)

- Staffs Wellness and Rewards (cont'd)



Chinese New Year



Sustainability Report (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

- Staffs Wellness and Rewards (cont'd)



Hari Raya

Deepavali



## Sustainability Report (Cont'd)

### SOCIAL SUSTAINABILITY (CONT'D)

- Staffs Wellness and Rewards (cont'd)



Christmas



Sustainability Report (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

- Staffs Wellness and Rewards (cont'd)



Fruits Fiesta

Sustainability Report (Cont'd)

SOCIAL SUSTAINABILITY (CONT'D)

Staffs Wellness and Rewards (cont'd)

Apart from the above, staff are rewarded with company’s performance or profitability incentives, apart from their individual performance yearly bonus, and also the Employees’ Shares Option Scheme (“ESOS”).

We recognised and acknowledged employees’ contribution to the Group’s success. VisDynamics’ employee benefits programmes are designed to meet the needs of a diverse workforce, and include competitive remuneration packages covering medical, hospitalisation and surgical plans, personal accident insurance, leave benefits (sick leave entitlement if unwell, even without a doctor’s medical certificate) and travel allowances.

Working Hours and Rest Periods

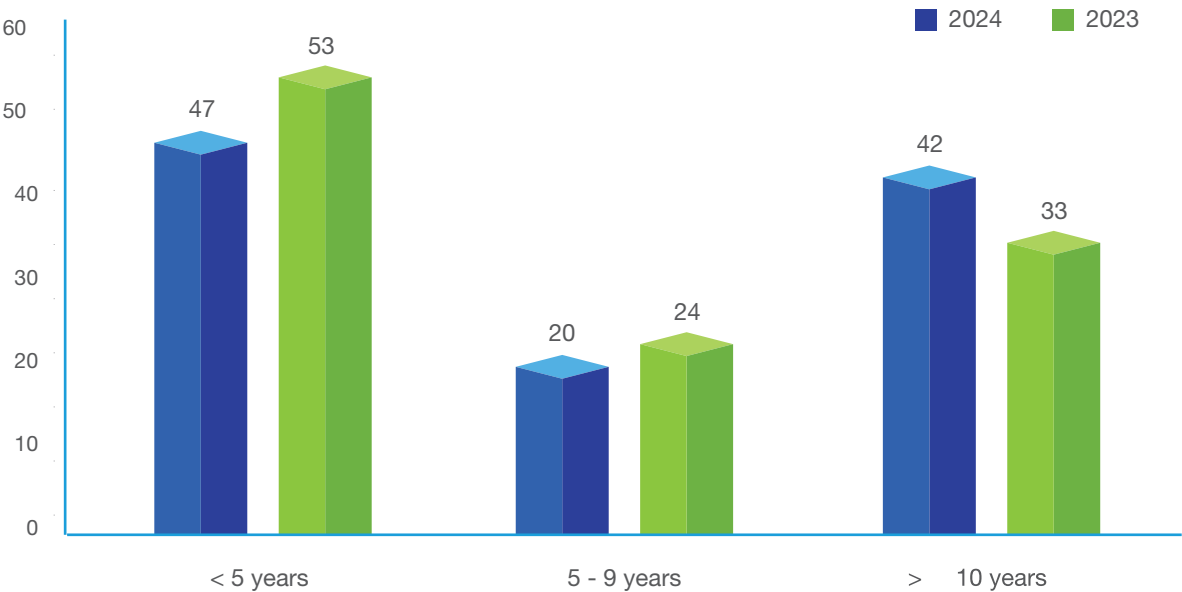
The Group is committed to offering reasonable working hours and rest periods to employees. Generally, our employees work an average of 40 hours per week. Nonetheless, the supervisor is empowered to reschedule the working hours of the department to suit the operational needs. All of our employees are entitled to all public holidays gazetted by the Malaysian Government each year, and replacement leaves will be granted (if Public Holiday falls on Saturday, Friday will be the replacement holiday, and if it falls on Sunday, Monday will be the replacement holiday). In addition to it, our employees are entitled to annual leave, marriage leave, maternity leave, paternity leave, sick leave, sick leave without MC, compassionate leave, study leave, examination leave, and prolong illness leave.

Employee Retention

We always believe that employees are our greatest assets. Hence, we are committed to finding the best possible ways to retain them. As such, we observe and manage the employees’ turnover and the level of their engagement on a regular basis. On an ongoing basis, we will review staff salaries and benchmark against the market rates and identify initiatives for improvement in other aspects. This includes seeking feedback through exit interviews with employees who have resigned. This information will then be shared between Chief Financial Officer and Chief Technical Officer for further discussion, analysis and further actions if needed.

We are very pleased to share that our commitments and investments in our employees have resulted in more than half of our employees being considered long service employees, who have stayed with us for more than 5 years and above.

No of staffs





## Sustainability Report (Cont'd)

### COMMUNITY

At VisDynamics, we continue to extend our values and contribution to the communities where we operate through a variety of social engagements and sustainability initiatives. Our social sustainability approach is to enforce community partnerships that focus on local needs and support the underprivileged.

VisDynamics is actively involved in local community projects by way of monetary and non-monetary contributions and donations in kind.

We are the proud co-organisers of the Blood Donation Campaign, which was held at the Company's premises. This event was open to VisDynamics employees, their friends and family members, vendors and neighboring companies. This event is held annually.



Blood Donation



## Sustainability Report (Cont'd)

### COMMUNITY (CONT'D)

We reached out to the needy and unfortunate, such as the mentally and physically impaired, the elderly at home, patients at an NGO care centre for critical illness patients, and schools, as part of the Group's ongoing effort to make a positive impact on our community and individual lives. During the year, we have contributed to:

- Sin Chew Media Corporation
- Yayasan Taiwan Buddhist Tzu-Chi Malaysia
- United Overseas Bank (Malaysia) Berhad Charity Run
- Suara Kesatuan Pegawai Kastam Semenanjung Malaysia
- Pusat Kanak-Kanak Terencat Akal Bahagia
- Persatuan Kanner Melaka



Home Visit



## Sustainability Report (Cont'd)

### COMMUNITY (CONT'D)

Apart from the above, during the year, VisDynamics has also supported the Autism Walk organized by Persatuan Kanner Melaka. We believe that having fun while giving back to the society is one of the greatest motivational factors in life and work.



Autism Walk

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Director (“**Board**” or “**Directors**”) of VisDynamics Holdings Berhad (“**VisDynamics**” or “**the Company**”) remains committed by maintaining the highest standards of corporate governance (“**CG**”) within the Company and adhering to the principles and best practices of CG, by observing the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad (“**Bursa Securities**”). The commitment from the top paves the way for the Management and all employees to ensure the Company’s business and affairs are effectively managed in the best interest of all stakeholders.

The Board is pleased to present an overview statement on the application of the principles as set out in the Malaysian Code on Corporate Governance (“**MCCG**”) and the extent to which the Company and the subsidiary have complied with the three (3) key principles and practices of the MCCG during the financial year 31 October 2024 and up to the date of this overview statement.

This overview statement is made pursuant to Rule 15.25 of the ACE Market Listing Requirements of Bursa Securities (“**AMLR**”) with guidance drawn from Guidance Note 11 of AMLR.

The detailed application of each Practice as set out in the MCCG is disclosed in the Corporate Governance Report (“**CG Report**”) which is available on the Company’s website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### Part I – BOARD RESPONSIBILITIES

#### 1.1 Strategic Aims, Values and Standards

The Board is responsible for overseeing and managing the overall performance of the Group by maintaining full and effective control over strategic, financial, operational, compliance and governance issues. The Board’s key roles in charting the strategic direction, development and control of the Group include reviewing and monitoring matters on strategy to promote sustainability, performance, evaluation, resource allocation, standard of conduct, financial matters, succession planning, corporate disclosure, and the effectiveness and adequacy of the Group’s system of internal controls and risk management practices.

The Board delegated and conferred some of its authorities and discretion on the Chairman, Executive Directors and Management as well as on properly constituted Board Committees comprising mainly or exclusively of Non-Executive Directors which operated within clearly defined terms of reference as approved by the Board to oversee and deliberate matters within their purviews.

The Board Committees, comprising the Audit Committee (“**AC**”), Nomination Committee (“**NC**”) and Remuneration Committee (“**RC**”), are entrusted with specific responsibilities to oversee the Group’s affairs, and have authority to act on behalf of the Board in accordance with their respective Terms of Reference. Notwithstanding the delegation of specific powers, the Board keeps itself apprised of the key matters discussed and recommendations made by each Board Committees through the reports by the Chairmen of the respective Board Committees at the Board Meeting.

The key matters reserved for the Board’s approval include the Company’s business plan, capital management and investment policies, authority limits/levels, risk management practices, new businesses/projects, declarations of dividends, business continuity plans, issuance of new securities, business restructuring, expenditures above a certain limit, material acquisitions and disposition of assets.

The Board regularly reviews the strategic direction of the Company and the progress of its operations, considering changes in the business and political environments and risk factors.

#### 1.2 Chairman

The Chairman, Mr. Pang Nam Ming, is an Independent Non-Executive Director. The Chairman leads the Board with a keen focus on governance and compliance and acts as a facilitator at Board meetings to ensure that contributions by Directors are forthcoming on matters being deliberated and that no Board member dominates any discussion. Together with the other Independent Non-Executive Directors, he leads the discussion on the strategies and policies recommended by Management. He chairs the meetings of the Board and the shareholders thus ensuring effective communication with the shareholders as well as the relevant stakeholders.

The Chairman of the Board is not a member of any Board Committees to ensure check and balance as well as objective review by the Board.

## Corporate Governance Overview Statement (Cont'd)

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

#### Part I – BOARD RESPONSIBILITIES (CONT'D)

##### 1.3 Separation of the Positions of the Chairman and Chief Executive Officer (“CEO”)

The positions of the Chairman and the CEO are held by different individuals. Mr. Pang Nam Ming, the Independent Non-Executive Director, is the Chairman whilst Mr. Choy Ngee Hoe is the CEO of the Company during the period under review.

The Board recognises the importance of having a clear separation of responsibilities between the Chairman and the CEO to promote accountability, ensure an appropriate balance of roles, and facilitate the division of responsibilities between them so as to ensure no one individual can influence the Board’s discussions and decision making. The distinct and separate roles of the Chairman and CEO ensure an appropriate balance of roles, responsibilities and accountability at Board level.

The distinct roles of the Chairman and the CEO are mentioned in the Board Charter, which is available on the Company’s website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

##### 1.4 Qualified and Competent Secretaries

The Board is supported by qualified and competent Company Secretaries who are qualified to act as Company Secretary under Section 235 of the Companies Act 2016. The Company Secretaries provide guidance to the Board on the corporate governance issues, requirements encapsulated in the Company’s Constitution, the Companies Act 2016 and AMLR, and compliance with relevant policies and procedures, rules, and regulatory requirements and ensuring good information flow within the Board, Board Committees and Management.

The Company Secretaries attend all meetings of the Board and Board Committees and ensure that all Board and Board Committee meetings are properly convened, and that accurate and proper records of proceedings and resolutions passed are recorded and maintained in the minutes books.

The Company Secretaries are keeping abreast of the regulatory changes, developments in corporate governance and evolution of the Company Secretary’s role and business trends through continuous training and shall regularly update the Directors on any development in regulatory requirements and the implications to the Company and Directors in discharging their duties and responsibilities.

##### 1.5 Access to Information and Advice

The Board recognised that the decision-making process is highly dependent on the quality of information available. All Directors on the Board and Board Committees have full and unrestricted access to Management and the Company Secretaries on all information necessary and may seek independent professional advice at the Company’s expense on specific issues to enable them to discharge their duties, where necessary.

Board Meetings for the ensuing year are scheduled in advance before the end of the current financial year, in order for the Directors to plan ahead and ensure full attendance. The notice of Board and Board Committees meeting, along with the Board papers that contain all relevant information and reports on financial, operational, corporate, regulatory, and market developments as well as minutes of meetings, will be circulated to the Directors at least five (5) days prior to the meetings. This enables the Directors to have ample time to review, seek additional information and/or clarification from the Management or the Company Secretaries on the matters to be deliberated, to facilitating constructive and effective discussion during the meetings.

The Company Secretaries are entrusted to record the Board’s deliberations, in terms of issues discussed, ensure that the deliberations at Board and Board Committee meetings are documented in the minutes of meetings. The minutes of the Board and Board Committee meetings are distributed to the Directors/ Board Committees prior to the meeting for perusal before confirmation of the minutes at the commencement of the following Board and Board Committee meeting.

To facilitate productive and meaningful deliberations, the Directors will comment or request clarification before the minutes are tabled for confirmation as a correct record of the proceedings of the meeting. Management provides Directors with complete and timely information prior to meetings and on an ongoing basis to enable them to make informed decisions.

## Corporate Governance Overview Statement (Cont'd)

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

#### Part I – BOARD RESPONSIBILITIES (CONT'D)

##### 1.6 Board Charter

The Board Charter is reviewed regularly to ensure that it complies with the best practices and regulations and the Board Charter was last reviewed and approved on 16 February 2024. The Board reviewed and updated the Board Charter, which sets out the roles, functions, compositions, operations and processes of the Board, as well as the code of conduct for Directors, to align with the AMLR, MCGG, and other relevant rules and regulations.

In discharging its duties, the Board is constantly mindful of the need to safeguard the interests of the Group's stakeholders. In order to facilitate the effective discharge of its duties, the Board is guided by the Board Charter, a copy of which is available on the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

The Board Charter serves to ensure that all Board members are aware of their expanding roles and responsibilities. It sets out the strategic intent and specific responsibilities to be discharged by the Board members collectively and individually. It also regulates how the Board conducts business in accordance with Corporate Governance principles.

The Board Charter will be reviewed when necessary and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

##### 1.7 Code of Conduct

The Group is committed to achieving and monitoring high standards of behaviour at work.

The Board adhered strictly to the Code of Conduct for Company Directors ("**the Codes**") in discharging its oversight role effectively. The Board will review the Codes when necessary to ensure they remain relevant and appropriate. The Codes are incorporated in the Board Charter and available at the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

The Codes require all Directors and Employees to observe high ethical business standards, to apply these values to all aspects of the Group's business and professional practice, and to act in good faith in the best interests of the Group and its shareholders.

##### 1.8 Whistleblowing Policy

The Board has adopted a Whistleblowing Policy for the Group as a measure to promote the highest standard of corporate governance. The Whistleblowing Policy outlines the avenues for the whistle blower(s) to raise concerns or disclose in good faith any improper conduct, actual or potential fraud or breach of ethics involving any Directors, Management or employees of the Group, and to enable prompt corrective action and measures to resolve them effectively.

Any party who has reasonable belief that there is serious malpractice relating to any matter disclosed, may direct such a complaint and report to the Chairman of the Board and Chairman of the Audit Committee in writing. Management will ensure that any employee of the Company who raises a genuine complaint in good faith shall not be penalised for such disclosure, and the identity of such a complainant shall be kept confidential. The Whistleblowing Policy is incorporated in the Board Charter and made available on the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

##### 1.9 Anti-Bribery and Corruption Policy

The Board was appraised and updated on the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) ("**MACC Act 2009**") especially Section 17A of the Corporate Liability Provisions. The Board had adopted an Anti-Bribery and Corruption Policy that was drafted based on the Principles detailed in the "Guidelines on Adequate Procedures" issued by the Prime Minister's Department to promote better governance culture and ethical behaviour within the Group and to prevent the occurrence of corrupt practices. The Anti-Bribery and Corruption Policy is incorporated in the Board Charter and made available on the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).



## Corporate Governance Overview Statement (Cont'd)

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

#### Part I – BOARD RESPONSIBILITIES (CONT'D)

##### 1.10 Director's Fit and Proper Policy

The Board had adopted the Director's Fit and Proper Policy which outlines the fit and proper criteria for the appointment and re-appointment of Directors to the Board of the Company. The said policy is devised to ensure that each of the Director has the character, experience, integrity, competency, and capability, financial soundness and time to effectively discharge his/her role as a Director of the Company. A copy of the Director's Fit and Proper Policy is incorporated in the Board Charter and made available on the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

##### 1.11 Conflict of Interest Policy

As part of the governance process, the Board has formalised and adopted the Conflict of Interest Policy ("COI Policy"). The COI Policy aims to effectively identify and manage actual, potential and perceived conflicts of interest and provide guidance on how to deal with conflict of interest situations as they arise. A copy of the COI Policy is incorporated in the Board Charter and made available on the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

##### 1.12 Sustainability Leadership

The Board takes cognisance of the importance of improving the values affecting stakeholders, employees, society, and the environment towards the sustainability of the Group's business. The Board with consultation from Management, oversees and evaluates the economic, environmental, social, and governance ("ESG") issues and any other external matters that may affect the development of the Group's business or the interests of the shareholders, ensuring that the Company's strategies promote sustainability. The sustainability practices of the Group are disclosed in the Sustainability Statement, which is reviewed and approved by the Board.

The CEO leads the Group's sustainability practices across management and operational fronts, with respective division heads driving the division's sustainability practices.

The Group is fully committed to discharge its duty in curbing environmental concerns, ensuring safety and health of employees and consumers are safeguarded.

The Company recognises the importance of stakeholder engagement and engages with stakeholders through communication avenues such as dialogues, media engagement, general meetings, survey and feedback, annual and quarterly reports and announcements, and designated email, allowing stakeholders to communicate their views and concerns to the Board and Management.

Aside from environmental and social sustainability practices, the Group has adopted the Code of Conduct for Company Directors, the Whistleblowing Policy, and the Anti-Bribery and Corruption Policy to uphold high standards of governance practice across the Group and exercise zero tolerance against all forms of bribery and corruption. The codes and policies are accessible to the public on the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

### PART II – BOARD COMPOSITION

#### 2.1 Board Composition

The Board currently consists of seven (7) members, comprising three (3) Executive Directors and four (4) Independent Non-Executive Directors. The present composition of the Board is in compliance with Rule 15.02 of the AMLR and Practice 5.2 of the MCGG as a majority of its members are Independent Directors.

The Board is aware of the importance of independence and objectivity in relation to the decision-making process and the effectiveness of the Board's function. The Board, therefore, has adopted the same criteria for "independence" in tandem with the definition of "Independent Director" as prescribed by the AMLR.

The Board members are persons of high calibre and integrity, and provide a wealth of knowledge, experience, and skills in the key areas of accountancy, business operations and development, finance and risk management amongst others.



## Corporate Governance Overview Statement (Cont'd)

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

#### PART II – BOARD COMPOSITION (CONT'D)

##### 2.1 Board Composition (Cont'd)

During the financial year 2024, the Board, with the recommendation of the NC, appointed Mr. Chan Heng Soon as the Executive Director. The NC had assessed and reviewed the qualification, experience and expertise of Mr. Chan Heng Soon against the Director's Fit and Proper Policy, and was of the opinion that Mr. Chan Heng Soon may contribute to the Board with his expertise.

In identifying suitable candidates for the Board, the NC is open to utilising a variety of approaches and independent sources to identify suitably qualified candidate(s) for consideration as Director and will ensure that the procedures for evaluating and selecting new Director are transparent and formal with the appointment made on merit basis.

##### 2.2 Tenure of Independent Director

The NC carries out the evaluation of independence for each Independent Director annually. The Company's Board Charter provides a limit of a cumulative term of nine (9) years on the tenure of an Independent Non-Executive Director ("INED"). Upon completion of nine (9) years, an INED may continue to serve on the Board subject to the director's re-designation as a Non-Independent Director. In the event, the Board intends to retain the INED who has served the Company exceeding a cumulative term of nine (9) years, the Board will need to justify and seek shareholders' approval at the AGM through a two-tier voting process in accordance with the MCGG.

During the financial year 2024, the NC has assessed the independence of the Independent Directors based on the criteria prescribed under the AMLR of Bursa Securities, and is satisfied that the Independent Directors have demonstrated independence in their conduct and behaviour and that each of them is independent of the management and free from any business or other relationships which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company and the Group.

The Independent Directors have also declared their independence to the Board under the annual Board evaluation process during the financial year 2024.

The Board, through the NC, had assessed Mr. Pang Nam Ming, the Independent Director who had served the Company for a cumulative term of more than nine (9) years but not more than twelve (12) years and, concluded that he has fulfilled the criteria under the definition of Independent Director as stated in the AMLR, and thus, he would be able to function as check and balance and bring an element of objectivity to the Board.

Accordingly, the Board agreed with the proposed re-appointment of Mr. Pang Nam Ming as Independent Director of the Company and will seek shareholders' approval at the forthcoming 20<sup>th</sup> AGM to retain him as Independent Director of the Company via two-tier voting process in accordance with the MCGG.

The Board has adopted a cooling off period of 3 years for a former INED to be appointed to the Board as an Independent Non-Executive Director, subject to the independence assessment.

##### 2.3 Diverse Board and Senior Management Team

The Board acknowledges the importance of a diverse Board and Senior Management. The Group adhered strictly to the practice of non-discrimination in any form, whether based on race, age, religion, or gender, throughout the organisation, including in the selection of Board members and Senior Management.

The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

The Board has established a Diversity Policy where the Board will endeavor to increase female representation on the Board and Senior Management if there are appropriate candidates available when vacancies arise. Nonetheless, the Board shall at any point of time to have at least one female representation on the Board and Senior Management.

Currently, the Board comprises three (3) female Directors representing 43% of the seven (7) board members, and one (1) female representative at the Senior Management level. The Board will endeavour to increase the number of female representations at the Senior Management level if there are appropriate candidates available when vacancies arise.

## Corporate Governance Overview Statement (Cont'd)

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

#### PART II – BOARD COMPOSITION (CONT'D)

##### 2.4 Nomination Committee (“NC”)

The NC consist of entirely Independent Non-Executive Directors as follows:

Chairperson : Olivia Lim - *Independent Non-Executive Director*

Members : Chin Peck Li - *Independent Non-Executive Director*

Gan Lim - *Independent Non-Executive Director*

The NC is responsible for assessing the adequacy and appropriateness of the board composition, identifying and recommending suitable candidates for Board membership, and also for assessing the performance of the Board as a whole, Board Committees and each individual Director on an ongoing basis. The Board will have the ultimate responsibility and final decision on the appointment. This process will ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company and determine the skill matrix to support the strategic direction and needs of the Company.

The NC evaluates the qualification and experience of the candidate against the Board’s requirements, including its Diversity Policy and the Director’s Fit and Proper Policy, and where appropriate recommends an appointment to the Board.

The NC consists of exclusively Independent Non-Executive Directors with the responsibilities of assessing the balance of the composition and nominating the proposed Board member by considering his or her skills and expertise for contribution to the Company on an ongoing basis.

Terms of Reference, which sets out the duties and functions of the NC, can be viewed at the Company’s website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

During the financial year 2024, the NC held a meeting to discharge its functions and duties. The following activities were carried out during the financial year:

- evaluated the balance of skills, knowledge, experience and diversity on the Board;
- assessed the effectiveness of the Board as a whole and the contribution of each individual Director;
- reviewed and assessed the size, composition and required mix of skills of the Board and Board Committees;
- reviewed and assessed the character, experience, integrity, competence and time commitment of each Director and the Chief Financial Officer (“CFO”);
- reviewed the re-election and re-appointment of retiring Directors based on the Director’s Fit and Proper Policy;
- assessed and evaluated the level of independence of Independent Directors;
- reviewed the terms of office and performance of the AC and each member of the AC;
- assessed financial literacy of the AC Members;
- assessed the training needs of the Directors;
- reviewed the succession plan of the Board; and
- reviewed and evaluated the qualification and experience of the Board candidate based on the Board’s requirements and recommended to the Board for appointment.

After assessing and reviewing the board candidate’s skill, knowledge, expertise and experience against the Director’s Fit and Proper Policy, the NC has nominated the appointment of Mr. Chan Heng Soon as the Executive Director. Upon recommendation by the NC, the Board approved the appointment of Mr. Chan Heng Soon on 1 April 2024.

## Corporate Governance Overview Statement (Cont'd)

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

#### PART II – BOARD COMPOSITION (CONT'D)

##### 2.4 Nomination Committee (“NC”) (Cont'd)

In identifying suitable candidates for the Board, the NC is open to utilising a variety of approaches and independent sources to identify suitably qualified candidate(s) for consideration as Director and will ensure that the procedures for evaluating and selecting new Director are transparent and formal with the appointment made on merit basis.

##### 2.5 Annual Evaluation

For financial year ended 31 October 2024, an annual assessment of the Board, Board Committees and the contribution of each individual Director is carried out by the NC, with the assistance of the Company Secretaries, taking the form of comprehensive evaluation questionnaires which provide the NC with an opportunity to score their opinion on a series of questions in relation to inter alia the execution and performance of the Board as a whole and the Board Committees, and to comment on procedure or any relevant matters.

The evaluation of the Board covers factors such as the mix and composition of the Board, quality of the decision making, timeliness of the Board papers, internal controls, the conduct of Board meetings, interactions with the Management and stakeholders, and the effectiveness of the Chairman.

The criteria adopted for the board's performance evaluation include board mix and composition, directors' training, independence, quality of information, board proceedings, board's roles and responsibilities, and the board chairman's roles and responsibilities. An annual board review was conducted by the NC to assess and evaluate the board's effectiveness based on the above criteria during the financial year.

In addition, peer review of the knowledge and skill sets of fellow Directors is required to be performed by the NC based on the evaluation criteria established, which include integrity, professionalism, knowledge, performance, and participation during Board meetings, as well as contribution and board relationships. Peer review of Directors was conducted by the NC during the financial year.

As for the performance evaluation of Board Committees, the NC assessed the performance of the Audit Committee, NC and Remuneration Committee based on the recommended evaluation criteria adopted from the Corporate Governance Guide issued by Bursa Malaysia Berhad, which include the committees' composition, contribution to the board's decision making, expertise, appointment, as well as timeliness and quality of communication and minutes. A review of the performance of the Board Committees was conducted by the NC during the financial year.

Based on the assessments for the financial year under review, the NC was satisfied with the existing Board composition and was of the view that all Directors and Board Committees of the Company had discharged their responsibilities in a commendable manner and had performed competently and effectively. All assessments and evaluations carried out by the NC in the discharge of all its functions were properly documented.

The Board is of the view that its present size and composition is optimal based on the Group's operations and that it reflects a fair mix of financial, technical, and business experiences that are important to the stewardship of the Group.

To further discharge its duties, the NC has assessed the performance of the CFO through a performance evaluation form completed by the CFO. During the assessment, the CEO was invited to comment on the CFO's performance during an interview session held by the NC with the CFO.

##### 2.6 Re-election of Retiring Director

Pursuant to Clause 97 the Company's Constitution, one third of the Directors (with the exception of the Alternate Director) are subject to retirement by rotation annually, and all Directors shall retire from office once at least every three years. The Directors to retire each year are the Directors who have been longest in office since their last appointment on re-election.

The Directors appointed during the financial year are subject to retirement at the next Annual General Meeting (“AGM”) held following their appointments in accordance with Clause 104 of the Company's Constitution. All retiring Directors are eligible for re-election. This provides an opportunity for shareholders to renew their mandates. The election of each Director is voted separately.

## Corporate Governance Overview Statement (Cont'd)

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

#### PART II – BOARD COMPOSITION (CONT'D)

##### 2.6 Re-election of Retiring Director (Cont'd)

The Director who is subject to re-election at AGM is assessed by the NC before recommendation is made to the Board and shareholders for re-election. Appropriate assessment and recommendation by the NC is based on the annual assessment conducted and guided by the criteria and probity set out in the Directors' Fit and Proper policy.

The following Directors are subject to retirement at the forthcoming Twentieth AGM:-

Provision of Constitution	Name of Director
Clause 97	Mr. Choy Ngee Hoe
	Mr. Pang Nam Ming
Clause 104	Mr. Chan Heng Soon

The abovementioned retiring Directors have expressed their willingness to seek for re-election at the forthcoming 20<sup>th</sup> AGM.

The Board, through the NC, have considered the results of the annual assessment of the Retiring Directors and collectively agreed that they can meet the criteria of character, experience, integrity, competence, and time required to effectively discharge their respective roles as Directors. Accordingly, the Board approved the NC's recommendation that these Directors who retire in accordance with the Company's Constitution are eligible to stand for re-election.

The profiles of retiring Directors standing for re-election are set out in the Directors' Profile in the 2024 Annual Report.

##### 2.7 Board Commitment

###### Board Meetings and Attendance

The attendance record of the Directors at Board and Board Committees meetings during the financial year under review is set out as follows:

Meeting Attendance	Board	Audit Committee	Nomination Committee	Remuneration Committee	AGM
Pang Nam Ming	5/5	-	-	-	1/1
Choy Ngee Hoe	5/5	-	-	-	1/1
Lee Chong Leng (Retired on 29 March 2024)	2/2	-	-	-	1/1
Ong Hui Peng	5/5	-	-	-	1/1
Chan Heng Soon (Appointed on 1 April 2024)	2/2	-	-	-	-
Chin Peck Li	5/5	5/5	1/1	1/1	1/1
Olivia Lim	5/5	5/5	1/1	1/1	1/1
Gan Lim	5/5	5/5	1/1	1/1	1/1

To ensure that the Directors have the time to focus on and fulfil their roles and responsibilities effectively, the Directors must not hold more than five (5) directorships in public listed companies and shall notify the Chairman before accepting any new directorships.

The Directors shall remain fully committed to carrying out their duties and responsibilities by:

- (1) ensuring the total number of directorships held by each Director is below the maximum number set by the Board; and
- (2) the time commitment in full attendance at the Board Meetings.

All Directors appointed to the Board have undergone the Mandatory Accreditation Programme ("MAP") Part 1 and Part 2.

## Corporate Governance Overview Statement (Cont'd)

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

#### PART II – BOARD COMPOSITION (CONT'D)

##### 2.7 Board Commitment (Cont'd)

###### Directors' Training

During the financial year ended 31 October 2024, all the Directors have attended the following training, seminars, conferences and exhibitions to keep themselves abreast with the changes in laws and regulation, business environment and corporate governance development:

Director	Trainings/ Seminars/ Conferences
Pang Nam Ming	<ul style="list-style-type: none"> <li>2024 Budget Seminar by Malaysian Institute of Accountant (MIA)</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>Ethics for Internal Auditors Workshop by The Institute of Internal Auditors Malaysia (IIA Malaysia)</li> <li>MIA International Accountants Conference by MIA</li> <li>2024 IIA Malaysia National Conference by IIA Malaysia</li> </ul>
Choy Ngee Hoe	<ul style="list-style-type: none"> <li>SEMICON China 2024</li> <li>SEMICON Taiwan 2024</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
Ong Hui Peng	<ul style="list-style-type: none"> <li>The future of Manufacturing: AI and Machine Vision Flawless Production</li> <li>HMS TechDays Seminar</li> <li>Hasil – MEF Tax Seminar 2024</li> </ul>
Chan Heng Soon	<ul style="list-style-type: none"> <li>The future of Manufacturing: AI and Machine Vision Flawless Production</li> <li>SEMICON Southeast Asia 2024</li> <li>Mandatory Accreditation Programme Part I</li> </ul>
Chin Peck Li	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP )</li> <li>A Comprehensive Guide to Prepare for SST Audit and SST Compliance Risk Managament by Malaysian Institute of Accountant (MIA)</li> <li>Essential Tax Updates in 2023/24 by Chartered Tax Institute of Malaysia (CTIM)</li> <li>Register of Charges by The Malaysian Association of Chartered Secretaries and Administrators (MAICSA)</li> <li>Digital Signature by MIA</li> <li>Evolving Regulatory Landscape by MAICSA</li> <li>Updates and Progress in E-invoicing by MIA</li> <li>SSM National Conference 2024</li> <li>Sem Percukaian Kebangsaan 2024 by Inland Revenue Board of Malaysia</li> <li>Budget Seminar by MIA</li> </ul>
Olivia Lim	<ul style="list-style-type: none"> <li>Baker Tilly Malaysia Tax &amp; Budget Webinar by Baker Tilly Malaysia</li> <li>Conference on Corporate and Commercial Law by Bar Council</li> <li>Introduction to Corporate Directorship In The New Era of ESG by Institute of Corporate Directors Malaysia (ICDM)</li> <li>Transparency Matters: A Director's Approach to Handling Conflicts of Interest by Institute of Corporate Directors Malaysia (ICDM)</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>Inaugural Malaysian Bar ESG Conference</li> <li>Conference on Corporate and Commercial Law</li> </ul>
Gan Lim	<ul style="list-style-type: none"> <li>China Shanghai Semicon shows</li> <li>SEMICON Southeast Asia 2024</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>

The Company will continue to identify suitable training(s) for the Directors to equip and update themselves with the necessary knowledge for discharging their duties and responsibilities as Directors.

The Company Secretaries together with the Management undertake the role of coordinator to manage and coordinate the Director's training requirements.

The Directors are encouraged to attend briefings, conferences, forums, trade fairs (locally and internationally), seminars, and training related to their functions or roles to keep abreast of the latest developments in the industry and to enhance their skills and knowledge.



## Corporate Governance Overview Statement (Cont'd)

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

#### PART III - REMUNERATION

##### 3.1 Remuneration Committee ("RC")

The RC consists of entirely Independent Non-Executive Directors as follows:

Chairman	:	Gan Lim - <i>Independent Non-Executive Director</i>
Members	:	Chin Peck Li - <i>Independent Non-Executive Director</i>
		Olivia Lim - <i>Independent Non-Executive Director</i>

The Terms of Reference, which sets out the duties and functions of the RC is published on the Company's website at [www.vis-dynamics.com](http://www.vis-dynamics.com).

The RC is responsible for recommending the remuneration packages of Executive Directors to the Board for its approval. Individual Directors shall abstain from decisions in respect of their individual remuneration. The RC recommends the Directors' fee payable to Non-Executive Directors, which are deliberated and decided at the Board before being presented at the AGM for shareholders' approval.

The RC held a meeting during the financial year ended 31 October 2024 to review the proposed remuneration package of the Executive Directors and the Director fee payable to the Non-Executive Directors, and recommended the remuneration packages and fees to the Board for approval. The RC also reviewed the remuneration package of the Key Senior Management and recommends adjustments in remuneration and/or reward payments that reflect their respective contributions for the year and achievement goals and/or quantified organisational targets established by the Company.

##### 3.2 Remuneration of Directors

The details of the Directors' remuneration for the financial year ended 31 October 2024 are as follows:

Category	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
<b>Company:</b>							
<u>Executive Directors*</u>							
Choy Ngee Hoe	-	-	750	60	1	-	811
Lee Chong Leng <sup>#</sup>	-	-	134	36	-	-	170
Ong Hui Peng	-	-	103	-	-	-	103
Chan Heng Soon <sup>+</sup>	-	-	-	-	-	-	-
<u>Non-Executive Directors</u>							
Pang Nam Ming	72 <sup>^</sup>	2	-	-	-	-	74
Chin Peck Li	60 <sup>^</sup>	2	-	-	-	-	62
Olivia Lim	60 <sup>^</sup>	2	-	-	-	-	62
Gan Lim	60 <sup>^</sup>	2	-	-	-	-	62

## Corporate Governance Overview Statement (Cont'd)

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

#### PART III - REMUNERATION (CONT'D)

##### 3.2 Remuneration of Directors (Cont'd)

Category	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
<b>Group:</b>							
<u>Executive Directors*</u>							
Choy Ngee Hoe	-	-	750	60	1	-	811
Lee Chong Leng <sup>#</sup>	-	-	134	36	-	-	170
Ong Hui Peng	-	-	245	20	-	-	265
Chan Heng Soon <sup>+</sup>	-	-	100	-	-	-	100
<u>Non-Executive Directors</u>							
Pang Nam Ming	72 <sup>^</sup>	2	-	-	-	-	74
Chin Peck Li	60 <sup>^</sup>	2	-	-	-	-	62
Olivia Lim	60 <sup>^</sup>	2	-	-	-	-	62
Gan Lim	60 <sup>^</sup>	2	-	-	-	-	62

Note:

\* The remuneration paid to the Executive Directors was in respect of their employment with the Company/ Group.

# Retired on 29 March 2024.

+ Appointed on 1 April 2024.

<sup>^</sup> The Directors' fee of RM252,000 for the financial year ended 31 October 2023 was approved by the shareholders at the 19<sup>th</sup> AGM and paid in the financial year 2024. At the forthcoming 20<sup>th</sup> AGM, the Board recommended a Directors' fee of RM252,000 for the financial year ended 31 October 2024 to the shareholders for approval.

##### 3.3 Remuneration of Senior Management

The Group has two (2) senior management staff and their remuneration (comprising salary, bonus, benefits in-kind, and other emoluments) for the financial year ended 31 October 2024 within the successive bands of RM50,000 is as follows:

Range of Remuneration	Number of Senior Management
Below RM50,000	-
RM50,001 to RM100,000	-
RM100,001 to RM150,000	-
RM150,001 to RM200,000	1
RM200,001 to RM250,000	1

## Corporate Governance Overview Statement (Cont'd)

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

#### PART III - REMUNERATION (CONT'D)

##### 3.4 Remuneration Policy

The RC and the Board ensure that the Company's remuneration remains supportive of the Company's corporate objectives and is in tune with the market rate, and further, that the remuneration packages of Directors and Senior Management are sufficiently attractive to attract and retain persons of high caliber.

The Company's Remuneration Policy recognises the need for the Company to attract, motivate, and retain qualified members of the Board and Management as well as align the interests of the Board with the interests of the Company's shareholders. As such, the Remuneration Policy adopted by the Board embodies the following principles:

- Providing fair, consistent, and competitive rewards to attract and retain high caliber executives;
- Motivating the Company's Directors and executives to achieve superior performance; and
- A remuneration framework that incorporates both short and long-term incentives linked to Company performance and total shareholders' returns.

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### PART I – AUDIT COMMITTEE (“AC”)

##### 4.1 Chairman of AC

The AC is relied upon by the Board to, amongst others, provide advice in the areas of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions and conflict of interest situations. The AC also undertakes to provide oversight on the risk management framework of the Group.

The AC is comprised solely of Independent Non-Executive Directors and the AC is chaired by an Independent Non-Executive Director, who is distinct from the Chairman of the Board. All members of the AC are financially literate. The composition of the AC, including its roles and responsibilities, as well as a summary of its activities carried out during the financial year 2024, are set out in the AC Report on pages 62 to 64 of this Annual Report.

##### 4.2 Cooling-off Period for Former Partner of External Audit Firm

The AC has adopted a policy that requires a former partner of the external audit firm to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC, and the said policy has been incorporated into the Terms of Reference of the AC.

##### 4.3 Assessment of Suitability and Independence of External Auditors

Annually, the AC reviews the performance, suitability and independence of the External Auditors guided by the External Auditor Performance and Independence Checklist before recommending their re-appointment to the Board at the AGM. The AC would convene meetings with the External Auditors without the presence of the Executive Directors and employees of the Group as and when necessary.

As part of the AC's review processes, the AC has obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Based on the AC's assessment of the External Auditors, Messrs. Al Jafree Salihin Kuzaimi PLT, the Board is satisfied with the independence, quality of service, and adequacy of resources provided by the External Auditors in carrying out the annual audit for the financial year 2024. In view thereof, the Board has recommended the re-appointment of the External Auditors for the approval of shareholders at the forthcoming 20<sup>th</sup> AGM.

## Corporate Governance Overview Statement (Cont'd)

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

#### PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

##### 5.1 Effective Risk Management and Internal Control Framework

The Board oversees, reviews, and monitors the operations, adequacy, and effectiveness of the Group's system of internal controls. The Board defines the level of risk appetite, approves and oversees the operations of the Group's Risk Management Framework, assesses its effectiveness, and reviews any major or significant risk facing the Group.

The AC reviews the risk management process of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The AC also reviews the action plan implemented and makes relevant recommendations to the Board to manage residual risks.

The Board continues to maintain and review its internal control procedures to ensure the protection of its assets and its shareholders' investments.

The Statement on Risk Management and Internal Control as included on pages 65 to 69 in this Annual Report, provides an overview of the internal control framework adopted by the Company during the financial year ended 31 October 2024.

##### 5.2 Internal Audit Function

The Board has outsourced its internal audit function to GovernAce Advisory & Solutions Sdn. Bhd., a professional internal audit firm, to assist the AC in discharging its duties and responsibilities with respect to reviewing the adequacy and effectiveness of the Group's risk management and internal control systems. The internal auditors reports directly to the AC and the principal role of the internal audit function is to undertake independent, regular and systematic reviews of the internal control system to provide reasonable assurance on the adequacy and integrity of the risk management system, internal control and governance of the Group to safeguard the Group's assets and resources.

The internal audit activities are guided by the approved internal audit plans, which are based on a risk-based approach and focus on various processes based on identified risks. The engaging team of the internal auditors are free from any relationships or conflicts of interest with the Company to ensure the Internal Auditors' objectivity and independence are not impaired and the internal audit function is carried out in accordance with a recognised framework.

The Internal Auditors will perform periodic testing of the internal control systems to ensure that the system is robust.

The activities of the internal auditors during the financial period are set out in the Statement on Risk Management and Internal Control in this Annual Report.

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

#### PART I – ENGAGEMENT WITH STAKEHOLDERS

##### 6.1 Effective, Transparent and Regular Communication

The Company recognises the importance of prompt and timely dissemination of information to shareholders and investors in order for these stakeholders to be able to make informed investment decisions. Hence, the Company's website has incorporated an investor relations section that provides all relevant information on the Company, and is accessible to the public.

The Company has put in place a Corporate Disclosure Policy with the objective of ensuring communications to the public are timely, factual, accurate, complete, broadly disseminated, and where necessary, filed with regulators in accordance with applicable laws.

The Board and Management have at all times ensured the timely dissemination of information on the Company's performance and other matters affecting shareholders' interests to shareholders and investors through appropriate announcements (where necessary), quarterly announcements, relevant circulars, press releases and the distribution of Annual Reports.



## Corporate Governance Overview Statement (Cont'd)

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

#### PART II – CONDUCT OF GENERAL MEETINGS

##### 7.1 General Meetings

The AGM is the principal forum for dialogue and interaction with shareholders and provides an opportunity for the shareholders to seek and clarify any issues and to have a better understanding of the Company's business, governance and performance.

The 19<sup>th</sup> AGM of the Company held on 29 March 2024 was conducted on a fully virtual basis via live-streaming and through the Remote Participation and Voting ("RPV") facilities. Shareholders who attended the 19<sup>th</sup> AGM could submit their questions during the meeting via RPV for the Board to respond to. In addition, the shareholders could also submit their questions prior to the AGM to the designated email provided by the Company, which would be addressed by the Board and/or Management during the AGM.

All the Directors were present at the 19<sup>th</sup> AGM to engage directly with shareholders and responded to all questions raised and provided clarification as required by the shareholders. The Chairman of the Board ensured that sufficient opportunities were given to shareholders and proxies to raise questions relating to the affairs of the Company and that adequate responses were given.

The minutes of the 19<sup>th</sup> AGM were made available on the Company's website within 30 business days after the AGM.

In line with good corporate governance practice, the notice of the forthcoming 20<sup>th</sup> AGM, the Form of Proxy and the Annual Report would be issued to the shareholders at least twenty-eight (28) days before the AGM. This is to ensure that shareholders are given sufficient time to review and consider the agenda item of the AGM, and to seek clarifications during general meetings on any matters pertaining to the issues in the Annual Report, corporate developments in the Group, the resolutions being proposed and the operational and financial performance of the Company.

All Directors and the respective chairman of the Board Committee will endeavour to attend the general meetings to foster effective communication between the Shareholders and the Board and to address any relevant questions posed to them.

#### KEY FOCUS AREA AND PRIOTITIES ON CORPORATE GOVERNANCE

During the financial year under review, the Board has leveraged technology to facilitate remote shareholders' participation and electronic voting for the conduct of polls on all resolutions via remote participation and voting facilities for its fully virtual 19<sup>th</sup> AGM held on 29 March 2024.

Going forward, the Company will continue to operationalise and improve its corporate governance practices and instil a risk and governance awareness culture and mindset throughout the organisation in the best interest of all stakeholders.

This Corporate Governance Overview Statement was approved by the Board on 18 February 2025.

## ADDITIONAL COMPLIANCE INFORMATION

### (i) Utilisation of Proceeds

There were no proceeds raised from any corporate proposal during the financial year.

### (ii) Audit and Non-Audit Fees

The amount of audit and non-audit fees paid to the firm or corporation affiliated to the External Auditors by the Company and the Group for the financial year ended 31 October 2024 are as follows:

Details of Fee	Group (RM'000)	Company (RM'000)
Audit Fee	42	16
Non-Audit Fee	3	3

The Company engaged the External Auditors for the non-audit service works for review of Statement on Risk Management and Internal Control.

### (iii) Material Contracts or Loans involving the interests of the Directors, Chief Executive who is not a Director or Major Shareholders

There were no material contracts or loans between the Company and its subsidiary that involve the interests of the Directors, Chief Executive who is not a Director or Major Shareholders.

### (iv) Recurrent Related Party Transaction ("RRPT") of Revenue or Trading Nature

There were no shareholders' mandate obtained in respect of RRPT of Revenue or Trading Nature entered into by the Group during the financial year ended 31 October 2024.

### (v) Employees' Shares Option Scheme ("ESOS")

The ESOS which was approved by the shareholders at the Extraordinary General Meeting held on 27 March 2023 and governed by the ESOS By-Laws, approved a ESOS is the only share option scheme in existence during of the financial year ended 31 October 2024.

The ESOS would be in force for a period of five (5) years from the date of implementation on 15 August 2023 and expires on 15 August 2028.

There were no Options granted during the financial year ended 31 October 2024.

The total number of Options granted, exercised forfeited and outstanding during the financial year ended 31 October 2024 are as follows:

	Executive Directors/Chief Executive	Senior Management	Other Employees	Total
Number of Options outstanding as at 1 November 2023	1,410,000	1,880,000	3,222,000	6,512,000
Number of Options granted	-	-	-	-
Number of Options exercised	-	-	-	-
Number of Options forfeited	-	-	(201,000)	(201,000)
Movement of Options for the following -				
Lee Chong Leng <sup>1</sup>	(470,000)	-	470,000	-
Chan Heng Soon <sup>2</sup>	235,000	(235,000)	-	-
Thye Chik Chen <sup>3</sup>	-	100,000	(100,000)	-
Number of Options outstanding as at 31 October 2024	1,175,000	1,745,000	3,391,000	6,311,000

## Additional Compliance Information (Cont'd)

### (v) Employees' Shares Option Scheme ("ESOS") (Cont'd)

1. Lee Chong Leng has retired as Executive Director and Chief Technical Officer of the Company at the conclusion of the 19th Annual General Meeting held on 29 March 2024. The ESOS Committee has resolved for the Options granted to Lee Chong Leng shall remain valid and exercisable during the Option Period, in accordance with the By-laws.
2. Chan Heng Soon, an existing employee of the Group, has been appointed as Executive Director of the Company on 1 April 2024.
3. Thye Chik Chen, an existing employee of the Group, has been appointed as Head of Machine Software on 1 March 2024.

#### Options granted to the Directors and Senior Management

	During the financial year ended 31 October 2024	Since commencement of the ESOS on 15 August 2023
Aggregate maximum allocation in percentage	70%	70%
Actual percentage granted	46.27%	50.52%

No options were granted to the Independent Non-Executive Directors.

AUDIT COMMITTEE REPORT

The Board of Directors is pleased to present the Audit Committee (“AC”) Report for the financial year ended 31 October 2024 in accordance with Rule 15.15 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

COMPOSITION AND MEETINGS

The Committee held five (5) meetings during the financial year ended 31 October 2024 and the details of the attendance are as follows:

		Meeting Attendance
Chairperson	Chin Peck Li (Independent Non-Executive Director)	5 / 5
Members	Olivia Lim (Independent Non-Executive Director)	5 / 5
	Gan Lim (Independent Non-Executive Director)	5 / 5

Ms. Chin Peck Li is a member of the Malaysian Institute of Accountants (MIA) and the Australian Society of Certified Practising Accountants (ASCPA).

The AC comprises (3) three members all of whom are Independent Non-Executive Directors, and no alternate director has been appointed as a member of the AC. The composition of the AC complies with Rule 15.09 of the AMLR of Bursa Securities.

The meetings were conducted with a quorum of two (2) AC members. The meetings were appropriately structured using agendas, which were distributed together with the minutes of the previous meeting, the relevant papers and reports to the members at least five (5) days before the meetings to allows the members sufficient time to review the information in order to discharge their duties and responsibilities diligently and effectively in compliance with the AMLR of Bursa Securities and its Terms of Reference. The AC may inspect the minutes of the Committee at the registered office.

The AC has been given adequate resources to discharge its functions and has full and unrestricted access to and co-operation from Management. The AC also has full discretion to invite Senior Management, Chief Financial Officer, employees of the Group, External Auditors and Internal Auditors to the AC Meeting to brief the members on any specific issues.

In addition, the AC had meetings with the External Auditors and Internal Auditors without the presence of Management where they were given the opportunity to raise any concerns or professional opinions and thus, be able to exert their functions independently.

The Company Secretary is the Secretary of the Committee and is responsible, together with the Chairman, for drafting the agenda and circulating it prior to each meeting.

Annually, the term of office and performance of the AC and each of its members are assessed by the Nomination Committee prior to recommending them to the Board for review. During the financial year 2024, the Board is satisfied that the AC has discharged its functions, duties and responsibilities in accordance with its Terms of Reference.

The Terms of Reference of the AC is available on the Company’s website.



## Audit Committee Report (Cont'd)

### SUMMARY OF WORK DONE DURING THE FINANCIAL YEAR

The work carried out by the AC in discharging its duties and functions with respect to their responsibilities during the financial year were summarised as follows:

#### Financial Reporting

The AC reviewed the quarterly and annual financial statements required by Bursa Securities for recommendation to the Board for approval. The review focused on changes in accounting policies and practices, major judgmental and risk areas, significant adjustments resulting from the audit, the going concern assumption and compliance with accounting standards, the AMLR of Bursa Securities and other legal requirements.

The AC keeps itself apprised of changes in accounting policies and guidelines through regular updates by the External Auditors.

#### External Audit

The AC discussed with the External Auditors the audit plan and the report on the audit of the year-end financial statements and held one (1) private session without the presence of Management to seek feedback from the External Auditors on any difficulties encountered during the audit. During the private session, the External Auditors are allowed to highlight major financial and control issues encountered during their audit, and the AC seeks confirmation on the External Auditors' independence and objectivity and assess their competency and resources of the External Auditors.

In addition, the AC discussed and reviewed with the External Auditors the applicability of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board.

The AC reviewed and discussed the External Auditors' observations, the results of the annual statutory audit, the audit report, and the management letter together with management response to the findings in relation thereto.

In assessing the independence of the External Auditors, the AC reviewed the proposed fees including fees for non-audit services, and is of the opinion that the independence of the External Auditors has not been compromised based on the independent confirmation provided by the External Auditors.

The AC assessed and discussed the performance and effectiveness of the External Auditors, including the independence, objectivity, and professional skepticism, communication interaction, audit finalisation, the quality of skills and capabilities of the audit team, sufficient resources and terms of engagement. While assessing the performance of the External Auditors, the AC take into consideration of the information contained in the alike Annual Transparency Report of the External Auditors.

#### Internal Audit

The AC reviewed and approved the internal audit plan proposed by the Internal Auditors and the adequacy of the scope, competency and resources of the internal audit function to ensure that it has the necessary authority to carry out its work.

The AC held a private session without the presence of Management to seek feedback from the Internal Auditors on any difficulties encountered during the audit, and the Internal Auditors are allowed to highlight major internal control issues encountered during the course of audit.

The AC reviewed and discussed the internal audit report, which outlined the audit findings, recommendation made and management action plan. Management was invited to attend the AC meeting to provide clarification on specific issues raised in the internal audit reports. The internal auditors monitored the implementation of management's action plan on outstanding issues through follow up reports to ensure that all key risks and control weaknesses are properly addressed.

The AC, through the Internal Auditors, assisted the Board in overseeing the principal risks, reviewing and assessing the effectiveness of the risk management framework and internal control systems based on the reports and recommendations from the internal auditors, and reporting to the Board on its findings.

The AC reviewed the effectiveness and efficiency of the internal control system in place and the risk factors affecting the Company as well as the action plans taken by Management to resolve the issues and ensure the adequacy of the internal control system.

## Audit Committee Report (Cont'd)

### SUMMARY OF WORK DONE DURING THE FINANCIAL YEAR (CONT'D)

#### Related Party Transactions and/or Conflict of Interest Situation

The AC reviewed the related party transactions entered into by the Group and any conflict-of-interest or potential conflict of interest situations that may arise within the Group and ensured that all transactions are conducted at arm's length. There were no material related party transactions and conflict of interest situation arise during the financial year.

#### Others

The AC has reviewed the Statement on Risk Management and Internal Control and AC Report in accordance with the AMLR of Bursa Securities and the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers, for inclusion into the Annual Report.

The AC had reviewed and recommended to the Board for the adoption of the updated Terms of Reference of the AC by incorporating the expanded role of the AC to review and report on related party transactions and conflict-of-interest that arose or persisted and measures taken to resolve, eliminate or mitigate such conflict-of-interest.

### SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The Company has engaged the services of an independent professional consulting firm, GovernAce Advisory & Solutions Sdn. Bhd. ("GovernAce") to provide the assurance it requires regarding the effectiveness as well as the adequacy and integrity of the Company's systems of internal control. GovernAce reports directly to the AC on its activities, and its principal role is to provide independent assurance on the adequacy and effectiveness of governance, risk management and internal control processes of the Group.

The terms of engagement of GovernAce are governed by a formal engagement letter reviewed by the AC, which includes engagement objectives and scope, reporting structure, internal audit methodology, independence and objectivity, authorities and responsibilities.

The internal audit function carries out audit reviews based on the internal audit plan reviewed and approved by the AC. The internal audit function presented their findings with the recommendations and management action plan to the AC.

Besides, the AC also follow up on the updates and corrective actions taken by Management on audited areas reported in the earlier cycle during the scheduled meeting.

The activities carried out by the Internal Auditors during the financial year ended 31 October 2024 includes:

- Developed the internal audit plan;
- Reviewed the Key Risk Profile of the Company;
- Conducted internal audit review on Information Technology, Business Continuity Planning Production and Quality Inspection;
- Conducted follow-up audit reviews on the implementation of Management's action plan to address the audit findings;
- Issuance of reports on the results of the internal audit review, identifying key weaknesses with suggested recommendations to Management for further action; and
- Attended AC meetings to table and discuss the internal audit reports.

The AC had reviewed and assessed the internal audit function of the Company and is of the view that the scope, functions (including independence), competency, resources, and authorities granted to the outsourced internal audit function, as well as the internal audit plan and processes, are adequate to provide the AC with reasonable assurance that the governance, risk and control structures and processes of the Group are adequate and effective and that the results of the internal audit plan, processes or investigation undertaken are adequately communicated to the AC and appropriate actions are taken on the recommendations of the Internal Auditors.

The cost incurred for the internal audit function with respect to the financial year ended 31 October 2024 amounted to RM23,540.

Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control on page 67 of this Annual Report.

### STATEMENT OF ALLOCATION OPTIONS UNDER THE EMPLOYEES' SHARES OPTION SCHEME ("ESOS")

There was no allocation of options during the financial year ended 31 October 2024.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad in relation to the requirement of preparing a statement of the state of risk management and internal control of the listed issuer as a Group, and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”) and Malaysian Code on Corporate Governance, the Board of Directors (“the Board”) of VisDynamics Holdings Berhad (“the Company”) (collectively with its subsidiary, “the Group”) is pleased to present the statement on the state of risk management and internal controls of the Group for the financial year ended 31 October 2024.

## BOARD RESPONSIBILITIES

The Board affirms its overall responsibility for maintaining sound risk management and internal control systems, to establish the Group’s risk appetite and for reviewing their adequacy and effectiveness so as to safeguard all its stakeholders’ interests and protect the Group’s assets.

The Board has delegated these aforementioned responsibilities to the Audit Committee (“AC”), whereby the AC is assigned the duty, through its Terms of Reference approved by the Board, to review the adequacy and effectiveness of the Company’s risk management and internal control processes and recommend further enhancement measures to the Board. Through the AC, the Board is kept informed of all significant financial and non-financial issues brought to the attention of the AC by the Management, the Internal Audit Function and the External Auditors.

The system of internal controls covers, inter-alia, risk assessment as well as financial, operational, environmental and compliance controls. However, in view of the limitations that are inherent in any system of internal controls, the system of internal controls is designed to manage, rather than eliminate, the risk of failure to achieve the Group’s business objectives. Accordingly, the system of internal controls can only provide reasonable, not absolute, assurance against material misstatement of losses and fraud.

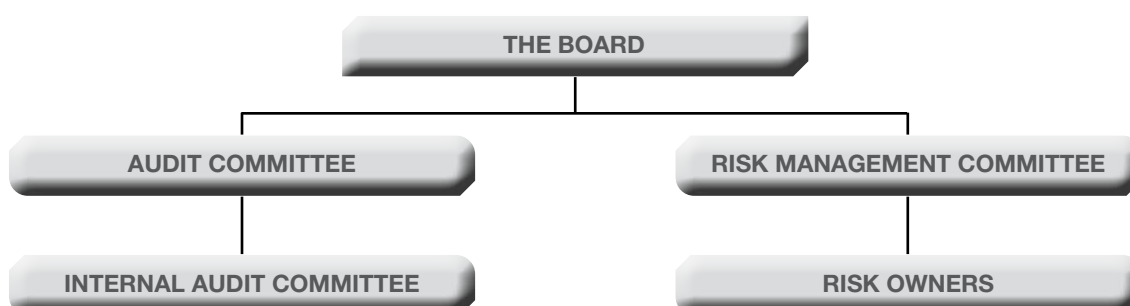
## RISK MANAGEMENT

The Board recognises risk management as an integral part of its system of internal control and good management practise in pursuit of its strategic objectives. The Board maintains an on-going commitment to identify, evaluate and manage significant risks faced by the Group during the financial year under review.

The Board had put in place a Risk Management Policy to establish the governance structure and processes for risk management enterprise wide, embed risk management practises at all levels of the Group and manage key business risks faced by the Group. The duties for the identification, evaluation and management of the key business risks are delegated to the risk owners.

The process of Risk Management adopted by the Board is guided by ISO 31000:2018 – Risk Management Guidelines.

The Risk Management Policy lays down the risk management’s objectives and processes established by the Board with the formalised governance structure of the risk management activities of the Group established as follows:



## Statement On Risk Management And Internal Control (Cont'd)

Clear roles and responsibilities of the Board, the AC, Risk Management Committee ("RMC") (headed by the Chief Executive Officer), operational management (as risk owners), and Internal Audit Function are defined in the Risk Management Policy. In particular, the roles and responsibilities of the RMC in relation to risk management are as follows:

- (a) establish a Risk Management Committee of the Management which is used as a forum for the following:
  - (i) to formulate business rules, processes and structures to meet the Group standard policy and implementation needs;
  - (ii) to implement the processes and structures;
  - (iii) to ensure that processes and structures comply with risk parameters and controls;
  - (iv) to initiate and conduct business within agreed risk parameters and business rules.
- (b) recommend Risk Management Policy to the Board;
- (c) constant monitoring to ensure Risk Management Policy is implemented accordingly; and
- (d) ensuring that annual risk report is submitted accurately and in a timely manner to the Board.

In addition, the operational management team, i.e. the Heads of Departments/Divisions, is designated as the owner of risk within their area of expertise and operational responsibilities with the following roles and responsibilities:

- (a) to manage the risks of the business processes under his/her control;
- (b) to identify risks and evaluate existing controls. If controls are deemed ineffective, inadequate or non-existent, to report to the RMC and assist with the development of the Management's action plans and implement these action plans; and
- (c) to assist the RMC with the continuous monitoring, updating of the management action plans and status of these plans.

Systematic risk management process is stipulated in the Risk Management Policy, whereby each step of the risk identification, risk analysis, control identification, risk treatment and control activities are laid down for application by the RMC and the operational management. Risk parameters are also predetermined in accordance with the Group's appetite for to ensure the Group is managed within tolerable expectations.

Risk analysis, at the gross and residual levels, is guided by the likelihood rating and impact rating established by the Board and stipulated in the Risk Management Policy. Based on the risk management process, key risk registers were compiled by the RMC, with relevant key risks identified and rated based on the agreed upon risk rating. The key risk registers are used for the identification of high residual risks, which are above the risk appetite of the Group and require the Management and the Board's immediate attention and risk treatment as well as future risk monitoring.

It is important to monitor risks proactively, therefore, Management is required to review the key risk registers of key operating subsidiary and assess emerging risks identified at the strategic and operational levels on a routine basis or more frequently if circumstances require and to report to the Board on the results of the review and assessment.

At the strategic level, business plans, business strategies, and investment proposals with risks in consideration are formulated by the Chief Executive Officer and/or Senior Management and presented to the Board for review and deliberation to ensure proposed plans and strategies are in line with the Group's risk appetite. In addition, specific strategic and key operational risks are highlighted and deliberated by the AC and/or the Board during the review of the financial performance of the Group in the scheduled meetings. A Strengths, Weaknesses, Opportunities and Threats ("SWOT") Analysis was discussed during the Company's Annual Strategy Meeting.

As first-line-of-defense, respective Heads of Departments/Divisions (i.e. risk owners) are responsible for managing the risks under their responsibilities. Risk owners are responsible for effective and efficient operational monitoring and management by way of maintaining effective internal controls and executing risk and control procedures on a day-to-day basis. Changes in the key operational risks or the emergence of new key business risks are identified through daily operational management and controls and review of financial and operational reports by the respective level of Management generated by an internal management information system supplemented by external data and information collected. Respective risk owners are responsible for assessing the changes to existing operational risks and emerging risks and for formulating and implementing effective controls to manage the risks. Critical and material risks are highlighted to the Risk Management Committee and/or the Senior Management for the final decision on the formulation and implementation of effective internal controls and their reporting to the Board.

The monitoring of the risk management by the Group is enhanced by the internal audits carried out by the Internal Audit Function with specific audit objectives and business risks identified for each internal audit cycle based on the internal control plan approved by the AC.



## Statement On Risk Management And Internal Control (Cont'd)

### INTERNAL CONTROL SYSTEM

The key features of the Group's internal control systems are made up of five core components, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities with principles representing the fundamental concepts associated with each component as follows:

#### **Board and Board Committees**

Board Committees (i.e. Audit Committee, Nomination Committee and Remuneration Committee) are established to carry out duties and responsibilities delegated by the Board, governed by written Terms of Reference.

Meetings of the Board and the respective Board Committees are carried out on a scheduled basis to review the performance of the Group, from a financial and operational perspective. Business plans and business strategies are proposed by top management for the Board's review and approval, after taking risk and responses into consideration.

#### **Organisation Structure and Authorisation Procedures**

The Group has a formal organisation structure in place to ensure appropriate level of authorities and responsibilities are delegated accordingly to competent staffs in achieving operational effectiveness and efficiency. Authority limits are established within the Group to provide a clear functional framework of authority for critical control points.

#### **Risk Assessment**

Risk assessment is performed by risk owners at scheduled intervals or when there is a change in internal and/or business context in accordance with the Risk Management Policy. Internal controls, as well as risk responses, are formulated and put in place to mitigate identified risk to a level acceptable to the Board, i.e. the risk appetite.

#### **Policies and Procedures**

The Group has documented policies and procedures of its internal control system that are regularly reviewed and updated to ensure their relevance to supporting the Group's business activities and achieving the Group's business objectives.

#### **Monitoring and Review**

At the operational level, discussions of project meetings among the key operational management staff were held as and when needed, focusing on the allocation of responsibility and the monitoring of all key operational issues and projects in order to manage its operation effectively and efficiently. A set of operational and financial performance indexes was developed to act as a monitoring tool as well as to provide a basis for setting up a realistic yardstick for further improvement. In addition, a monthly management meeting was scheduled to review and discuss the financial performance of the Company.

Furthermore, the quarterly financial statement containing key financial results and comparisons against previous results is presented to the Board for its review. Operational and financial performance report is also presented by the Chief Financial Officer during the Board's meeting for the Board to assess the operational performance and future prospect of the Group as well as the external environment to be faced by the Group ahead. The CEO will also update the current market situation and also Company's business plan and strategic direction.

In addition to the internal audits, significant control issues highlighted by the External Auditors as part of their statutory audits and the monitoring of compliance with ISO certification carried out by internal ISO auditors, as well as surveillance audits by independent consultants engaged by the Group serve as the fourth line of defense.

### INTERNAL AUDIT FUNCTION

The review of the adequacy and effectiveness of the Group's risk management and internal control systems is outsourced to an independent professional firm, which through the AC, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group's systems of corporate governance, risk management and internal control. This is also to ensure that the Internal Audit Function is free from any relationships or conflicts of interest, which could impair their objectivity and independence.

A Risk-based internal audit plan in respect of the financial year ended 31 October 2024 was drafted, after taking into consideration existing and emergent key business risks identified in the key risk profile of the Group, the Senior Management's opinion and previous internal audits performed, and was reviewed and approved by the AC prior to execution.

## Statement On Risk Management And Internal Control (Cont'd)

Each internal audit cycle within the internal audit plan is specific with regard to the business processes to be assessed and the scopes of the internal control review. In approving the internal audit plan, the AC also considered that the internal audit has sufficient resources and is able to access information to enable it to carry out its role effectively, and the personnel assigned to undertake internal audit have the necessary competency, experience and resources to carry out the function effectively.

The outsourced Internal Audit Function reports to the AC directly and the engagement director is an Accountant registered with the Malaysian Institute of Accountants (MIA), Fellow Certified Practising Accountant (FCPA) with CPA Australia, Chartered Member of the Institute of Internal Auditors Malaysia (CMIIA) and an Internal Certified Auditor accredited by the Institute of Internal Auditors Inc. The internal audits are carried out, in material aspects, in accordance with the International Professional Practices Framework (IPPF) established by the Institute of Internal Auditors Inc.

As third line role, the internal control review procedures performed by the Internal Audit Function are designed to understand, document, and evaluate risks and related controls to determine the adequacy and effectiveness of governance, risk and control structures and processes. The recommendations formulated by the Internal Audit Function are based on the root cause(s) of the internal audit observations.

The internal audit procedures applied principally consisted of process evaluations through interviews with relevant personnel involved in the process under review, a review of the Standard Operating Procedures and/or process flows provided and observations of the functioning of processes in compliance with the results of the interviews and/or documented Standard Operating Procedures and/or process flows. Thereafter, testing of controls for the respective audit areas will be conducted through the review of the samples selected based on sample sizes calculated in accordance with a predetermined formulation, subject to the nature of the testing and verification of the samples.

During the year, the Internal Audit Function conducted the following:

- Internal audit on Information Technology and Production;
- Follow-Up Audit Report on Human Resources;
- Internal audit follow-up review on the implementation of the management action plan addressing the audit findings.
- Issued reports on the results of the internal audit review, identifying weaknesses, and suggesting recommendations for improvements to management for further action to improve the system of internal control.
- Attended AC meetings held on 21 December 2023, 20 June 2024 and 26 September 2024 .

Upon completion of the internal audit field work during the financial year, the internal audit reports were presented to the AC during its scheduled meetings. During the presentation, the internal audit findings and recommendations as well as the management response and action plans, are presented and deliberated, with the members of the AC participating actively in the deliberation. An update on the status of action plans as identified in the previous internal audit report is presented at the subsequent AC meeting for review and deliberation.

Based on the internal audit reviews conducted, there were no material control failures that would have resulted in any significant losses to the Group.

### **ASSURANCE PROVIDED BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER AND CONTROLS AND REGULATION ASSESSMENT BY SENIOR MANAGEMENT**

In line with the Guidelines, the Chief Executive Officer, being highest the ranking executive in the Company and the Chief Financial Officer, being the person primarily responsible for the management of the financial affairs of the Company have provided assurance to the Board that the Group's risk management and internal control systems are adequate and effective, in all material aspects, based on the internal control and risk management policy adopted by the Group.

## Statement On Risk Management And Internal Control (Cont'd)

### ASSURANCE PROVIDED BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the AMLR of Bursa Securities, the External Auditors have reviewed this Statement for inclusion in the Annual Report of the Group for the year ended 31 October 2024 and have reported to the Board that nothing has come to their attention that has caused them to believe that the statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the systems of risk management and internal controls.

### OPINION

Based on the review of the risk management process and internal control system, the results of the internal audit activities, the monitoring and review mechanism stipulated and with the assurance provided by the Chief Executive Officer and the Chief Financial Officer, the Board believes that, in the absence of any evidence to the contrary, the risk management process and internal control system are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report throughout the financial year and up to and as of the date of this report.

The Board continues to take pertinent measures to sustain and, where required, improve the Group's risk management and internal control systems in meeting the Group's strategic objectives.

The Board is committed to maintaining effective risk management and internal control systems throughout the Group and, where necessary, putting in place appropriate plans to further enhance the Group's systems of internal control.

Notwithstanding this, the Board will continue to evaluate and manage the significant business risks faced by the Group in order to meet its business objectives in the current and challenging business environment.

This statement is made in accordance with a resolution of the Board dated 18 February 2025.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors of the Company are required to prepare financial statements for each financial year which have been drawn up in accordance with Malaysian Financial Report Standards, International Financial Reporting Standards and the provision of the Companies Act 2016 so as to give a true and fair view of the financial position of the Group and of the Company as at the end of financial year and of financial performance and cash flow of the Group and the Company for the financial year then ended.

In preparing these financial statements, the Directors have considered the following:

- That the Group and the Company have used appropriate accounting policies, and these are applied consistently;
- That reasonable and prudent judgements and estimates were made;
- That the approved accounting standards in Malaysia have been adopted; and
- That the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Company and subsidiary company maintain proper accounting records which disclose with reasonable accuracy the financial positions of the Group and of the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have general responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.



# Financial Statements

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## FINANCIAL STATEMENT

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## DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and the Company for the financial year ended 31 October 2024.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activity of the subsidiary is set out in Note 5 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

### FINANCIAL RESULTS

	Group RM	Company RM
Net (loss)/profit for the year	(7,714,481)	6,058,579
<b>Attributable to:</b>		
Equity holders of the Company	(7,714,481)	6,058,579

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

### DIVIDEND

The amount of dividends paid by the Company since 1 November 2023 were as follows:

	RM
In respect of the financial year ended 31 October 2024:	
Declaration and payment of final (single-tier) dividends of 1 sen per ordinary share for financial year ended 31 October 2023. This was declared on 16 Feb 2024 and paid on 24 May 2024.	2,627,989

The directors recommend the payment of a final single-tier dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 October 2024, for the shareholders' approval at the forthcoming Twentieth Annual General Meeting to be held in 2025, and the entitlement date is on 15 May 2025 and payment date is on 28 May 2025.

### ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

### EMPLOYEE SHARE OPTIONS SCHEME ("ESOS")

On 27 March 2023, the shareholders of the Company had an Extraordinary General Meeting ("EGM") to approve the establishment of an ESOS of up to ten percent (10%) of the total number of issued shares of the Company at any point in time to be granted to the eligible directors and employees of VisDynamics Holdings Berhad and its subsidiary.

The salient features and other terms of the ESOS are disclosed in the Note 29 to the financial statements.

## Directors' Report (Cont'd)

### EMPLOYEE SHARE OPTIONS SCHEME ("ESOS") (CONT'D)

The number of options over ordinary shares under the option scheme were as follows:

Category of participants	Exercise price	Number of options over ordinary shares			Balance as at 31.10.2024
		Balance as at 1.11.2023	Forfeited*	Movement^	
Head of departments	0.42	3,290,000	-	(370,000)	2,920,000
Staffs	0.42	3,222,000	(201,000)	370,000	3,391,000
		6,512,000	(201,000)	-	6,311,000

\*Due to resignation of the eligible staffs

^Movement due to the retirement of Executive Director cum Chief Technical Officer, Lee Chong Leng (470,000 options), offset by the promotion of Thye Chik Chen to Head of Machine Software (100,000 options), resulting in a net movement of 370,000 options. The ESOS Committee has resolved for the Options granted to Lee Chong Leng shall remain valid and exercisable during the Option period, in accordance with the By-Laws.

Fifty percent (50%) of the total number of ESOS granted may be exercised upon offering and shall remain exercisable for the duration of the ESOS and the balance of fifty percent (50%) of the total number of ESOS granted may be exercised after the 1st anniversary of the offering and shall remain exercisable for the duration of the ESOS. The expiry date of ESOS is 5 years from the effective date.

Since the implementation of the ESOS, a total of 6,512,000 have been granted to the Eligible Persons of the Group. Out of the total granted, 3,290,000 were granted to the HODs of the Company.

During the year, none of the staffs has exercised their ESOS while 201,000 (2023:Nil) options were forfeited due to the resignations of the eligible staffs.

### WARRANTS

The main features of the warrants are disclosed in Note 13 to the financial statements.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

### DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Choy Ngee Hoe\*\*  
 Ong Hui Peng (F)\*\*  
 Pang Nam Ming  
 Olivia Lim (F)  
 Gan Lim  
 Chin Peck Li (F)  
 Chan Heng Soon\*\*  
 Lee Chong Leng\*\*

(Appointed w.e.f. 1 April 2024)  
 (Retired w.e.f. 29 March 2024)

\*\* These directors are also directors of the subsidiary Company

The name of the director of the Company's subsidiary in office since the beginning of the financial year to the date of this report (not including those directors listed above) is:

Jong Pit Fong

## Directors' Report (Cont'd)

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of financial year in shares in the Company during the financial year were as follows:

The Company	I----- Number of Ordinary Shares -----I			
	1 November 2023	Bought	Sold	31 October 2024
Direct interest :				
Choy Ngee Hoe	70,965,643	-	-	70,965,643
Chan Heng Soon	8,475,437	184,900	-	8,660,337
Ong Hui Peng (F)	9,149,212	-	-	9,149,212

The Company	I----- Number of Warrants -----I			
	1 November 2023	Bought	Lapse	31 October 2024
Direct interest :				
Choy Ngee Hoe	17,741,410	-	-	17,741,410
Chan Heng Soon	2,103,609	-	-	2,103,609
Ong Hui Peng (F)	2,287,303	-	-	2,287,303

The Company	I----- Number of Options over Ordinary Shares -----I			
	1 November 2023	Granted	Exercised	31 October 2024
Direct interest :				
Choy Ngee Hoe	705,000	-	-	705,000
Chan Heng Soon	235,000	-	-	235,000
Ong Hui Peng (F)	235,000	-	-	235,000

By virtue of their shareholdings in the Company, Choy Ngee Hoe, Chan Heng Soon and Ong Hui Peng (F) are deemed to have interests in shares in the subsidiary company during the financial year to the extent of the Company's interest, in accordance with Section 8 of the Companies Act, 2016.

### DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Group and the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Group and the Company or any other body corporate, other than those arising from the share options granted under the ESOS and warrants.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 23 to the financial statements or fixed salary of a full time employee of the Group and the Company) by reason of a contract made by the Group and the Company or a related corporation with any 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.



## Directors' Report (Cont'd)

### DIRECTORS' REMUNERATION

The amounts of remuneration of the directors of the Group and of the Company comprising remuneration received or receivable from the Group and the Company during the year were as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-executive:</b>				
Directors' fee	252,000	252,000	252,000	252,000
<b>Executive:</b>				
Bonus	126,421	119,901	95,828	91,265
Defined contribution plan	241,994	290,393	188,697	235,627
Salaries	1,114,365	1,142,941	763,741	813,186
Other emoluments	302,508	837,950	230,130	612,806
	1,785,288	2,391,185	1,278,396	1,752,884
	2,037,288	2,643,185	1,530,396	2,004,884

### INDEMNIFYING DIRECTORS AND OFFICERS

The directors and officers of the Group and the Company are covered by the Directors' and Officers' Liability Insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial year amounted to RM7,166.

### OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and the Company were made out, the directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for expected credit losses and had satisfied themselves that there are no known bad debts to be written off and that no allowance was necessary for expected credit losses; and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or to provide allowance for expected credit losses made in the financial statements of the Group and the Company; or
  - (ii) the values attributed to the current assets in the financial statements of the Group and the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and the Company which would render any amount stated in the financial statements misleading.

## Directors' Report (Cont'd)

### OTHER STATUTORY INFORMATION (CONT'D)

(e) As 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 the Company which has arisen since the end of the financial year.

(f) In the opinion of the directors:

- (i) 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 will or may affect the ability of the Group and the Company to meet their obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

### SUBSEQUENT EVENT

The details of the subsequent event is disclosed in Note 37 to the financial statements.

### AUDITORS AND AUDITORS' REMUNERATION

The auditors, Al Jafree Salihin Kuzaimi PLT, have expressed their willingness to continue in office.

Auditors' remuneration of the Group and the Company for the financial year ended 31 October 2024 amounted to RM42,000 and RM16,000 respectively.

There were no indemnity given to, or insurance effected for, the auditors of the Group and the Company during or at the end of the financial year.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 February 2025.

.....  
**CHOY NGEE HOE**

Director

Kuala Lumpur, Malaysia

.....  
**ONG HUI PENG**

Director

STATEMENT BY DIRECTORS

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

We, **CHOY NGEE HOE** and **ONG HUI PENG**, being two of the directors of **VISDYNAMICS HOLDINGS BERHAD**, do hereby state that, in the opinion of the directors, the accompanying financial statements are drawn up in accordance with the 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 the Company as at 31 October 2024 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 18 February 2025.

.....

**CHOY NGEE HOE**  
Director

Kuala Lumpur, Malaysia

.....

**ONG HUI PENG**  
Director

STATUTORY DECLARATION

PURSUANT TO SECTION 251 (1)(B) OF THE COMPANIES ACT 2016

I, **PEGGY CHEK HONG KIM** (MIA No. CA 23475), being the officer primarily responsible for the financial management of **VISDYNAMICS HOLDINGS BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by )  
the abovenamed at **Kuala Lumpur** )  
in the state of **Federal Territory** )  
on 18 February 2025 )

.....

**PEGGY CHEK HONG KIM**  
(MIA NO. CA 23475)

Before me,

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VISDYNAMICS HOLDINGS BERHAD (Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Visdynamics Holdings Berhad, which comprise the statements of financial position as at 31 October 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 a summary of material accounting policies and other explanatory notes, as set out on the accompanying pages.

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 31 October 2024, and of their financial performance and their cash flows for the year then ended in accordance with the 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 the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each of the following matter, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.



## Independent Auditors' Report (Cont'd)

### to the members of Visdynamics Holdings Berhad (Incorporated In Malaysia)

#### Key Audit Matters (Cont'd)

Key Audit Matters	How our audit addressed the key audit matters
<p>1. Revenue recognition</p> <p>As set out in Notes 2.6(s), 19 and 30 to the financial statements, the Group's revenue for the year ended 31 October 2024 amounted to RM8,103,925 (2023: RM26,648,864) where it mainly earned from sales of machines and rendering of services.</p> <p>Given its magnitude and significant volume of transactions involved, revenue recognition is identified as a key audit matter in our audit. There is a risk that revenue could be subject to misstatement, particularly in respect of the timing and amount of revenue recognised.</p> <p>As described in the Material Accounting Policies in Note 2.6(s) to the financial statements, revenue is recognised upon the performance obligations that has been satisfied according to the agreed terms with the customers.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>Obtaining an understanding of the Group's relevant internal controls and testing the controls over timing and amount of revenue recognised;</li> <li>Evaluating the transaction price by agreeing the invoices issued with the agreed purchase orders from customers;</li> <li>Evaluating whether the allocation of transactions price to the respective performance obligations;</li> <li>Evaluating the appropriateness of the timing of revenue recognition based on the transfer of performance obligation of the related goods to the customer; and</li> </ul> <p>Testing the recording of sales transactions close to the year end to establish whether the transactions were recorded in the correct accounting period.</p>
<p>2. Inventories</p> <p>The carrying amount of inventories of the Group as at 31 October 2024 is RM18,410,699 (2023: RM18,510,464). As described in the Material Accounting Policies in Notes 2.6(k), 3.2(c) and 8 to the financial statements, inventories are carried at the lower of cost and net realisable value.</p> <p>Assessing the valuation of inventories is an area of significant judgement as there is a risk in estimating the net realizable value of the inventories, as well as assessing which items may be slow-moving or obsolete.</p> <p>Due to the significance of the inventories balance and the involvement of judgement and estimates in the valuation of inventories, we considered this as a key audit matter.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>Attending and observing the physical stock count performed by the management to assess the existence and condition of the inventories on 1 November 2024;</li> <li>Performing roll-backward procedures to ensure the completeness of the inventories to the reporting date;</li> <li>Obtaining an understanding of the Group's production process and the types of costs included in the valuation of the Group's inventories;</li> <li>Agreeing on a sampling basis, the costs of raw materials and labour costs to supporting documentation such as supplier invoices and payroll records, respectively;</li> <li>Reviewing and verifying the subsequent selling price against unit cost of a sample of inventory used in the final inventory listing to ensure inventories are stated at lower of cost and net realisable value; and</li> <li>Reviewing the management's assessment on the valuation of slow-moving inventories.</li> </ul>

## Independent Auditors' Report (Cont'd) to the members of Visdynamics Holdings Berhad (Incorporated In Malaysia)

### 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 Directors' Report and Statement by Directors, but does not include the financial statements of the Group and the Company and our auditors' report thereon, which we obtained prior to the date of this auditors' report, and the Annual Report 2024, which is expected to be made available to us after the date of this auditors' report.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the Annual Report 2024, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

### Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and the Company that give a true and fair view in accordance with the 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 the financial statements of the Group and the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

### 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 of 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.

## Independent Auditors' Report (Cont'd)

to the members of Visdynamics Holdings Berhad  
(Incorporated In Malaysia)

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

- 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 and 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 of 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 and 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

### 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.

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**AL JAFREE SALIHIN KUZAIMI PLT**  
201506002872 (LLP0006652-LCA) & AF 1522  
CHARTERED ACCOUNTANTS

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**AIZUL IZUAN BIN ABDUL HAMID**  
NO. 03509/07/2026 J  
CHARTERED ACCOUNTANT

Dated: 18 February 2025

Selangor, Malaysia

## STATEMENTS OF FINANCIAL POSITION

### AS AT 31 OCTOBER 2024

			Group		Company
	Note	2024 RM	2023 RM	2024 RM	2023 RM
<b>Assets</b>					
<b>Non-current Assets</b>					
Property, plant and equipment	4	14,418,678	12,762,100	-	-
Investment in the subsidiary	5	-	-	2,999,980	2,999,980
Intangible assets	6	3,086,261	3,524,653	-	-
		17,504,939	16,286,753	2,999,980	2,999,980
<b>Current Assets</b>					
Short term investments	7	5,425,152	10,126,311	5,425,152	10,126,311
Inventories	8	18,410,699	18,510,464	-	-
Trade and other receivables	9	1,596,254	3,462,876	4,717	-
Deposits and prepayments	10	2,117,552	2,218,843	691,117	413,114
Amount due from the subsidiary	11	-	-	22,922,167	15,156,337
Cash and cash equivalents	12	18,745,075	23,808,817	145,228	348,654
		46,294,732	58,127,311	29,188,381	26,044,416
<b>Total Assets</b>		63,799,671	74,414,064	32,188,361	29,044,396
<b>Equity and Liabilities</b>					
<b>Total equity attributable to:</b>					
<b>Equity holders of the Company</b>					
Share capital	13	24,388,832	24,388,832	24,388,832	24,388,832
ESOS compensation reserve	14	1,072,870	1,107,040	1,072,870	1,107,040
Retained profits		32,426,517	42,768,987	5,896,623	2,466,033
<b>Total Equity</b>		57,888,219	68,264,859	31,358,325	27,961,905
<b>Non-current Liabilities</b>					
Hire purchase payables	15	-	70,990	-	-
Deferred tax liabilities	16	-	204,294	-	-
		-	275,284	-	-
<b>Current Liabilities</b>					
Trade and other payables	17	3,662,466	4,776,692	443,115	924,491
Contract liabilities	18	1,791,075	-	-	-
Hire purchase payables	15	70,990	103,229	-	-
Provision for taxation		386,921	994,000	386,921	158,000
		5,911,452	5,873,921	830,036	1,082,491
<b>Total Liabilities</b>		5,911,452	6,149,205	830,036	1,082,491
<b>Total Equity and Liabilities</b>		63,799,671	74,414,064	32,188,361	29,044,396

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Revenue	19	8,103,925	26,648,864	8,100,000	3,600,000
Cost of sales	20	(4,004,898)	(9,289,206)	-	-
Gross profit		4,099,027	17,359,658	8,100,000	3,600,000
Other operating income	21	1,152,263	1,206,997	274,359	79,419
Selling and marketing expenses		(1,173,211)	(3,677,915)	-	-
Administrative expenses		(5,441,706)	(5,401,138)	(2,026,156)	(2,816,682)
Other operating expenses		(997,060)	(688,398)	-	-
Research and development expenses		(5,087,822)	(4,890,605)	-	-
(Loss)/profit from operations	22	(7,448,509)	3,908,599	6,348,203	862,737
Finance costs	25	(4,687)	(8,756)	-	-
(Loss)/profit before taxation		(7,453,196)	3,899,843	6,348,203	862,737
Taxation	26	(261,285)	(1,063,940)	(289,624)	(335,578)
(Loss)/profit for the year, representing net comprehensive (loss)/income for the year		(7,714,481)	2,835,903	6,058,579	527,159
Attributable to: Equity holders of the Company		(7,714,481)	2,835,903	6,058,579	527,159
Earning per share attributable to owners of the Company (sen):					
- Basic	28	(2.94)	1.33		
- Diluted	28	(2.94)	1.33		

The accompanying notes form an integral part of the financial statements.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

	Attributable to equity holders of the Company					Total RM
	Non-Distributable			Distributable		
Group	Share capital RM	Warrant reserve RM	Discount on shares RM	ESOS compensation reserve RM	Retained profits RM	
As at 1 November 2022	24,171,586	1,677,000	(1,677,000)	-	42,561,074	66,732,660
Exercise of ESOS	198,374	-	-	-	-	198,374
Exercise of warrants	18,872	(5,536)	5,536	-	-	18,872
Warrants expired during the year	-	(1,670,536)	1,670,536	-	-	-
Issuance of warrants	-	9,854,902	(9,854,902)	-	-	-
ESOS granted (Note 14)	-	-	-	1,107,040	-	1,107,040
Total comprehensive income for the year	-	-	-	-	2,835,903	2,835,903
Dividend paid during the year (Note 31)	-	-	-	-	(2,627,990)	(2,627,990)
As at 31 October 2023/1 November 2023	24,388,832	9,855,830	(9,855,830)	1,107,040	42,768,987	68,264,859
ESOS forfeited (Note 14)	-	-	-	(34,170)	-	(34,170)
Total comprehensive loss for the year	-	-	-	-	(7,714,481)	(7,714,481)
Dividend paid during the year (Note 31)	-	-	-	-	(2,627,989)	(2,627,989)
As at 31 October 2024	24,388,832	9,855,830	(9,855,830)	1,072,870	32,426,517	57,888,219

The accompanying notes form an integral part of the financial statements.

## STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

Company	Attributable to equity holders of the Company				Distributable	Total RM
	Non-Distributable		ESOS			
	Share capital RM	Warrant reserve RM	Discount on shares RM	compensation reserve RM	Retained profits RM	
As at 1 November 2022	24,171,586	1,677,000	(1,677,000)	-	4,566,864	28,738,450
Exercise of ESOS	198,374	-	-	-	-	198,374
Exercise of warrants	18,872	(5,536)	5,536	-	-	18,872
Warrants expired during the year	-	(1,670,536)	1,670,536	-	-	-
Issuance of warrants	-	9,854,902	(9,854,902)	-	-	-
ESOS Granted (Note 14)	-	-	-	1,107,040	-	-
Total comprehensive income for the year	-	-	-	-	527,159	1,107,040
Dividend paid during the year (Note 31)	-	-	-	-	(2,627,990)	527,159
						(2,627,990)
As at 31 October 2023/1 November 2023	24,388,832	9,855,830	(9,855,830)	1,107,040	2,466,033	27,961,905
ESOS forfeited (Note 14)	-	-	-	(34,170)	-	(34,170)
Total comprehensive income for the year	-	-	-	-	6,058,579	6,058,579
Dividend paid during the year (Note 31)	-	-	-	-	(2,627,989)	(2,627,989)
As at 31 October 2024	24,388,832	9,855,830	(9,855,830)	1,072,870	5,896,623	31,358,325

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CASH FLOWS

### FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash Flows from Operating Activities</b>				
(Loss)/profit before tax	(7,453,196)	3,899,843	6,348,203	862,737
<i>Adjustments for:</i>				
Amortisation of intangible assets	123,487	252,598	-	-
Depreciation of property, plant and equipment	832,190	833,934	-	-
Impairment of goodwill	1,103,511	157,645	-	-
ESOS (forfeited)/expenses	(34,170)	1,107,040	(34,170)	1,107,040
Loss on disposal of property, plant and equipment	-	2,364	-	-
Interest expense	4,687	8,756	-	-
Unrealised loss on foreign currency exchange	997,059	525,174	-	-
Interest income on fixed deposits	(904,979)	(1,045,502)	(245,118)	(59,783)
Other income	(59,488)	(90,941)	(29,241)	(19,636)
Operating (loss)/profit before working capital changes	(5,390,899)	5,650,911	6,039,674	1,890,358
<i>Changes in working capital:</i>				
Decrease in inventories	99,765	1,037,184	-	-
Decrease in trade and other receivables	1,793,243	3,291,087	25,022	200,786
Decrease in deposit and prepayment	101,291	4,522,702	-	-
(Increase)/Decrease in amount due from subsidiary	-	-	(7,765,830)	8,371,976
Increase/(Decrease) in trade and other payables	500,382	(6,285,800)	(759,877)	813,963
Cash (used in)/generated from operations	(2,896,218)	8,216,084	(2,461,011)	11,277,083
Interest paid	(4,687)	(8,756)	-	-
Tax paid	(1,072,658)	(3,128,572)	(60,703)	(2,171,940)
Net cash (used in)/generated from operating activities	(3,973,563)	5,078,756	(2,521,714)	9,105,143

The accompanying notes form an integral part of the financial statements.

## Statements of Cash Flows (Cont'd)

### For The Financial Year Ended 31 October 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Cash Flows from Investing Activities</b>				
Acquisition of property, plant and equipment	(2,488,768)	(196,882)	-	-
Addition to intangible assets	-	(106,243)	-	-
Interest received	904,979	1,045,502	245,118	59,783
Payment for development expenditure	(788,606)	(502,432)	-	-
Placement/(withdrawal) of short term investment	4,701,159	(9,206,895)	4,701,159	(9,206,895)
Net cash generated from/(used in) investing activities	2,328,764	(8,966,950)	4,946,277	(9,147,112)
<b>Cash Flows from Financing Activities</b>				
Proceeds from issuance of shares resulted from exercise of ESOS	-	198,374	-	198,374
Proceeds from issuance of shares resulted from exercise of warrant	-	18,872	-	18,872
Dividend paid	(2,627,989)	(2,627,990)	(2,627,989)	(2,627,990)
Repayment of hire purchase	(103,229)	(114,106)	-	-
Net cash used in financing activities	(2,731,218)	(2,524,850)	(2,627,989)	(2,410,744)
<b>Net decrease in cash and cash equivalents</b>	(4,376,017)	(6,413,044)	(203,426)	(2,452,713)
<b>Effect of currency exchange rate changes</b>	(687,725)	(253,926)	-	-
<b>Cash and cash equivalents at beginning of year</b>	23,808,817	30,475,787	348,654	2,801,367
<b>Cash and cash equivalents at end of year</b>	18,745,075	23,808,817	145,228	348,654
<b>Cash and cash equivalents at end of year comprised:</b>				
Cash and bank balances	11,919,240	9,385,862	145,228	348,654
Fixed deposits with licensed banks	6,825,835	14,422,955	-	-
	18,745,075	23,808,817	145,228	348,654

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 OCTOBER 2024

### 1. CORPORATE INFORMATION

The Company, VisDynamics Holdings Berhad is a public listed company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Level 13, Menara 1 Sentrum, 201, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur. The principal place of business of the Company is located at Lot 3844, Jalan TU 52, Kawasan Perindustrian Tasik Utama, Ayer Keroh, 75450 Melaka.

The principal activities of the Company are investment holding and provision of management services. The principal activity of the subsidiary is set out in Note 5 to the financial statements. There have been no significant changes in the principal activities of the Group during the financial year.

### 2. MATERIAL ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The financial statements of the Group and the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in Ringgit Malaysia (RM).

The preparation of financial statements in conformity with MFRSs requires the use of certain accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and reported amounts of revenue and expenses during the reported financial period. It also requires the directors' best knowledge of current events and action, and therefore actual results may differ.

#### 2.2 Effective for annual periods beginning on or after 1 November 2023

##### Adoption of new and revised MFRSs

During the financial year, the Group and the Company has adopted the following new and amended MFRSs that are mandatory for annual financial period beginning on or after 1 November 2023:

Description	Effective dates for annual period beginning on or after
Amendments to MFRS 3 - <i>Business Combinations</i> (Reference to the Conceptual Framework)	1 January 2023
Amendments to MFRS 1, MFRS 9, MFRS 16, MFRS 141 - Annual Improvements to MFRS Standards 2018 - 2020	1 January 2023
Amendments to MFRS 116 - <i>Property, Plant and Equipment</i> (Proceeds before Intended Use)	1 January 2023
Amendments to MFRS 137 - <i>Provisions, Contingent Liabilities and Contingent Assets</i> - <i>Onerous Contracts</i> (Cost of Fulfilling a Contract)	1 January 2023

The adoption of the new standards and amendments to standards and interpretations did not have any significant impact on the financial statements of the Group and the Company.



## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.3 Standards issued but not yet effective

The following standards that have been issued by the Malaysian Accounting Standards Board will become effective in future financial reporting periods and have not been adopted by the Group and the Company in these financial statements:

Description	Effective dates for financial periods beginning on or after
Amendment to MFRS 107 - Supplier Finance Arrangements	1 January 2024
Amendment to MFRS 16 - Lease Liability in a Sale and Leaseback	1 January 2024
Amendment to MFRS 101 - <i>Presentation of Financial Statements</i> (Non-current Liabilities with Covenants)	1 January 2024
Amendment to MFRS 10 - Consolidated Financial Statements - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company is expected to apply the abovementioned standards beginning from the respective dates the standards become effective. The initial application of the abovementioned standards are not expected to have any material impact to the financial statements of the Group and the Company.

### 2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at the reporting date. The financial statements of the subsidiary used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

A subsidiary is consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Profit or loss within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Changes in the Group's ownership interests in a subsidiary that do not result in the Group losing control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. The resulting difference is recognised directly in equity and attributed to owners of the Company.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.4 Basis of consolidation (Cont'd)

When the Group loses control of a subsidiary, a gain or loss calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets and liabilities of the subsidiary and any non-controlling interest, is recognised in profit or loss. The subsidiary's cumulative gain or loss which has been recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss or where applicable, transferred directly to retained earnings. The fair value of any investment retained in the former subsidiary at the date control is lost is regarded as the cost on initial recognition of the investment.

#### Business combinations

Acquisition of a subsidiary is accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs incurred are expensed and included in administrative expenses.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9, is measured at fair value with the changes in fair value recognised in profit or loss or changes to other comprehensive income in accordance with MFRS 9. Other contingent consideration that is not within the scope of MFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost and classified as intangible assets, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Business combinations involving entities under common control are accounted for by applying the pooling-of-interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the acquired entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities had always been combined since the date the entities had come under common control. No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities. No additional goodwill is recognised as a result of the combination.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.5 Subsidiary

A subsidiary is an entity over which the Group has all the following:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its investment with the investee; and
- The ability to use its power over the investee to affect its returns.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

#### 2.6 Summary of material accounting policies

##### (a) Intangible assets

Intangible assets acquired separately are measured on initial recognition at costs. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried as cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life reviewed at least at each statement of financial position date.

Intangible assets with indefinite useful lives are not amortised but tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. The useful life of an intangible asset with an indefinite life is also reviewed annually to determine whether the useful life assessment continues to be supportable.

##### (i) Patents and trademarks

Patents and trademarks are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying product not exceeding 10 to 15 years.

##### (ii) Research and development expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that expenditure incurred on developments projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:

- its ability to measure reliably the expenditure attributable to the asset under development;
- the product or process is technically and commercially feasible;
- its future economic benefits are probable;
- its ability to use or sell the develop asset; and
- the availability of adequate technical, financial and other resources to complete the asset under development.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.6 Summary of material accounting policies (Cont'd)

##### (a) Intangible assets (Cont'd)

##### (ii) Research and development expenditure (Cont'd)

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

The development expenditure is amortised on a straight-line method over a period of not exceeding 3 years when the products are ready for sale or use. In the event that the expected future benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

##### (iii) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

##### (b) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Property, plant and equipment are stated at cost modified by the revaluation of certain property less accumulated depreciation and impairment loss, if any.

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairments. An impairment loss is recognised as an expense in the statements of comprehensive income.

Leasehold land are measured at cost less accumulated impairment losses. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the leasehold land at the reporting date.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Summary of material accounting policies (Cont'd)

#### (b) Property, plant and equipment and depreciation (Cont'd)

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Depreciation is computed on a straight-line basis over the estimated useful-lives of the assets as follows:

Items	Years
Leasehold land	99
Buildings	10 - 50
Renovation	10
Furniture, fitting and electrical installation	3 - 25
Motor vehicles	5
Plant and Machineries	5 - 10
Computer equipment	3 - 5

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

#### (c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) in the principal market for the asset or liability, or
- (ii) in the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use 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.



## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.6 Summary of material accounting policies (Cont'd)

##### (c) Fair value measurement (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 : Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

##### (d) Current versus non-current classification

The Group and the Company present assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group and the Company classify all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

##### (e) Financial assets

Financial assets are recognised in the statement of financial position when and only the Group and the Company become a party to the contractual provisions of the financial statements.

##### (i) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables of the Group and the Company do not contain a significant financing component and therefore are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Summary of material accounting policies (Cont'd)

#### (e) Financial assets (Cont'd)

##### (i) Initial recognition and measurement (Cont'd)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Company commits to purchase or sell the asset.

##### (ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains or losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains or losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

##### Financial assets at amortised cost (debt instruments)

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group and the Company financial assets at amortised cost include trade and other receivables and deposits.

##### Financial assets at fair value through OCI (debt instruments)

The Group and the Company measure debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statements of comprehensive income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group and the Company have no financial assets at fair value through OCI (debt instruments) at the reporting date.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.6 Summary of material accounting policies (Cont'd)

##### (e) Financial assets (Cont'd)

##### (ii) Subsequent measurement (Cont'd)

##### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group and the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under MFRS 132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains or losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statements of comprehensive income when the right of payment has been established, except when the Group and the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and the Company have no financial assets at fair value through OCI (equity instruments) at the reporting date.

##### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in statements of comprehensive income.

This category includes derivative instruments and listed equity investments which the Group and the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statements of comprehensive income when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in statements of comprehensive income. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Summary of material accounting policies (Cont'd)

#### (e) Financial assets (Cont'd)

##### (ii) Subsequent measurement (Cont'd)

##### Financial assets at fair value through profit or loss (Cont'd)

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

The Group's and the Company's financial assets at fair value through profit or loss include short term investment.

##### (iii) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group and the Company have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Group and the Company have transferred substantially all the risks and rewards of the asset, or the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Company have transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

#### (f) Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.6 Summary of material accounting policies (Cont'd)

##### (f) Impairment of financial assets (Cont'd)

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

##### (g) Impairment of non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

##### (h) Financial liabilities

###### (i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables and bank borrowings.



## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Summary of material accounting policies (Cont'd)

#### (h) Financial liabilities

##### (ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

This category also includes derivative financial instruments entered into by the Group and the Company that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statements of comprehensive income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

##### Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in statements of comprehensive income when the liabilities are derecognised as well as through the effective interest rate method ("EIR") amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statements of comprehensive income.

This category generally applies to interest-bearing loans and borrowings.

##### (iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statements of comprehensive income.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.6 Summary of material accounting policies (Cont'd)

##### (i) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

##### (j) Cash and cash equivalents

Cash and cash equivalents comprise cash and 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. These also include bank overdrafts that form an integral part of the Group's cash management. For the purpose of the statement of cash flows, cash and cash equivalents include cash and bank balances and fixed deposits with licensed banks.

##### (k) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost basis. Costs comprised purchase costs and costs incurred in bringing the inventories to their present location and conditions. For finished goods and work-in-progress cost consists of raw material, direct labour and appropriate proportion of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

##### (l) Contract assets and contract liabilities

A contract asset is the right of the Company to consideration in exchange for goods or services that it has transferred to the customer when that right is conditional upon future performance but not through the passage of time. If the Company has performed its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised and presented net of any amounts that has been recognised as receivables. Contract asset is presented as the excess of cumulative revenue earned or recognised in profit or loss over the billings to date to the customer. Contract assets are subject to impairment assessment in accordance with MFRS 9.

A contract liability is the obligation of the Company to transfer goods and services to a customer for which it has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration or the Company has a right to an amount of consideration that is unconditional before it transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs its obligation under the contract. Contract liability is the excess of the billings to date to the customer over the cumulative revenue earned or recognised in profit or loss. Contract liabilities include advance payment and downpayments received from customers and other amounts where the Company has billed before the goods are delivered or services are provided to the customers.

##### (m) Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Summary of material accounting policies (Cont'd)

#### (n) Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

#### (o) Employee benefits

##### (i) Defined contribution plans

The Group and the Company make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

##### (ii) Short term employee benefits

Wages, salaries and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group.

##### (iii) Employees' share option plans

Employees of the Group receive remunerations in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employees' share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested in irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employees' share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

#### (p) Hire purchase payables

Property, plant and equipment acquired under hire purchase are capitalised and are depreciated in accordance with the policy corresponding obligations relating to the remaining capital payments are treated as liabilities. Finance charge are charged to the statement of comprehensive income over the period of the plan so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.6 Summary of material accounting policies (Cont'd)

##### (q) Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

##### (r) Segmental information

Segmental revenue and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists.

Most segment assets can be directly attributed to the segments on a reasonable basis. Segment assets and liabilities do not include income tax assets and liabilities respectively.

Segment revenue, expenses and results include transfers between segments. The prices charged on inter-segment transactions are based on normal commercial terms. These transfers are eliminated on consolidation.

Additional disclosures on each of these segments are shown in Note 29 to the financial statements including the factors used to identify the reportable segments and the measurement basis of the segment information.

##### (s) Revenue and other income recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or services. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

##### (i) Sale of goods

The Group is involved in manufacturing of automated test equipment.

Revenue is recognised at point in time upon transfer of control of the goods to the customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated volume rebates.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group or the Company transfer control of a good or service at a point time unless on of the following over time criteria is met:

- the customer simultaneously receives and consumes the benefits provided as the Group or Company performs;
- the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company have an enforceable right to payment for performance completed to date.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Summary of material accounting policies (Cont'd)

#### (s) Revenue and other income recognition (Cont'd)

##### (i) Sale of goods (Cont'd)

Revenue of semiconductor machine is recognised over time which meet one of the criteria specifically that the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company have an enforceable right to payment for performance completed to date.

##### (ii) Revenue from rendering services

Revenue from services rendered is recognised net of service taxes and discounts as and when the services are rendered.

##### (iii) Interest income

Interest income is recognised using the effective interest method.

##### (vi) Management fees

Management fees are recognised on accrual basis.

##### (v) Dividend income

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

#### (t) Income tax

##### (i) Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### (ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.



## Notes To The Financial Statements (Cont'd)

31 October 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 2.6 Summary of material accounting policies (Cont'd)

##### (t) Income tax (Cont'd)

##### (ii) Deferred tax (Cont'd)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

##### (u) Functional and presentation currency

##### (i) Functional and presentation currency

The functional currency of the Group is measured using the currency of the primary economic environment in which the Group operates.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the parent's functional and presentation currency.

The principal closing rates used in transaction of foreign currency amounts are as follows:

	2024 RM	2023 RM
<b>Foreign currency</b>		
1 Singapore Dollar	3.316	3.479
1 US Dollar	4.395	4.760
1 Chinese Yuan	0.616	0.652

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

## 2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Summary of material accounting policies (Cont'd)

#### (v) Transactions and balances

Transactions in foreign currency are converted into RM at the approximate rates of exchange ruling at the transaction dates. Transactions in foreign currency are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the statement of financial position date are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are taken to the profit or loss.

#### (w) Contingencies

A contingent liability is:

- (i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (ii) a present obligation that arises from past events but is not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the statements of financial position of the Group.

#### (x) Related party transactions

A related party is a person or entity that is related to the Company. A related party transaction is a transfer of resources, services, or obligations between the Company and its related party, regardless of whether a price is charged.

- (a) A person or a close member of that person's family is related to the Company if that person:
  - Has control or joint control over the Company; or
  - Has significant influence over the Company; or
  - Is a member of the key management personnel of the ultimate holding.
- (b) An entity is related to the Company if any of the following conditions applied:
  - The entity and the Company are members of the same group; or
  - One entity is an associate or joint venture of the other entity; or
  - Both entities are joint ventures of the same third party; or
  - One entity is a joint venture of a third entity and the other entity is an associate of the third entity; or
  - The entity is post-employment benefit plan for the benefits of employees of the Company or an entity related to the Company; or
  - The entity is controlled or jointly-controlled by a person identified in (a) above; or
  - A person identified in (a) (i) above has significant influence over the entity or is a member of the key management personnel of the ultimate holding company or the entity.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 3. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

#### 3.1 Judgement made in applying accounting policies

There are no critical judgements made by management in the process of applying the Group's and the Company's accounting policies on the amounts recognised in the financial statements.

#### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date are discussed below. The Group and the Company based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group and the Company. Such changes are reflected in the assumptions when they occur.

##### (a) Impairment of loans and receivables

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's and the Company's loans and receivables at the reporting date is disclosed in Note 9.

##### (b) Useful lives of property, plant and equipment and intangible assets

The cost of property, plant and equipment for the manufacture of automated test equipment is depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 99 years. These are common life expectancies applied in the automation industry.

Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. Development expenditure of completed development projects has finite useful life for 3 to 5 years.

When the recoverable amount of an intangible asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows. The carrying amount of the Group's and of the Company's property, plant and equipment and intangible assets at the reporting date is disclosed in Note 4 and Note 6, respectively.

##### (c) Write down and provision for inventories

Reviews are made periodically by management on damaged, obsolete and slow moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of the Group's inventories at the reporting date is disclosed in Note 8.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

### 3. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

#### 3.2 Key sources of estimation uncertainty (Cont'd)

##### (d) Taxation

There are certain transactions computations for which the ultimate tax determination may be different from the initial estimate. The Group recognised tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Group's and of the Company's taxation for the financial year ended 31 October 2024 is disclosed in Note 26.

##### (e) Deferred tax

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences. The movement of the deferred tax is disclosed in Note 16.

##### (f) Employees' share options

The Group and the Company measure the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions and the carrying amounts are disclosed in Notes 14 and 29.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 4. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold land RM	Buildings RM	and machineries RM	Furniture, Plant electrical installation RM	fitting and Motor vehicles** RM	Computer equipment RM	Renovation RM	Total RM
<b>Cost</b>								
At 1 November 2023	7,508,588	4,071,915	3,700,317	1,962,923	693,865	2,239,462	100,773	20,277,843
Additions *	1,920,535	219,930	56,025	59,416	-	54,462	178,400	2,488,768
Disposals	-	-	-	-	(149,902)	-	-	(149,902)
At 31 October 2024	9,429,123	4,291,845	3,756,342	2,022,339	543,963	2,293,924	279,173	22,616,709
<b>Accumulated depreciation</b>								
At 1 November 2023	426,129	1,223,719	1,872,256	1,670,431	403,011	1,856,205	63,992	7,515,743
Charge for the year	105,281	124,743	293,311	50,327	108,164	136,138	14,226	832,190
Disposals	-	-	-	-	(149,902)	-	-	(149,902)
At 31 October 2024	531,410	1,348,462	2,165,567	1,720,758	361,273	1,992,343	78,218	8,198,031
<b>Net carrying amount</b>								
At 31 October 2024	8,897,713	2,943,383	1,590,775	301,581	182,690	301,581	200,955	14,418,678

\* Addition for the financial year ended 31 October 2024 includes an acquisition of leasehold land in Mukim Bukit Katil of RM1,920,535.

\*\* The motor vehicles of the Group acquired under hire purchase were carried at net book value of RM182,692 (2023: RM290,854).



## Notes To The Financial Statements (Cont'd)

31 October 2024

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

Group	Leasehold land RM	Buildings RM	and machineries RM	Furniture, Plant electrical installation RM	fitting and Motor vehicles** RM	Computer equipment RM	Renovation RM	Total RM
<b>Cost</b>								
At 1 November 2022	7,508,588	3,914,631	3,315,656	1,957,371	693,865	2,230,760	100,773	19,721,644
Additions *	-	157,284	387,798	9,152	-	30,446	-	584,680
Disposals	-	-	(3,137)	(3,600)	-	(21,744)	-	(28,481)
At 31 October 2023	7,508,588	4,071,915	3,700,317	1,962,923	693,865	2,239,462	100,773	20,277,843
<b>Accumulated depreciation</b>								
At 1 November 2022	329,660	1,100,002	1,579,562	1,627,372	282,357	1,731,486	57,487	6,707,926
Charge for the year	96,469	123,717	295,831	46,659	120,654	144,099	6,505	833,934
Disposals	-	-	(3,137)	(3,600)	-	(19,380)	-	(26,117)
At 31 October 2023	426,129	1,223,719	1,872,256	1,670,431	403,011	1,856,205	63,992	7,515,743
<b>Net carrying amount</b>								
At 31 October 2023	7,082,459	2,848,196	1,828,061	292,492	290,854	383,257	36,781	12,762,100

\* Addition for the financial year ended 31 October 2023 includes a transfer from inventories to plant and machinery of RM387,798.

\*\* The motor vehicles of the Group acquired under hire purchase were carried at net book value of RM290,854 (2022: RM411,508).

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

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

Company	Computer equipment RM
<b>Cost</b>	
At 1 November 2022/1 November 2023/31 October 2024	3,199
<b>Accumulated depreciation</b>	
At 1 November 2022/1 November 2023	3,199
Charge for the year	-
At 31 October 2024	3,199
<b>Net book value</b>	
At 31 October 2024	-
At 31 October 2023	-

#### 5. INVESTMENT IN THE SUBSIDIARY

	Company	
	2024 RM	2023 RM
<b>Unquoted shares, at cost</b>		
At 1 November/31 October	2,999,980	2,999,980

Details of the subsidiary which is incorporated in Malaysia are as follows:

Name of subsidiary	Equity interest held		Principal activity
	2024	2023	
VisDynamics Research Sdn. Bhd.	100%	100%	Manufacturer of automated test equipment

#### 6. INTANGIBLE ASSETS

2024 Group	As at 01.11.2023 RM	Additions RM	Impairment RM	As at 31.10.2024 RM
<b>Cost</b>				
Development expenditure	6,264,842	788,606	-	7,053,448
Goodwill	1,576,446	-	-	1,576,446
Patents and trademarks	233,611	-	-	233,611
	8,074,899	788,606	-	8,863,505

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 6. INTANGIBLE ASSETS (CONT'D)

	As at 01.11.2023 RM	Additions RM	Impairment RM	As at 31.10.2024 RM
Accumulated amortisation/ impairment				
Development expenditure	3,966,202	92,369	-	4,058,571
Goodwill	472,935	-	1,103,511	1,576,446
Patents and trademarks	111,109	31,118	-	142,227
	4,550,246	123,487	1,103,511	5,777,244
	As at 01.11.2023 RM	Additions RM	Impairment RM	As at 31.10.2024 RM
<b>2023 Group</b>				
<b>Cost</b>				
Development expenditure	5,762,410	502,432	-	6,264,842
Goodwill	1,576,446	-	-	1,576,446
Patents and trademarks	127,368	106,243	-	233,611
	7,466,224	608,675	-	8,074,899
	As at 01.11.2023 RM	Additions RM	Impairment RM	As at 31.10.2024 RM
<b>Accumulated amortisation/ impairment</b>				
Development expenditure	3,731,519	234,683	-	3,966,202
Goodwill	315,290	-	157,645	472,935
Patents and trademarks	93,194	17,915	-	111,109
	4,140,003	252,598	157,645	4,550,246
			2024 RM	2023 RM
<b>Net carrying amounts</b>				
Development expenditure			2,994,877	2,298,640
Goodwill			-	1,103,511
Patents and trademarks			91,384	122,502
			3,086,261	3,524,653

#### (a) Development expenditure

Development expenditure includes the Gravity based system, Tray based system, Rotary based system, Wafer based system and Supplementary equipment. The estimated useful life for development expenditure is 3 to 5 years.

#### (b) Goodwill

Goodwill arising from business combination is in relation to an individual cash generating unit which is the Gravity-based system. The goodwill with net carrying value of RM1,103,511 has been fully impaired after performing the goodwill impairment assessment as at 31 October 2024.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 6. INTANGIBLE ASSETS (CONT'D)

##### (c) Patents and trademarks

Patents and trademarks are registered in Malaysia, Taiwan, China, Singapore and Philippines, United State of America and other countries. The estimated useful life for patents and trademarks is 10 to 15 years.

#### 7. SHORT TERM INVESTMENTS

	Group/Company	
	2024	2023
	RM	RM
<b>At fair value through profit or loss</b>		
Investments in unit trust funds	5,425,152	10,126,311

This is an investment in market funds, issued and managed in-house by the fund manager. The funds are categorised as an income based funds which provide investors regular income streams and high level of liquidity to meet cash flows requirements while maintaining capital preservation.

#### 8. INVENTORIES

	Group	
	2024	2023
	RM	RM
<b>At cost</b>		
Raw materials	11,514,740	11,681,252
Work in progress	4,204,495	6,239,470
Finished goods	2,691,464	589,742
	18,410,699	18,510,464

The raw materials consist of standard parts, fabricated parts and assembly parts. Work in progress refers to the raw materials, labor and overhead costs incurred for development of products that are still in the various stages of the production process. Finished good refers to the completed projects during the year.

#### 9. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Trade</b>				
Third parties	1,456,844	3,458,962	-	-
<b>Non-trade</b>				
Third parties	139,410	3,914	4,717	-
Total trade and other receivables	1,596,254	3,462,876	4,717	-

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 9. TRADE AND OTHER RECEIVABLES (CONT'D)

The ageing analysis of the Group's trade receivables as at the reporting date is as follows:

	Gross amount RM	Expected credit losses RM	Carrying value RM
<b>2024</b>			
Not past due	207,309	-	207,309
Past due:			
- less than 60 days	428,762	-	428,762
- between 61 to 120 days	289,798	-	289,798
- between 121 to 365 days	530,975	-	530,975
	1,249,535	-	1,249,535
	1,456,844	-	1,456,844
<b>2023</b>			
Not past due	1,484,211	-	1,484,211
Past due:			
- less than 60 days	452,217	-	452,217
- between 61 to 120 days	211,586	-	211,586
- between 121 to 365 days	157,302	-	157,302
- more than 365 days	1,153,646	-	1,153,646
	1,974,751	-	1,974,751
	3,458,962	-	3,458,962

Impairment for trade receivables is measured at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables includes both individual impairment for those that show objective evidence of impairment (stage 3 loss) and collective impairment (stage 2 loss). The expected credit losses is zero as the historical loss rates of its trade receivables is negligible and the directors believe this would continue to be so based on the analysis of receipts subsequent to the year end up to the date of this financial statements.

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

- (a) The Group's normal trade credit terms range from 30 to 365 days (2023: 30 to 365 days). Other credit terms are assessed and approved on a case by case basis. The customers that have credit terms of 365 days have easy payment schedule within 12 months.
- (b) The currency exposure profile of trade receivables is as follows:

	Group	
	2024 RM	2023 RM
<b>Denominated in:</b>		
US Dollar	1,407,027	3,316,271
Malaysian Ringgit	49,817	142,691
	1,456,844	3,458,962



## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 10. DEPOSITS AND PREPAYMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deposits	28,311	28,693	1,000	1,000
Prepayments	2,089,241	2,190,150	690,117	412,114
	2,117,552	2,218,843	691,117	413,114

#### 11. AMOUNT DUE FROM THE SUBSIDIARY

	Company	
	2024 RM	2023 RM
Non-trade balances	22,922,167	15,156,337

Amount due from the subsidiary is unsecured, interest-free and repayable on demand.

#### 12. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	11,919,240	9,385,862	145,228	348,654
Fixed deposit with licensed banks	6,825,835	14,422,955	-	-
	18,745,075	23,808,817	145,228	348,654

The Group's and the Company's cash management policy is to use fixed deposits, and cash and bank balances to manage cash flows to ensure sufficient liquidity to meet the Group's and the Company's obligations.

- a) The foreign currency exposure profile of the Group's cash and cash equivalents is as follows:

	Group	
	2024 RM	2023 RM
US Dollar	9,121,193	16,136,571
Chinese Yuan	4,156,562	4,385,796

- b) The weighted average effective interest rates for Group's fixed deposits is 4.30% (2023: 4.70%).

- c) Average maturity days of fixed deposits is as follows:

	Group	
	2024 RM	2023 RM
Fixed deposits with licensed banks	30	30

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 13. SHARE CAPITAL

	Number of Ordinary Shares		Group/Company	
	2024 Units	2023 Units	2024 RM	Amount 2023 RM
<b>Issued and fully paid-up:</b>				
Ordinary shares:				
At 1 November	262,798,945	174,829,150	24,388,832	24,171,586
Exercise of warrant	-	25,162	-	18,872
Exercise of ESOS	-	345,000	-	198,374
Bonus issue	-	87,599,633	-	-
At 31 October	262,798,945	262,798,945	24,388,832	24,388,832

#### Warrants

During the previous year, the issuance of 65,699,742 free warrants on the basis of 1 warrant for every 4 VHB shares was completed on 7 June 2023 following the listing and quotation of the warrants in the Ace Market of Bursa Securities. No warrants were exercised during the financial period from the completion date to 31 October 2024.

- The Warrants are constituted by a Deed Poll executed in 27 March 2023.
- The Warrants are traded separately
- The Warrants can be exercised at any time for a period of 5 years commencing on and including 7 June 2023 ("Exercise Period"). Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid for any purpose.
- Each Warrant entitled the registered holder to subscribe for one new ordinary share in the Company.
- Subject to the provisions in the Deed Poll, the Exercise Price and the number of Warrants held by each Warrant holder shall from time to time be adjusted by the Company in consultation with the approved adviser and certified by the auditors appointed by the Company.

#### Bonus issue

During the previous year, the issuance of 87,599,633 bonus shares on the basis of 1 bonus share for every 2 existing VHB shares was completed on 7 June 2023.

The bonus shares issued as fully paid, at nil consideration and without capitalisation of the Group's reserves, in compliance with the provisions of the Act.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 14. ESOS COMPENSATION RESERVE

	Group/Company	
	2024	2023
	RM	RM
At 1 November	1,107,040	-
Granted during the year	-	1,107,040
Forfeited during the year	(34,170)	-
At 31 October	1,072,870	1,107,040

The ESOS compensation reserve represents the effect of equity-settled shares options granted to employees. The reserve comprises the cumulative value of services received from employees for the issue of share options. When the option are exercised, the amount from the reserve is transferred to share capital. When the share option expire, the amount from the reserve is transferred to retained earnings.

Further details is disclosed on Note 29 to the financial statements.

#### 15. HIRE PURCHASE PAYABLES

	Group	
	2024	2023
	RM	RM
Future minimum finance lease payments:		
- Not later than 1 year	71,960	107,916
- More than 1 year	-	71,960
	71,960	179,876
Less: Future finance charges	(970)	(5,657)
	70,990	174,219
Represented by:		
- Not later than 1 year	70,990	103,229
- More than 1 year	-	70,990
	70,990	174,219

Effective interest rate on the hire purchase payables for the year is 1.98% (2023: 1.98%). The interest rate is fixed at the inception of the hire purchase arrangements.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 16. DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

	Group	
	2024 RM	2023 RM
At 1 November	204,294	-
Recognised in profit or loss (Note 26)	(204,294)	204,294
At 31 October	-	204,294
Presented after offsetting:		
Deferred tax assets	(531,692)	(543,356)
Deferred tax liabilities	531,692	747,650
	-	204,294

The balance in the deferred taxation is made up of temporary differences arising from:

Group	At 1 November 2023 RM	Recognised in income statement RM	At 31 October 2024 RM
Property, plant and equipment	747,650	(215,958)	531,692
Provisions	(543,356)	139,608	(403,748)
Unutilised business losses	-	(127,944)	(127,944)
	204,294	(204,294)	-

	At 1 November 2022 RM	Recognised in income statement RM	At 31 October 2023 RM
Property, plant and equipment	-	747,650	747,650
Provisions	-	(543,356)	(543,356)
	-	204,294	204,294

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2024 RM	2023 RM
Unutilised business losses	6,227,588	-

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 16. DEFERRED TAX LIABILITIES (CONT'D)

	Group	
	2024 RM	2023 RM
2034	6,227,588	-

#### 17. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Trade</b>				
Third parties	509,139	299,307	-	-
<b>Non-trade</b>				
Accruals	1,811,631	1,388,320	138,142	149,449
Provisions	1,324,419	3,015,537	287,696	751,553
Third parties	17,277	73,528	17,277	23,489
	3,153,327	4,477,385	443,115	924,491
Total trade and other payables	3,662,466	4,776,692	443,115	924,491

- (a) The Group's and the Company's normal trade credit term granted ranges from 30 to 120 days (2023: 30 to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.
- (b) All short-term payables are measured at undiscounted amounts because the effect of discounting is immaterial.
- (c) The currency exposure profile of trade payables is as follows:

	Group	
	2024 RM	2023 RM
<b>Denominated in:</b>		
US Dollar	792	7,426
Singapore Dollar	25,800	369
Malaysian Ringgit	483,338	291,512
	509,930	299,307

#### 18. CONTRACT LIABILITIES

	Group	
	2024 RM	2023 RM
Current		
Contract liabilities	1,791,075	-

Contract liabilities primarily related to the Group's obligation to transfer goods or services to customers for which the Group has received advances from the customers. Contract liabilities are recognised as revenue when the Group performs its obligations under the contract.



## Notes To The Financial Statements (Cont'd)

31 October 2024

### 19. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Sales of goods	8,103,925	26,648,864	-	-
Dividend received	-	-	4,500,000	-
Management fee	-	-	3,600,000	3,600,000
	8,103,925	26,648,864	8,100,000	3,600,000
Timing of revenue recognition:				
- at a point in time	2,493,886	3,400,416	8,100,000	3,600,000
- over time	5,610,039	23,248,448	-	-
	8,103,925	26,648,864	8,100,000	3,600,000

### 20. COST OF SALES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Allocation of direct overhead and labour	(569,233)	(489,435)	-	-
Direct costs	4,400,083	9,623,592	-	-
Freight charges	28,285	29,577	-	-
Inventories scrap	145,763	125,472	-	-
	4,004,898	9,289,206	-	-

### 21. OTHER OPERATING INCOME

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Generation of solar panel	72,614	71,305	-	-
Interest income from fixed deposits	904,979	1,045,502	245,118	59,783
Realised gain on foreign currency exchange	115,182	-	-	-
Unrealised gain on foreign currency exchange	-	70,554	-	-
Other income	59,488	19,636	29,241	19,636
	1,152,263	1,206,997	274,359	79,419

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 22. (LOSS)/PROFIT FROM OPERATIONS

(Loss)/Profit from operations has been arrived after charging/(crediting):

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>After charging/(crediting):</b>				
Amortisation of intangible\ assets (Note 6)	123,487	252,598	-	-
Auditors' remuneration	42,000	42,000	16,000	16,000
Depreciation of property, plant and equipment (Note 4)	832,190	833,934	-	-
ESOS (forfeited)/expenses	(34,170)	1,107,040	(34,170)	1,107,040
Impairment of goodwill (Note 6)	1,103,511	157,645	-	-
Loss on disposal of property, plant and equipment	-	2,364	-	-
(Gain)/Loss on foreign currency exchange:				
- Realised	(115,182)	92,670	-	-
- Unrealised	997,059	525,174	-	-
Directors' remuneration (Note 23)	2,037,288	2,643,185	1,530,396	2,004,884
Staff costs (Note 24)	5,626,719	6,199,316	217,552	282,250

#### 23. DIRECTORS' REMUNERATION

Aggregate amount of remuneration received and receivable by the directors of the Company during the financial year are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-executive:</b>				
Directors' fee	252,000	252,000	252,000	252,000
<b>Executive:</b>				
Bonus	126,421	119,901	95,828	91,265
Defined contribution plan	241,994	290,393	188,697	235,627
Salaries	1,114,365	1,142,941	763,741	813,186
Other emoluments	302,508	837,950	230,130	612,806
	1,785,288	2,391,185	1,278,396	1,752,884
	2,037,288	2,643,185	1,530,396	2,004,884

#### 24. STAFF COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Defined contribution plan	572,594	523,214	33,639	35,615
Other staff related expenses	732,384	1,638,552	47,179	117,457
Salaries and wages	4,321,741	4,037,550	136,734	129,178
	5,626,719	6,199,316	217,552	282,250

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 25. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest on hire purchase	4,687	8,756	-	-

### 26. TAXATION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Income tax:</b>				
- current year	386,921	994,000	386,921	158,000
- under/(over) provision in prior year	78,658	(134,354)	(97,297)	177,578
	465,579	859,646	289,624	335,578
<b>Deferred tax (Note 16):</b>				
- current year	(157,789)	667,181	-	-
- over provision in prior year	(46,505)	(462,887)	-	-
	(204,294)	204,294	-	-
Tax expense	261,285	1,063,940	289,624	335,578

The significant differences between the tax expense and accounting (loss)/profit multiplied by statutory tax rate are due to the tax effects arising from the following items:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
(Loss)/Profit before tax	(7,453,196)	3,899,843	6,348,203	862,737
Tax at statutory tax rate of 24%	(1,788,767)	935,962	1,523,569	207,057
Expenses non-deductible for tax purpose	681,108	679,450	54,677	173,882
Income not subject to tax	-	-	(1,080,000)	-
Utilisation of deferred tax assets not recognised	(157,830)	(222,939)	(111,325)	(222,939)
Deferred tax assets not recognised (Note 16)	1,494,621	-	-	-
Under/(over) provision of income tax expense in prior year	78,658	134,354	(97,297)	177,578
Over provision of deferred tax in prior year	(46,505)	(462,887)	-	-
	261,285	1,063,940	289,624	335,578

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 27. RELATED PARTY DISCLOSURES

##### 27.1 Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly, including any director of the entity.

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Short term employees benefits	3,806,267	4,963,972	1,273,612	2,016,651
Defined contribution plans	496,032	527,940	222,336	271,242
	4,302,299	5,491,912	1,495,948	2,287,893

##### 27.2 Related Party Transactions

The following related party transactions are recorded during the year under review and the corresponding prior year:

	Company	
	2024 RM	2023 RM
Dividend	4,500,000	-
Management fee receivable from the subsidiary	3,600,000	3,600,000
Amount due from the subsidiary	22,922,167	15,156,337

#### 28. EARNINGS PER SHARE ("EPS")

##### Basic EPS

	2024	2023
Net (loss)/profit for the year (RM'000)	(7,714)	2,836
Weighted average number of shares in issue ('000)	262,799	212,639
Basic EPS (sen)	(2.94)	1.33

##### Diluted EPS

The calculation of diluted EPS has taken into consideration of the adjustment of weighted average number of ordinary shares issue during the year for the dilutive effect of all potential ordinary shares, if any.

	2024	2023
Net (loss)/profit for the year (RM'000)	(7,714)	2,836
Weighted average number of shares used in the calculation of Basic Earnings per share ('000)	262,799	212,639
Weighted average number of ordinary shares at 31 October ('000)	262,799	212,639
Diluted EPS (sen)	(2.94)	1.33

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 29. EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

On 27 March 2023, the shareholders at the EGM approved the establishment of ESOS of up to 10% of the total number of issued share of the Company at any point in time to be granted to the eligible directors and employees of VHB and its subsidiary company.

The salient terms of ESOS are as follows:

- (a) Total number of new Shares which may be made available and/or issued under ESOS shall not be more than 10% of the total number of issued Shares (excluding treasury shares) at any one time as referred to in By-Law hereof.
- (b) Subject to the compliance of the terms and conditions herein contained, the ESOS shall come in force on the Effective Date for a period of five (5) years commencing from the Effective Date.
- (c) The Company may at any time during the duration of the ESOS through a resolution by the Board terminate the ESOS without further sanctions, approvals and/or authorisations (unless otherwise required by the relevant authorities of Listing Requirements) and shall immediately announce to Bursa Securities the:
  - (i) effective date of termination of the ESOS;
  - (ii) number of Options exercised of VHB Shares vested (if any);
  - (iii) reasons for termination of the ESOS.
- (d) In the case of an Eligible Person, he/she will be eligible if at the date of the Offer, the following eligibility criteria are fulfilled:
  - (i) he/she has attained the age of at least 18 years and is not an undischarged bankrupt; and/or
  - (ii) if an employee, he/she is in the employment of any corporation within the VHB Group, who has been confirmed in service and has not served a notice to resign nor received a notice of termination; and/or
  - (iii) if a director, he/she is appointed and remains appointed as a director of any corporation within the Group; and/or
  - (iv) is under such categories and criteria that the ESOS Committee may from time to time decide as its absolute discretion.
- (e) The basis for determining the aggregate number of new VHB shares is that may be offered under the ESOS and /or to an Eligible Person shall be at the sole and absolute discretion of the ESOS Committee after taking into consideration, inter alia, the performance, contribution, employment grade, seniority and/or length of service to the Group by Eligible Person and/or such other matters.
- (f) The five (5) days volume weighted average market price of the VHB Shares is as quoted on Bursa Securities immediately preceding the Offer Date, with a discount not more than 10%.

On 15 August 2023, the Company granted 6,512,000 ESOS to eligible directors and employees of the Company and its subsidiary. 50% of the total number of options granted may be exercised upon offering and shall remain exercisable for the duration of the scheme. The balance of 50% of the total number of options granted may be exercised after the first anniversary of the offering and shall remain exercisable for the duration of scheme.



## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 29. EMPLOYEES' SHARE OPTION SCHEME ("ESOS") (CONT'D)

The fair value of the share options granted to eligible employees and directors, was determined using Black-Scholes Option Pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of share options measured at the grant date and the input assumed by the Company in arising the fair value are as follows:

	Group/Company	
	2024	2023
Fair value at grant date (RM)	0.17	0.17
Share price (RM)	0.29	0.40
Exercise price (RM)	0.42	0.42
Expected volatility (%)	43.07	24.90
Expected life (years)	5 years	5 years
Risk-free interest rate (%)	3.58	3.67

Movement in the number of share options are as follows:

	Group/Company	
	2024	2023
	Number of shares	
At 1 November	6,512,000	-
Granted during the year	-	6,512,000
ESOS forfeited during the year	(201,000)	-
Option exercisable At 31 October 2024	6,311,000	6,512,000

During the year, 201,000 (2023:Nil) options were forfeited due to the resignation of staffs.

#### 30. SEGMENTAL REPORTING

The Group has two (2) segments as follows:

- Manufacturing : Manufacturing of automated test equipment
- Others : Investment holding and provision of management services

Segment performance is evaluated based on segment profit before tax and is measured consistently with profit or loss in the consolidated financial statements.

	Group	
	2024 RM	2023 RM
Revenue by geographical market:		
Malaysia	209,617	850,761
South East Asia	325,251	7,832,312
North Asia	7,554,672	17,965,791
Others	14,385	-
	8,103,925	26,648,864

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 30. SEGMENTAL REPORTING (CONT'D)

Group 2024	Manufacturing RM	Investment RM	Elimination RM	Total RM
<b>Revenue:</b>				
External revenue	8,103,925	-	-	8,103,925
Inter-segment revenue	-	8,100,000	(8,100,000)	-
	8,103,925	8,100,000	(8,100,000)	8,103,925
<b>Results:</b>				
Segments results	(8,955,919)	470,331	-	(8,485,588)
Finance costs	(4,687)	-	-	(4,687)
Other operating income	762,722	274,359	-	1,037,081
(Loss)/Profit before tax	(8,197,884)	744,690	-	(7,453,194)
Tax expense	28,339	(289,624)	-	(261,285)
(Loss)/Profit attributable to equity holders of the Company	(8,169,545)	455,066	-	(7,714,479)
<b>Other information</b>				
Segment assets	57,533,457	32,188,361	(25,922,147)	63,799,671
Segment liabilities	28,003,581	830,036	(22,922,167)	5,911,450
Depreciation	832,190	-	-	832,190
<b>Group 2023</b>	<b>Manufacturing RM</b>	<b>Investment RM</b>	<b>Elimination RM</b>	<b>Total RM</b>
<b>Revenue:</b>				
External revenue	26,648,864	-	-	26,648,864
Inter segment revenue	-	3,600,000	(3,600,000)	-
	26,648,864	3,600,000	(3,600,000)	26,648,864
<b>Results:</b>				
Segments results	1,918,284	783,318	-	2,701,602
Finance costs	(8,756)	-	-	(8,756)
Other operating income	1,127,578	79,419	-	1,206,997
Profit before tax	3,037,106	862,737	-	3,899,843
Tax expense	(728,362)	(335,578)	-	(1,063,940)
Profit attributable to equity holders of the Company	2,308,744	527,159	-	2,835,903
<b>Other information</b>				
Segment assets	62,422,473	29,044,396	(17,052,805)	74,414,064
Segment liabilities	20,223,051	1,082,491	(15,156,337)	6,149,205
Capital expenditure	1,190,991	-	-	1,190,991
Depreciation	833,934	-	-	833,934

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 31. DIVIDENDS

Dividends paid by the Company are as follows:

	Sen per share	Total amount RM
<b>2024</b>		
Final single-tier dividend	1.0	2,627,989
<b>2023</b>		
Interim single-tier dividend	1.5	2,627,990

During the financial year, the Board of Directors has made a declaration and payment of final (single-tier) dividends of 1 sen per ordinary share for financial year ended 31 October 2023. This was declared on 16 Feb 2024 and paid on 24 May 2024.

In prior year, the Board of Directors has made a declaration and payment of final (single-tier) dividends of 1.5 sen per ordinary share for financial year ended 31 October 2022. This was declared on 27 March 2023 and paid on 19 May 2023.

#### 32. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs as disclosed in Note 2.6(c).

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Trade and other receivables	9
Amount due from the subsidiary	11
Trade and other payables	17
Contract liabilities	18

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

##### Contingent liability

The nominal amount and net fair value of financial instruments not recognised in the statement of financial position of the Group are as follows:

	Nominal Amount		Net Fair Value Amount	
	2024 RM	2023 RM	2024 RM	2023 RM
Corporate guarantees	11,400,000	11,400,000	-	-

The fair value of contingent liabilities is expected to be minimal as the subsidiary is expected to be able to repay the banking facilities.

## Notes To The Financial Statements (Cont'd)

31 October 2024

### 33. CLASSIFICATION OF FINANCIAL INSTRUMENT

#### (a) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

- (i) Amortised cost ("AC")
- (ii) Fair value through profit or loss ("FVTPL")
- (iii) Fair value through other comprehensive income ("FVOCI")

Group	Carrying amount RM	AC RM	FVTPL RM	FVOCI RM
<b>2024</b>				
<b>Financial Assets</b>				
Short term investment	5,425,152	-	5,425,152	-
Trade and other receivables	1,596,254	1,596,254	-	-
Deposits	28,311	28,311	-	-
Cash and cash equivalents	18,745,075	18,745,075	-	-
	25,794,792	20,369,640	5,425,152	-
<b>Financial Liabilities</b>				
Trade and other payables	3,662,466	3,662,466	-	-
Contract liabilities	1,791,075	1,791,075	-	-
Hire purchase payables	70,990	70,990	-	-
	5,524,531	5,524,531	-	-
<b>2023</b>				
<b>Financial Assets</b>				
Short term investment	10,126,311	-	10,126,311	-
Trade and other receivables	3,462,876	3,462,876	-	-
Deposits	28,693	28,693	-	-
Cash and cash equivalents	23,808,817	23,808,817	-	-
	37,426,697	27,300,386	10,126,311	-
<b>Financial Liabilities</b>				
Trade and other payables	4,776,692	4,776,692	-	-
Hire purchase payables	103,229	103,229	-	-
	4,879,921	4,879,921	-	-

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 33. CLASSIFICATION OF FINANCIAL INSTRUMENT (CONT'D)

##### (a) Categories of financial instruments (Cont'd)

Company	Carrying amount RM	AC RM	FVTPL RM	FVOCI RM
<b>2024</b>				
<b>Financial Assets</b>				
Short term investment	5,425,152	-	5,425,152	-
Trade and other receivables	4,717	4,717	-	-
Deposits	1,000	1,000	-	-
Amount due from the subsidiary	22,922,167	22,922,167	-	-
Cash and cash equivalents	145,228	145,228	-	-
	28,498,264	23,073,112	5,425,152	-
<b>Financial Liabilities</b>				
Trade and other payables	443,115	443,115	-	-
<b>2023</b>				
<b>Financial Assets</b>				
Short term investment	10,126,311	-	10,126,311	-
Deposits	1,000	1,000	-	-
Amount due from the subsidiary	15,156,337	15,156,337	-	-
Cash and cash equivalents	348,654	348,654	-	-
	25,632,302	15,505,991	10,126,311	-
<b>Financial Liabilities</b>				
Trade and other payables	924,491	924,491	-	-

#### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk and credit risk.

The Board of Directors reviews and agrees policies and procedures for the management of liquidity risk, which are executed by the officers appointed by the management.

It is, and has been throughout the current financial periods, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Company does not apply hedge accounting.

The following section provides details regarding the Group's exposure to the above-mentioned financial risk and the objectives, policies, and processes for the management of this risk.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

##### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its contractual obligations. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income ("FVOCI") and at fair value through profit or loss ("FVTPL"), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures primarily from outstanding trade and other receivables.

The Group adopts the policy of dealing with customers with an appropriate credit history, and obtaining sufficient security where appropriate, including payments in advance, security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement. For other financial assets (including investment securities, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group seeks to invest cash assets safely and profitability and buys insurance to protect itself against insurable risk in this regard, counterparties are assessed for credit limits that are set to minimise any potential losses. The Group has no significant concentration of credit risk and it is not the Group's policy to hedge its credit risk. The Group has in place, for significant operating subsidiaries, policies to ensure that sale of products and services are made to customers with an appropriate credit history and set limits on the amount of credit exposure to any one customer. For significant subsidiaries, there were no instances of credit limits being materially exceeded during the reporting periods and management does not expect any material losses from non-performance by counterparties.

##### *Exposure to credit risk*

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

##### *Recognition and Measurement of expected credit losses*

In managing credit risk of trade receivables, the Group manages its receivables and takes appropriate (actions including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 365 days. The Group's debt recovery is as follows:

- (a) Above 90 days past due after credit term, the Group will start to initiate a debt recovery process which is monitored by the sales management teams; and
- (b) Above 365 days past due, the management will take necessary action including collection arrangement.

The Group uses an allowance matrix to measure ECLs of trade receivables for all segments except for property development segment. Consistent with the debt recovery process, invoice which are past due 365 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the profitability of a receivable progressing through successive states of delinquency to 365 days past due.

Loss rates are based on actual credit loss experience over the past two years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the lease receivable.

##### (b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.



## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

##### (b) Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's financial assets as at the end of the reporting period based on undiscounted contractual payments:

##### *Maturity analysis*

Group	Carrying amount RM	Contractual cash flows RM	Under 1 year RM	Over 1 year RM
<b>2024</b>				
Trade and other payables	3,662,466	3,662,466	3,662,466	-
Hire purchase payables	70,990	71,960	70,990	970
	3,733,456	3,734,426	3,733,456	970
<b>2023</b>				
Trade and other payables	4,776,692	4,776,692	2,305,316	-
Hire purchase payables	103,229	108,886	103,229	5,657
	4,879,921	4,885,578	2,408,545	5,657
<b>Company</b>				
	Carrying amount RM	Contractual cash flows RM	Under 1 year RM	Over 1 year RM
<b>2024</b>				
Trade and other payables	443,115	443,115	443,115	-
<b>2023</b>				
Trade and other payables	924,491	924,491	924,491	-

##### (c) Interest rate risk

The Group's and the Company's fixed rate deposits placed with licensed banks are exposed to a risk of change in their fair value due to changes in market rates. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in market interest rates.

The Group and Company manages the interest rate risk of its deposits with licensed banks by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining prudent mix of short and long term deposits. While interest rate exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivatives instruments for trading or speculative purposes.

## Notes To The Financial Statements (Cont'd)

### 31 October 2024

#### 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

##### (c) Interest rate risk (Cont'd)

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Financial assets</b>				
Fixed deposits with licensed banks	6,825,835	14,422,955	-	-
Short term investment	5,425,152	10,126,311	5,425,152	10,126,311
<b>Financial liabilities</b>				
Hire purchase payables	(70,990)	(174,219)	-	-
	12,179,997	24,375,047	5,425,152	10,126,311

##### (d) Foreign currency risk

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily the United States Dollar (USD), Singapore Dollar (SGD) and Chinese Yuan (CNY).

The Group's and the Company's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on the carrying amounts as at the end of the reporting period were:

	Group/Company	
	2024 RM	2023 RM
<b>USD</b>		
Trade and other receivables (Note 9)	1,407,027	3,316,271
Cash and cash equivalents (Note 12)	4,227,331	3,900,169
Trade and other payables (Note 17)	792	7,426
	5,635,150	7,223,866
<b>CNY</b>		
Cash and cash equivalents (Note 12)	4,156,562	4,385,796
<b>SGD</b>		
Trade and other payables (Note 17)	23,796	369

A sensitivity analysis has been performed on the outstanding foreign currency monetary items as at year end.

Notes To The Financial Statements (Cont'd)

31 October 2024

35. CAPITAL MANAGEMENT

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 October 2024.

The Group is not subject to any externally imposed capital requirements.

36. CAPITAL COMMITMENTS

Capital commitment as at the end of the financial year is as follows:

	2024 RM	Group 2023 RM
Authorised capital expenditure for property, plant and equipment not provided for in the financial statements :		
- Approved but not contracted for	15,000,000	15,000,000

Other than above, the Group and the Company has no other capital commitment as at the end of the financial year.

37. SUBSEQUENT EVENT

SHARES REPURCHASE

The Company has undertaken a share buyback program in accordance with the authority granted by its shareholders at the Annual General Meeting. The share buyback is part of the Company’s strategy to manage its capital structure, enhance shareholder value, and provide an efficient use of excess cash reserves.

The Company announced the share buyback on 16 February 2024, with the approval from shareholders obtained at the 19th Annual General Meeting held on 29 March 2024.

At 15 January 2024, the cumulative shares repurchased are 3,000,000. The Company issued ordinary shares from the open market on Bursa Securities for total consideration paid of RM1,118,444 including transaction cost. The shares repurchased are held as treasury shares in accordance with Section 127(4) of the Companies Act 2016 ("Act").

38. AUTHORISATION ON THE ISSUANCE OF THE FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 October 2024 were authorised for issue in accordance with a resolution of the directors on

## LIST OF PROPERTIES AS AT 31 OCTOBER 2024

Description	Corporate and manufacturing plant
Location	Lot 3844, Jalan TU 52, Kawasan Perindustrian Tasik Utama Ayer Keroh, 75450 Melaka.
Land area	6,690 square metres
Tenure	Leasehold (99 years) expiring on 29 March 2097
Net book value as at 31/10/2024	RM 3,325,152
Date of acquisition	20 February 2007

Description	Corporate and manufacturing plant
Location	LOT 10079, Jalan TU 61, Kawasan Perindustrian Tasik Utama Ayer Keroh, 75450 Melaka.
Land area	6,707 square metres
Tenure	Leasehold (99 years) expiring on 29 March 2097
Net book value as at 31/10/2024	RM 2,655,386
Date of acquisition	17 November 2020

Description	Corporate and manufacturing plant
Location	LOT 10080, Jalan TU 61, Kawasan Perindustrian Tasik Utama Ayer Keroh, 75450 Melaka.
Land area	5,498 square metres
Tenure	Leasehold (99 years) expiring on 29 March 2097
Net book value as at 31/10/2024	RM 2,176,728
Date of acquisition	17 November 2020

Description	Corporate and manufacturing plant
Location	LOT 10081, Jalan TU 61, Kawasan Perindustrian Tasik Utama Ayer Keroh, 75450 Melaka.
Land area	4,476 square metres
Tenure	Leasehold (99 years) expiring on 29 March 2097
Net book value as at 31/10/2024	RM 1,772,105
Date of acquisition	17 November 2020

Description	Corporate and manufacturing plant
Location	LOT 10077, Jalan TU 61, Kawasan Perindustrian Tasik Utama Ayer Keroh, 75450 Melaka.
Land area	4,829 square metres
Tenure	Leasehold (99 years) expiring on 29 March 2097
Net book value as at 31/10/2024	RM 1,911,725
Date of acquisition	01 July 2024

## ANALYSIS OF SHAREHOLDINGS AS AT 31 JANUARY 2025

Total Number of Issued Shares	:	259,798,945 (excluding treasury shares of 3,000,000)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share

### DISTRIBUTION TABLE ACCORDING TO THE NUMBER OF SECURITIES HELD IN RESPECT OF ORDINARY SHARES

CATEGORY	NO OF HOLDRES	%	NO OF SHARES	%
Less than 100	217	5.68	11,417	0.00
100 - 1,000	281	7.36	116,817	0.04
1,001 - 10,000	1,498	39.22	7,807,803	3.01
10,001 - 100,000	1,549	40.56	49,120,057	18.91
100,001 to less than 5% of issued shares	273	7.15	131,777,208	50.72
5% and above of issued shares	1	0.03	70,965,643	27.32
<b>TOTAL</b>	<b>3,819</b>	<b>100.00</b>	<b>259,798,945</b>	<b>100.00</b>

### DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

NO	NAME OF DIRECTORS	NO OF SHARES	%
1	CHOY NGEE HOE	70,965,643	27.32
2	ONG HUI PENG	9,149,212	3.52
3	CHAN HENG SOON	8,660,337	3.33
4	PANG NAM MING	-	-
5	GAN LIM	-	-
6	OLIVIA LIM	-	-
7	CHIN PECK LI	-	-

### LIST OF SUBSTANTIAL SHAREHOLDER AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDINGS

NO	NAME OF SUBSTANTIAL SHAREHOLDER	NO OF SHARES	%
1	CHOY NGEE HOE	70,965,643	27.32

### LIST OF DIRECTORS' OPTION HOLDINGS AS PER THE REGISTER OF DIRECTORS' OPTION HOLDINGS

NO	NAME OF DIRECTOR	NO OF OPTIONS HELD
1	CHOY NGEE HOE	705,000
2	ONG HUI PENG	235,000
3	CHAN HENG SOON	235,000
4	PANG NAM MING	-
5	GAN LIM	-
6	OLIVIA LIM	-
7	CHIN PECK LI	-

## Analysis of Shareholdings (Cont'd)

As At 31 January 2025

### TOP THIRTY (30) SECURITIES ACCOUNTS HOLDERS

(Without aggregating the securities from different securities account belonging to the same Depositors)

NO.	NAME	NO. OF SHARES	%
1	CHOY NGEE HOE	70,965,643	27.316
2	ONG HUI PENG	9,149,212	3.522
3	LEE CHONG LENG	8,716,837	3.355
4	CHAN HENG SOON	8,660,337	3.333
5	CH'NG PAED WEE	7,247,937	2.790
6	JONG PIT FONG	7,049,437	2.713
7	CHONG CHOY FOONG	6,150,000	2.367
8	TEO LEONG KHOON	6,140,587	2.364
9	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SANG CHOOI FUN (MY0311)	4,455,000	1.715
10	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHONG CHON SHUNG (MQ0321)	1,800,000	0.693
11	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEW THIAN HOCK (E-KLC)	1,800,000	0.693
12	CARTABAN NOMINEES (ASING) SDN BHD THE BANK OF NEW YORK MELLON FOR ACADIAN EMERGING MARKETS MICRO-CAP EQUITY MASTER FUND	1,772,400	0.682
13	MOHD RAZALI BIN ABDUL RAHMAN	1,687,500	0.650
14	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	1,480,350	0.570
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD YAP CHEE WAI	1,268,400	0.488
16	LIM TEE CHIEW	1,200,000	0.462
17	PUNG LEE HWA	1,109,900	0.427
18	TEH BEE GAIK	1,105,600	0.426
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHU SAI BOON	1,080,900	0.416
20	CHONG WEN TAT	1,065,075	0.410
21	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG CHENG TEE (E-KLC)	869,500	0.335
22	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG WAI PING (M)	852,000	0.328
23	WONG YOKE FONG @ WONG NYOK FING	817,500	0.315
24	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW HUN TECK (7004929)	805,000	0.310
25	CHONG WEN TAT	779,287	0.300
26	OOI ENG BEE	750,000	0.289
27	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG CHONG MOOI (E-KLC)	750,000	0.289
28	KANG LAY LIAN	744,500	0.287
29	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIANG SZE CHEA (E-BPJ/JKL)	700,000	0.269
30	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH YEW PENG	675,000	0.260
<b>TOTAL</b>		<b>151,647,902</b>	<b>58.371</b>



ANALYSIS OF WARRANTS HOLDINGS  
AS AT 31 JANUARY 2025

Type of Securities	:	Warrants 2023/2028
Date of Expiry	:	15 August 2028
Exercise Rights	:	Each warrant carries the entitlement to subscribe for one (1) new ordinary share in the Company at an exercise price of RM 0.50
Voting Rights	:	The holder of warrants is not entitled to any voting rights

DISTRIBUTION TABLE ACCORDING TO THE NUMBER OF SECURITIES HELD IN RESPECT OF WARRANTS

CATERGORY	NO OF HOLDRES	%	NO OF WARRANTS	%
Less than 100	873	28.05	39,771	0.06
100 - 1,000	617	19.83	305,858	0.47
1,001 - 10,000	1,179	37.89	4,096,244	6.24
10,001 - 100,000	368	11.82	11,815,298	17.98
100,001 - to less than 5% of issued warrants	74	2.38	31,700,767	48.25
5% and above of issued warrants	1	0.03	17,741,410	27.00
TOTAL	3,112	100.00	65,699,348	100.00

DIRECTOR’S WARRANTS HOLDINGS AS PER THE REGISTER OF DIRECTORS’ WARRANTS HOLDINGS

NO	NAME OF DIRECTORS	NO OF WARRANTS	%
1	CHOY NGEE HOE	17,741,410	27.00
2	ONG HUI PENG	2,287,303	3.48
3	CHAN HENG SOON	2,103,609	3.20
4	PANG NAM MING	-	-
5	GAN LIM	-	-
6	OLIVIA LIM	-	-
7	CHIN PECK LI	-	-

## Analysis of Warrants Holdings (Cont'd)

As At 31 January 2025

### TOP THIRTY (30) SECURITIES ACCOUNTS HOLDERS

(Without aggregating the securities from different securities account belonging to the same Depositors)

NO.	NAME	NO. OF WARRANTS	%
1	CHOY NGEE HOE	17,741,410	27.004
2	ONG HUI PENG	2,287,303	3.481
3	LEE CHONG LENG	2,179,209	3.317
4	CHAN HENG SOON	2,103,609	3.202
5	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOW CHEE KEONG	1,850,000	2.816
6	JONG PIT FONG	1,762,359	2.682
7	CH'NG PAED WEE	1,760,484	2.680
8	CHONG CHOY FOONG	1,537,500	2.340
9	TEO LEONG KHOON	1,535,146	2.337
10	SEOW CHING YUEN @ KHOO SAU CHUN	1,358,500	2.068
11	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SANG CHOOI FUN (MY0311)	1,113,750	1.695
12	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHU SAI BOON	685,400	1.043
13	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAM KIM GOON (PNG)	580,000	0.883
14	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD KAF CORE INCOME FUND	471,675	0.718
15	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR CHONG LEE KEAN	442,250	0.673
16	AH FOO @ LAI AH FOO	438,800	0.668
17	LAM KIM GOON	430,000	0.654
18	MOHD RAZALI BIN ABDUL RAHMAN	421,875	0.642
19	LEONG JIN HEE	400,000	0.609
20	LIM GOAY SUAN	400,000	0.609
21	LIM TEE CHIEW	400,000	0.609
22	NG BAK KHOON	370,000	0.563
23	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KAR HENG (MY3574)	330,000	0.502
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD YAP CHEE WAI	317,100	0.483
25	TOH YEW PENG	291,300	0.443
26	ER KOON HONG	277,800	0.423
27	CHONG WEN TAT	266,268	0.405
28	CHEONG LEE FOON	261,200	0.398
29	LIU NYAK ZOO	255,300	0.389
30	ANDREA YEW JIA YUN	250,000	0.381
<b>TOTAL</b>		<b>42,518,238</b>	<b>64.716</b>

## NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of VisDynamics Holdings Berhad will be held at the Conference Room, Lot 3844, Jalan TU 52, Kawasan Perindustrian Tasik Utama, Ayer Keroh, 75450 Melaka, Malaysia on **Tuesday, 8 April 2025** at **10:30 a.m.** or at any adjournment thereof, for the purpose of considering the following businesses:

### AGENDA

#### ORDINARY BUSINESS

1. To receive the Directors' Report, Audited Financial Statements and the Auditors' Report for the financial year ended 31 October 2024. ***Please refer to Explanatory Note 1***
2. To approve the payment of Directors' fees amounting to RM252,000 for the Non-Executive Directors for the financial year ended 31 October 2024. ***Ordinary Resolution 1***
3. To approve the payment of Directors' benefits payable to the Non-Executive Directors up to an amount of RM9,000 for the period from 1 April 2025 until 31 March 2026. ***Ordinary Resolution 2***
4. To re-elect Mr. Choy Ngee Hoe, who retire in accordance with Clause 97 of the Constitution of the Company and being eligible, offer himself for re-election. ***Ordinary Resolution 3***
5. To re-elect Mr. Pang Nam Ming, who retire in accordance with Clause 97 of the Constitution of the Company and being eligible, offer himself for re-election. ***Ordinary Resolution 4***
6. To re-elect Mr. Chan Heng Soon, who retire in accordance with Clause 104 of the Constitution of the Company and being eligible, offer himself for re-election. ***Ordinary Resolution 5***
7. To re-appoint Messrs. Al Jafree Salihin Kuzaimi PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and authorise the Directors to fix their remuneration. ***Ordinary Resolution 6***

#### SPECIAL BUSINESS

8. To consider and if thought fit, pass the following Ordinary Resolution, with or without modification:

##### **Final Single-Tier Dividend**

"THAT a final single-tier dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 October 2024 be hereby approved for payment on 28 May 2025."

***Ordinary Resolution 7***

9. To consider and if thought fit, pass the following Ordinary Resolution, with or without modification:

##### **Authority to Issue and Allot Shares**

"THAT, subject always to the Companies Act 2016, Constitution of the Company and approvals from Bursa Malaysia Securities Berhad and any other governmental/regulatory bodies, where such approval is necessary, authority be and is hereby given to the Directors pursuant to Section 75 of the Companies Act 2016 to issue and allot not more than ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company at any time upon any such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force until the conclusion of the next Annual General Meeting of the Company pursuant to Section 76 of the Companies Act 2016.

## Notice of Twentieth Annual General Meeting (Cont'd)

THAT the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof.

THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016, to be read together with Clause 54 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered with new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares in the Company pursuant to this mandate.

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 other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.”

### Ordinary Resolution 8

10. To consider and if thought fit, pass the following Ordinary Resolution, with or without modification:

#### Proposed Renewal of Authority to Purchase of Own Shares by the Company

“THAT, subject always to the Companies Act 2016, the provisions of the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of shares purchased does not exceed ten per centum (10%) of its total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase;
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall be backed by an equivalent amount of retained profits as at the time of purchase; and
- (iii) the Directors of the Company may decide either to retain the shares purchased as treasury shares or cancel the shares or to retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends or transfer the shares under an employee share scheme or as purchase consideration.

THAT the authority conferred by this resolution will commence after the passing of this ordinary resolution and will continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following the general meeting at which such resolution was passed, at which time it shall lapse unless, by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

## Notice of Twentieth Annual General Meeting (Cont'd)

AND THAT authority be and is hereby given unconditionally and generally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991 of Malaysia, and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities and with the fullest power to do all such acts and things thereafter (including without limitation, the cancellation or retention as treasury shares of all or any part of the purchased shares or to resell the shares or distribute the shares as dividends or transfer the shares under employee share scheme or as purchase consideration) in accordance with the Constitution of the Company and the requirements and/or guidelines of ACE Market Listing Requirements of Bursa Securities and all other relevant governmental and/or regulatory authorities."

### Ordinary Resolution 9

11. To consider and if thought fit, pass the following Ordinary Resolution, with or without modification:

#### Continuing in Office as Independent Non-Executive Director – Mr. Pang Nam Ming

"THAT authority be hereby given to Mr. Pang Nam Ming who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to act as an Independent Non-Executive Director of the Company."

### Ordinary Resolution 10

12. To transact any other ordinary business of which due notice shall have been given.

## NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders at the Twentieth Annual General Meeting, a final single-tier dividend of 0.5 sen per ordinary share for the financial year ended 31 October 2024, if approved, will be paid on 28 May 2025 to the holders of ordinary share registered in the Record of Depositors of the Company at the close of business on 15 May 2025.

A depositor shall qualify for entitlement to the dividend only in respect of:

- a) Securities transferred into the Depositor's Securities Account before 4:30 p.m. on 15 May 2025 in respect of transfers; and
- b) Securities bought on the Bursa Malaysia Securities Berhad ("**Bursa Securities**") on a cum entitlement basis according to the Rules of the Bursa Securities.

BY ORDER OF THE BOARD

**PEGGY CHEK HONG KIM** (MIA 23475 & SSM PC NO. 202008003139)  
**TEO MEE HUI** (MAICSA 7050642 & SSM PC NO. 202008001081)  
**CHENG WENG SOON** (MAICSA 7071849 & SSM PC NO. 202308000579)  
 Company Secretaries

Kuala Lumpur

Dated this 28<sup>th</sup> day of February, 2025.

## NOTES:

1. For the purpose of determining a member who shall be entitled to attend this 20<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 62 of the Company's Constitution to issue a General Meeting Record of Depositors as at 28 March 2025. Only a depositor whose name appears on the Record of Depositors as at 28 March 2025 shall be entitled to attend the said meeting and to speak or vote thereat.
2. Every member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him/her. The member may attend and vote in person at the meeting after lodging the proxy form but however such attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy.

## Notice of Twentieth Annual General Meeting (Cont'd)

3. If you have submitted your Form(s) of Proxy and subsequently decide to appoint another person or wish to participate in the 20<sup>th</sup> AGM by yourself, please write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) to revoke the earlier appointed proxy(ies) forty-eight (48) hours before the Meeting. You proxy(ies) on revocation would not be allowed to participate in the 20<sup>th</sup> AGM. In such event, you should advise your proxy(ies) accordingly.
4. A member shall be entitled to appoint at least one (1) and up to two (2) proxies to attend at the meeting. Where a member appoints more than one (1) proxy, the proxies shall not be valid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
6. The instrument appointing a proxy shall be in writing (in common or usual form) under the hand of the appointer or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
7. The instrument appointing a proxy must be deposited at the Company's Share Registrars' Office at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or via electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

### EXPLANATORY NOTE:

1. Item 1 of the Agenda - Directors' Report, Audited Financial Statements and the Auditors' Report for the financial year ended 31 October 2024

The Audited Financial Statements under this agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence this item is not put forward for voting.

2. Items 2 & 3 of the Agenda – Directors' Fees and Benefits

Section 230(1) of the Companies Act 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agree that the shareholders' approval shall be sought at the 20<sup>th</sup> AGM on the Directors' remuneration in two (2) separate resolutions as below:

- Resolution 1 on payment of Directors' fees for the financial year ended 31 October 2024; and
- Resolution 2 on payment of Directors' benefits for the financial period from 1 April 2025 until 31 March 2026 ("**Relevant Period**")

The payment of the Directors' fees for the financial year ended 31 October 2024 will only be made if the proposed Resolution 1 has been passed at the 20<sup>th</sup> AGM pursuant to Clause 105 of the Company's Constitution and Section 230(1) of the Companies Act 2016.

The estimated total amount of the Directors' benefits for the Relevant Period comprises of meeting allowance payable to the Non-Executive Directors which only be accorded based on actual attendance of meetings by the Non-Executive Directors.

In determining the estimated total amount of the Directors' benefits, the Board considered various factors, including the number of scheduled meetings for the Board and Board Committee as well as the number of Directors involved in these meetings.

3. Items 4, 5 and 6 of the Agenda – Re-election of Directors

Mr. Choy Ngee Hoe and Mr. Pang Nam Ming will retire at the 20<sup>th</sup> AGM in accordance with Clause 97 of the Constitution of the Company whilst Mr. Chan Heng Soon will retire in accordance with Clause 104 of the Constitution. The profile of the retiring Directors is set out in the Annual Report 2024.



## Notice of Twentieth Annual General Meeting (Cont'd)

The Nomination Committee has taken into account the Board Evaluation Assessment including the results of assessment for retiring Directors and concurred that they have met the Board's expectation in terms of experience, expertise, integrity, competency, commitment and individual contribution by continuously performing their duties diligently as Director of the Company. The Board recommended them to be re-elected as Director of the Company.

### 4. Item 9 of the Agenda – Authority to Issue and Allot Shares

The proposed resolution, if passed, will give flexibility to the Directors to issue and allot shares to such persons at any time in their absolute discretion without convening a general meeting. This authorisation will expire at the conclusion of the next Annual General Meeting of the Company.

The purpose of this general mandate is for possible fund-raising exercises, including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital, repayment of borrowings and/or acquisitions.

This is the renewal of the mandate obtained from the members at the last AGM ("**the Previous Mandate**"). The Previous Mandate was not utilised and accordingly no proceeds were raised.

By voting in favour of the proposed resolution, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85(1) of the Companies Act 2016 and Clause 54 of the Company's Constitution to be first offered any new shares ranking equally to the existing issued shares of the Company which will result in a dilution of their shareholding percentage in the Company.

### 5. Item 10 of the Agenda – Proposed Renewal of Authority to Purchase of Own Shares by the Company

The proposed resolution, if passed, will allow the Company to purchase its own shares up to 10% of its total number of issued shares of the Company by utilising the funds allocated, which shall not exceed the retained profits of the Company.

For further information, please refer to the Share Buy-Back Statement dated 28 February 2025.

### 6. Item 11 of the Agenda – Continuing in Office as Independent Non-Executive Director

The Board has assessed the independence of Mr. Pang Nam Ming, who has served as Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended him to continue act as an Independent Non-Executive Director of the Company based on the following justifications:

- a. he had fulfilled the criteria under the definition of Independent Director as stated in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, he would be able to bring an element of objectivity to the Board;
- b. he has been with the Company for more than 9 years and were familiar with the Company's business operations;
- c. he has vast and diverse range of experiences and therefore would be able to provide constructive opinion, independent judgment and to act in the best interest of the Company and shareholders;
- d. he has devoted sufficient time and attention to his professional obligations for informed and balanced decision making; and
- e. he has exercised his due care, skill and diligence during his tenure as Independent Non-Executive Director of the Company and has carried out his professional duties in the interest of the Company and shareholders.

The Board considered Mr. Pang Nam Ming to be independent based on the above justifications and recommended him to be retained as Independent Non-Executive Director of the Company.

**VISDYNAMICS HOLDINGS BERHAD**

[Registration No. 200501000050 (677095-M)]  
(Incorporated in Malaysia)

**FORM OF PROXY**

CDS Account No.	
No. of Shares Held	

\*I/We ..... \*NRIC No./Passport No./Registration No. ....  
of .....

being a Member(s) of **VISDYNAMICS HOLDINGS BERHAD [Registration No. 200501000050 (677095-M)]**, hereby appoint

Name	Address	NRIC / Passport No.	Proportion of Shareholdings (%)
*And/or (delete as appropriate)			

or failing \*him/her, \*the Chairman of the Meeting as \*my/our proxy(ies), to vote for \*me/us on \*my/our behalf at the **TWENTIETH ANNUAL GENERAL MEETING** of the Company to be held at the Conference Room, Lot 3844, Jalan TU 52, Kawasan Perindustrian Tasik Utama, Ayer Keroh, 75450 Melaka, Malaysia on **Tuesday, 8 April 2025 at 10:30 a.m.** or at any adjournment thereof.

# If you wish to appoint other person(s) to be your proxy/proxies, kindly delete the words “or failing him/her, the Chairman of the Meeting” and insert the name(s) of the person(s) desired.

Please indicate with an “X” in the space provided, how you wish your vote to be cast in respect of the following resolutions. In the absence of specific directions, your proxy may vote or abstain at his/her discretion. If you appoint more than one proxy, please specify the proportions of holdings to be represented by each proxy.

\*My/our \*proxy/proxies \*is/are to vote as indicated below:

No	Resolutions		For	Against
1.	To approve the payment of Directors' fees of RM252,000 for the financial year ended 31 October 2024.	Ordinary Resolution 1		
2.	To approve the payment of Directors' benefit payable to the Non-Executive Directors of the Company amounting to RM9,000 for the period from 1 April 2025 until 31 March 2026.	Ordinary Resolution 2		
3.	To re-elect Mr. Choy Ngee Hoe as a Director pursuant to Clause 97 of the Company's Constitution.	Ordinary Resolution 3		
4.	To re-elect Mr. Pang Nam Ming as a Director pursuant to Clause 97 of the Company's Constitution.	Ordinary Resolution 4		
5.	To re-elect Mr. Chan Heng Soon as a Director pursuant to Clause 104 of the Company's Constitution.	Ordinary Resolution 5		
6.	To re-appoint Messrs. Al Jafree Salihin Kuzaimi PLT as the Auditors of the Company until conclusion of next Annual General Meeting and authorise the Directors to fix their remuneration.	Ordinary Resolution 6		
7.	To approve the payment of a Final Single-Tier Dividend of 0.5 sen per ordinary share in respect of the financial year ended 31 October 2024.	Ordinary Resolution 7		
8.	To approve the Authority to Issue and Allot Shares.	Ordinary Resolution 8		
9.	To approve the Proposed Renewal of Authority to Purchase of Own Shares by the Company.	Ordinary Resolution 9		
10.	To approve the continuing in office as Independent Non-Executive Director for Mr. Pang Nam Ming	Ordinary Resolution 10		

\* Delete if not applicable.

Signed this ..... day of ..... 2025

.....  
Signature/Common Seal of Shareholder

**Notes:**

- (1) For the purpose of determining a member who shall be entitled to attend this 20<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 62 of the Company's Constitution to issue a General Meeting Record of Depositors as at 28 March 2025. Only a depositor whose name appears on the Record of Depositors as at 28 March 2025 shall be entitled to attend the said meeting and to speak or vote thereat.
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- (4) A member shall be entitled to appoint at least one (1) and up to two (2) proxies to attend at the meeting. Where a member appoints more than one (1) proxy, the proxies shall not be valid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
- (5) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (6) The instrument appointing a proxy shall be in writing (in common or usual form) under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (7) The instrument appointing a proxy must be deposited at the Company's Share Registrars' Office at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan or via electronic means through the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.

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stamp

**VISDYNAMICS HOLDINGS BERHAD**  
c/o Boardroom Share Registrars Sdn. Bhd.  
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

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**[www.vis-dynamics.com](http://www.vis-dynamics.com)**

***VisDynamics***

**VisDynamics Holdings Berhad**  
Registration No. 200501000050 (677095-M)

Lot 3844, Jalan TU 52,  
Kawasan Perindustrian Tasik Utama,  
Ayer Keroh, 75450 Melaka, Malaysia.

Tel : 606-2323023    Fax: 606-2323600