

VISDYNAMICS HOLDINGS BERHAD
[Registration No.: 200501000050 (677095-M)]
(Incorporated in Malaysia)

MINUTES OF THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON FULLY VIRTUAL BASIS THROUGH LIVE-STREAMING AND ONLINE REMOTE MEETING PLANFORM PROVIDED BY BOARDROOM SHARE REGISTRARS SDN. BHD. VIA <https://meeting.boardroomlimited.my> (DOMAIN REGISTRATION NO. WITH MYNIC D6A357657) ON MONDAY, 27 MARCH 2023 AT 10:30 A.M.

Shareholders and Proxies

- As per the attendance list

Directors

Mr. Pang Nam Ming	- Chairman/Independent Non-Executive Director
Mr. Choy Ngee Hoe	- Chief Executive Officer / Executive Director
Mr. Lee Chong Leng	- Chief Technical Officer/ Executive Director
Ms. Ong Hui Peng	- Executive Director
Mr. Gan Lim	- Independent Non-Executive Director
Ms. Chin Peck Li	- Independent Non-Executive Director
Ms. Olivia Lim	- Independent Non-Executive Director

In Attendance

Ms. Peggy Chek Hong Kim	- Chief Financial Officer/ Company Secretary
Ms. Zeenath Begum Binti Mohamed Mastan	- Company Secretary

By Invitation

Mr. Aizul Izuan Bin Abdul Hamid	- <i>Representative of Messrs Al Jafree Salihin Kuzaimi PLT, the External Auditors</i>
Ms. Chua May Lee	- <i>Representative of VisDynamics Holdings Berhad</i>
Mr. Cheng Weng Soon, Wenson	- <i>Representative of TMF Administrative Services Malaysia Sdn. Bhd.</i>
Ms. Yap Ying Shye, Emily	} <i>Representative(s) of TMF Global Services (Malaysia)</i>
Ms. Lee Seet Yee	} <i>Sdn. Bhd., the Scrutineers</i>

1. CHAIRMAN

Mr. Pang Nam Ming presided as the Chairman of the Meeting.

2. QUORUM

On behalf of the Board, the Chairman welcomed all the members present at the Meeting. Thereupon, the Secretary confirmed the presence of a quorum and the Chairman called the Meeting to order at 10:30 a.m.

3. NOTICE OF MEETING

There being no objection, the notice convening the Meeting, having been circulated earlier to all the members of the Company within the statutory period, was taken as read.

4. VOTING PROCEDURE

Before proceeding to the agenda of the Meeting, the Chairman informed the floor that:

- a) In accordance with the ACE Market Listing Requirements, all listed issuers should conduct poll voting on all proposed resolutions set out in the Notice of General Meeting. As such, the Share Registrar, Boardroom Share Registrars Sdn. Bhd., was appointed as the Poll Administrator and they would brief the shareholders on the conduct of the poll before the polling commenced. TMF Global Services (Malaysia) Sdn. Bhd. was appointed as the scrutineer to validate the votes cast at the Annual General Meeting ("**AGM**");
- b) The results of the votes would be announced at the conclusion of the Meeting, stating the total number of votes cast on the poll (together with the percentage) in favour of and against each and every resolution; and
- c) All the resolutions in the Agenda shall be first tabled to the shareholders and proxies for consideration and the questions relating to the resolutions will be answered at the Question and Answer Sessions prior to the polling.

The Poll Administrator was then invited to brief the shareholders and proxies on the procedures of e-polling

5. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2022 AND THE REPORTS OF DIRECTORS AND AUDITORS

The Audited Financial Statements together with the Reports of the Directors and Auditors for the financial year ended 31 October 2022 ("**AFS**"), having been circulated to all the members of the Company within the statutory period, were tabled before the Meeting for discussion.

It was noted that, pursuant to Sections 248 and 340(1) of the Companies Act 2016 ("**Act**"), this Agenda item would not require shareholders' approval.

The Chairman declared that the AFS for the Financial Year Ended 31 October 2022 together with the Reports of the Directors and the Auditors thereon, be received and proceeded to the next item on the Agenda.

6. ORDINARY RESOLUTION 1 - PAYMENT OF DIRECTORS' FEES

The next item on the Agenda was the approval of the payment of Directors' fees to the Directors for the Financial Year Ended 31 October 2022.

The Chairman informed the Meeting that a sum of RM290,000.00 was recommended for payment as Directors' fees for the Financial Year Ended 31 October 2022.

**7. ORDINARY RESOLUTION 2
- BENEFITS PAYABLE TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY**

The Chairman proceeds to the next item on the Agenda, which is the proposed payment of benefits payable to the Non-Executive Directors of the Company for the Financial Period from 1 April 2023 until 31 March 2024.

The Chairman informed the Meeting that a sum of RM9,000 was recommended for payment as benefits payable to the Non-Executive Directors of the Company for the aforesaid period.

**8. ORDINARY RESOLUTION 3
- RE-ELECTION OF DIRECTOR – MR. CHOY NGEE HOE**

The next item on the Agenda was the re-election of Mr. Choy Ngee Hoe as a Director of the Company.

The Chairman informed the Meeting that Mr. Choy Ngee Hoe was subject to retirement by rotation pursuant to Clause 97 of the Company's Constitution and, being eligible, had offered himself for re-election.

The Chairman added that the profile of Mr. Choy Ngee Hoe could be found on page 32 of the Annual Report 2022.

**9. ORDINARY RESOLUTION 4
- RE-ELECTION OF DIRECTOR – MS. CHIN PECK LI**

The next item on the Agenda was the re-election of Ms. Chin Peck Li as a Director of the Company.

The Chairman informed the Meeting that Ms. Chin Peck Li was subject to retirement by rotation pursuant to Clause 104 of the Company's Constitution and, being eligible, had offered herself for re-election.

The Chairman added that the profile of Ms. Chin Peck Li could be found on page 34 of the Annual Report 2022.

**10. ORDINARY RESOLUTION 5
- RE-ELECTION OF DIRECTOR – MS. OLIVIA LIM**

The next item on the Agenda was the re-election of Ms. Olivia Lim as a Director of the Company.

The Chairman informed the Meeting that Ms. Olivia Lim was subject to retirement by rotation pursuant to Clause 104 of the Company's Constitution and, being eligible, had offered herself for re-election.

The Chairman added that the profile of Ms. Olivia Lim could be found on page 34 of the Annual Report 2022.

**11. ORDINARY RESOLUTION 6
- RE-ELECTION OF DIRECTOR – MR. GAN LIM**

The next item on the Agenda was the re-election of Mr. Gan Lim as a Director of the Company.

The Chairman informed the Meeting that Mr. Gan Lim was subject to retirement by rotation pursuant to Clause 104 of the Company's Constitution and, being eligible, had offered himself for re-election.

The Chairman added that the profile of Mr. Gan Lim could be found on page 35 of the Annual Report 2022.

**12. ORDINARY RESOLUTION 7
- RE-APPOINTMENT OF AUDITORS**

The Meeting proceeded to consider the re-appointment of Messrs Al Jafree Salihin Kuzaimi PLT as Auditors of the Company for the next financial year and the authorisation to the Directors to fix the remuneration of the Auditors.

It was noted that Messrs Al Jafree Salihin Kuzaimi PLT had expressed their willingness to continue in office.

**13. ORDINARY RESOLUTION 8
- PAYMENT OF A FINAL SINGLE TIER DIVIDEND**

The Meeting proceeded to consider the declaration of a final single-tier dividend of 1.5 sen per ordinary share for the financial year ended 31 October 2022.

The Chairman informed that the final dividend, if passed, would be paid on 19 May 2023 to the depositors whose names appeared in the Record of Depositors at the close of business on 5 May 2023.

**14. ORDINARY RESOLUTION 9
- AUTHORITY TO ISSUE AND ALLOT SHARES**

The Chairman informed that the motion, if passed, would give authority and flexibility to the Directors of the Company to issue and allot not more than ten percent (10%) of the total number of issued shares of the Company at any time. This authority, unless revoked or varied at a general meeting, would expire at the next annual general meeting of the Company.

The Chairman further informed that the shareholders were 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 to their shareholding percentage in the Company by voting in favor for this motion.

**15. ORDINARY RESOLUTION 10
 - PROPOSED RENEWAL OF AUTHORITY FOR PURCHASE OF OWN SHARES BY
 THE COMPANY ("PROPOSED SHARES BUY-BACK RENEWAL")**

The Meeting then moved to consider the Proposed Ordinary Resolution 10 on the Proposed Shares Buy-Back Renewal.

The Chairman informed that the details of the Proposed Shares Buy-Back Renewal were set out in the Share Buy-Back Statement dated 27 February 2023.

16. ANY OTHER ORDINARY BUSINESS

The Shareholders were informed that there was no notice of any other business to transact at this Meeting was received.

17. QUESTION AND ANSWER SESSION

After tabling all the proposed resolutions on the Agenda, the Chairman invited questions from the floor and informed that the Board and Management would like to address the questions in relation to operational and financial matters of the Group raised by the Minority Shareholders Watch Group ("MSWG") as set out in their letter dated 20 March 2023 and the shareholders received by the Company prior to the Meeting.

The questions raised by the MSWG and the shareholder(s)/proxies were addressed by the Board and Management in accordance with the discussion resume attached to the Minutes as "Appendix A."

18. POLLING

Having addressed the questions from the shareholders and proxies, the shareholders and proxies proceeded to cast their votes, and the Chairman announced an adjournment of the Meeting for 30 minutes for the purpose of counting and verifying the poll result.

After the counting of the votes cast, the Chairman called the Meeting to order and declared that, based on the poll results displayed on the screen, all resolutions tabled at the Meeting and voted upon by poll were duly passed by the Shareholders of the Company as detailed hereunder:

Resolutions	FOR		AGAINST		Outcome of Poll Results
	No. of Votes	%	No. of Votes	%	
<u>Ordinary Resolution 1</u> To approve the payment of Directors' fees to the Directors amounting to RM290,000 for the financial year ended 31 October 2022.	76,476,100	99.9374	47,900	0.0626	Carried

Resolutions	FOR		AGAINST		Outcome of Poll Results
	No. of Votes	%	No. of Votes	%	
<p><u>Ordinary Resolution 2</u></p> <p>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 2023 until 31 March 2024.</p>	76,473,992	99.9347	50,008	0.0653	Carried
<p><u>Ordinary Resolution 3</u></p> <p>To re-elect Choy Ngee Hoe as a Director pursuant to Clause 97 of the Company's Constitution.</p>	76,524,000	100.0000	0	0.0000	Carried
<p><u>Ordinary Resolution 4</u></p> <p>To re-elect Chin Peck Li as a Director pursuant to Clause 104 of the Company's Constitution.</p>	76,524,000	100.0000	0	0.0000	Carried
<p><u>Ordinary Resolution 5</u></p> <p>To re-elect Olivia Lim as a Director pursuant to Clause 104 of the Company's Constitution.</p>	76,524,000	100.0000	0	0.0000	Carried
<p><u>Ordinary Resolution 6</u></p> <p>To re-elect Gan Lim as a Director pursuant to Clause 104 of the Company's Constitution.</p>	76,524,000	100.0000	0	0.0000	Carried
<p><u>Ordinary Resolution 7</u></p> <p>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.</p>	76,523,900	99.9999	100	0.0001	Carried

Resolutions	FOR		AGAINST		Outcome of Poll Results
	No. of Votes	%	No. of Votes	%	
<p><u>Ordinary Resolution 8</u></p> <p>To approve a final single-tier dividend of 1.5 sen per ordinary share in respect of the financial year ended 31 October 2022.</p>	76,524,000	100.0000	0	0.0000	Carried
<p><u>Ordinary Resolution 9</u></p> <p>To approve the Authority to Issue and Allot Shares.</p>	76,523,000	99.9987	1,000	0.0013	Carried
<p><u>Ordinary Resolution 10</u></p> <p>To approve the Proposed Renewal of Authority for Purchase of Own Shares by the Company.</p>	76,515,300	99.9886	8,700	0.0114	Carried

19. CONCLUSION

There being no other business, the Meeting was concluded at 12:34 p.m. with a vote of thanks to the Chair.

CONFIRMED AS A CORRECT RECORD
 OF THE PROCEEDINGS THEREAT

PANG NAM MING
 CHAIRMAN

Dated: 26 April 2023

VISDYNAMICS HOLDINGS BERHAD
[Registration No. 200501000050 (677095-M)]
(Incorporated in Malaysia)

QUESTION AND ANSWER SESSION AT THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 27 MARCH 2023 AT 10:30 A.M.

QUESTIONS RAISED BY THE MINORITY SHAREHOLDERS WATCH GROUP (MSWG)

- Q1. *Revenue contribution from South East Asia increase significantly by 79.8% to RM12.3 million (2021: RM6.8 million). (Page 6 of Annual Report 2022)***

Which are the key countries in South East Asia that have contributed to the Group's total revenue.

Mr. Choy Ngee Hoe (“**Mr. Choy**”), the Chief Executive Officer, replied that Taiwan and China were the main revenue contributors of the Company. Following the trade war between China and the United States of America, numerous US companies shifted their business from China to ASEAN countries. The Philippines was the prime choice for these companies to relocate their business taking into consideration culture, language and labour supply and thus, the Philippines has become the Company's main revenue contributor.

- Q2. *There will be several challenges for the semiconductor industry, including economic headwinds such as inflation and global recession risk, demand corrections in consumer products, and supply disruptions. The global semiconductor cycle is currently facing a slowdown due to inventory building up as consumer spending slows after the pent-up demand during the pandemic period. (Page 7 of Annual Report 2022)***

To-date, to what extent has the Group experienced slowdown in demand for its products?

Mr. Choy informed that the headwinds were even stronger currently and the consumer sentiment was low, which in the Management's opinion, would remain for a short term.

The market expected low factory utilisation among the semiconductor manufacturers in Taiwan, China, the Philippines and Malaysia. In addition, the electronics manufacturer, which is at the downstream of the semiconductor supply chain, would need to consolidate its operations to operate from a lower cost location.

It was expected for salary increment freezes, headcount freezes, and force vacations would happen in the market, which it did at large technology companies such as Apple, Google and Meta.

Nonetheless, Mr. Choy also informed that the aforementioned was the life cycle of the technology industry and the Company would be able to embrace the challenges. The Management was of the view that this slow time was not completely bad for the Company, the Company may focus on its research and development (“**R&D**”) activities and get ready when the economy recovered.

Further, there were industry hotspot such as electronic vehicles (EV) and renewable energy. The Company has a wide customer base and would be able to capture the opportunities in these sectors.

Overall result for 2023 would be affected by the economy and would not be as good as the result for 2022, which would be experienced by all other companies in the market.

- Q3. *The United States of America (“US”) has recently imposed sweeping restrictions which prohibit the sale of cutting-edge semiconductor chips and advanced equipment to China, as well as knowledge from any US citizens, residents and green card holders.***

What is the Board’s view on the impact of the new controls to the Group’s business? To what extent is the US’s new restrictions a threat or an opportunity to the Group?

Mr. Choy informed that the new controls were an opportunity for the Group and the impact was positive. The Company offers products and technology that were developed in house which was neither available in China nor United States of America, and required by both countries.

QUESTIONS RECEIVED FROM THE SHAREHOLDERS PRIOR TO THE MEETING

- Q4.** The following questions were raised by Looi Boon Ping:

- (a) *What part of the business is giving the Company the most trouble now?***
- (b) *What is the strength or weaknesses of the Company compared with TT Vision Holdings Berhad?***
- (c) *What is the outlook for VisDynamics inspection equipment especially in the electrical vehicles and renewable energy segment?***
- (d) *Where do you see sales trending in the next 12 to 24 months?***

Mr. Choy replied that:

- (a)** The biggest challenge to the Company was the unfavourable monetary policy that was beyond control of the Company and contributed to foreign currency exchange lost to the Company’s reserved cash in US dollars.
- (b)** The Management was not familiar with TT Vision Holdings Berhad (“**TTV**”). Based on the Management understanding, TTV was purely a machine vision Company which was not a competitor to the Company.

The Company offered premium quality products and was operate in blue ocean market.

- (c)** Semiconductors were being used in everyday life, from household electrical appliances to complex machinery like electrical vehicles, aircraft and spacecraft.

The Company’s customers were from different industries and benefited from the development of these sectors.

- (d) Generally, the technology industry would looking at a longer period than a year as it would easily take 3 years to see the life cycle of the machine.

Currently, the Company has launched its new flagship product in addition to the two existing flagship products, which the Company had received orders from the customers. In the pipeline, the Company planned to launch another flagship product and to enhance its product line in the next two to five years.

Q5. The following questions were raised by Teh Kian Lang:

(a) *Will 2023 be better than 2022 or worse for the Group?*

(b) *How is the business prospects in next 6 months?*

Mr. Choy replied that:

- (a) The common consensus among the businesses that the performance for 2023 would not be as good as 2022. However, 2023 would be the right year for electronic vehicles, renewable energy, tourism, property and luxury goods.

The performance of consumer products would be affected as most of the disposable income would be reduced due to inflation and price increases in essential products.

- (b) The performance of the business might not be as good as 2022 but still solid.

The high technology industry helps to resolve problems faced by humans such as labour shortages, resources constraints, environmental issues (e.g. pollution), and energy needs (reduce energy wastage).

QUESTIONS RAISED BY THE SHAREHOLDERS/ PROXIES DURING THE MEETING

Q6. The following questions were raised by Lee Yen Ling:

(a) *Please provide guidance on current capacity and plant utilisation rate. Any capacity expansion plan; how much would capacity increase by? The demand for the new capacity will come from existing customers or new customers?*

(b) *When will VisDynamics transfer to the main market since the profit record already qualified for it?*

Mr. Choy replied that:

- (a) The plant utilisation rate does not really applicable to the Company as the manufacturing were outsourced and the Company was focused on assembly of the machine.

Nonetheless, the Company's production capacity and R&D were fully utilised by the Company, and the Company expects to increase its production capacity by three to four times next year.

The number of new customers had grown by fifty percent (50%) annually. All businesses in the semiconductors industry were the potential customers of the Company.

- (b) The Management would need to assess the benefits for transferring the Company from the ACE Market to Main Market and seek advice from professionals for such exercise. The Board would only consider this exercise if it would benefit the Company and its shareholders.

Q7. The following questions were raised by Fong Kah Kuen:

Would you able to share what the current market situation is like with regards to the availability and sourcing of raw materials? Has the situation abated and improved? Or have you seen the situation reverse and there is an over-supply situation?

Secondly, going forward, assuming the supply chain situation unclogging, does the Company will intend to hold a high level of inventory (notwithstanding the higher sales levels) going forward? Would the Company adopt a more Just-in-Time (“JIT”) system?

There have been a lot of comments/reports about the dramatic collapse in the back-end semiconductor space since the turn of 2023. Would you be able to share some insights on the situation?

Mr. Choy replied that there was no issue for sourcing raw material from the market currently.

The Company would only stock up essential products that used in production and customised product based on the Company's needs due to minimum order requirement.

Just-in-time system might not be an effective inventory system for all businesses, as some businesses have struggled from the JIT system. For instance, automotive manufacturers expected a reduction in sales and adjusted their inventories forecasts accordingly, which led to a shortage in the supply for motor vehicles as the market responded contrary to the forecast.

Q8. The following question was raised by Teh Kian Lang:

Will 2023 be a better year than 2022 or be worst due to the many challenges?

Mr. Choy replied that the business performance for most businesses in 2023 would be affected, as mentioned in his reply to the questions raised earlier.

Q9. The following questions were raised by Fong Kah Kuen:

(a) ***Do you intend to increase/ramp up allocation towards your R&D (FY2021 and FY2022 is more or less equal)? Could you also elaborate on what R&D measures you're currently undertaking?***

(b) ***Would you be able to share if the end customer(s) for your SEA customers are ultimately China based or USA based?***

Would you also be able to share any insight on what segments your end customers serve? Or another way to put it, are you able to share and show % revenue breakdown (such as HPC, EV (automotive), medical, etc)?

- (c) ***There was an increase in percentage of sales revenue to SEA in FY2022 (24%) vs FY2021 (14%), Could you elaborate on this? Going forward, how is the Company positioning with regards to its geographical strategy going forward?***

Mr. Choy replied that:

- (a) R&D was main focus of the Company and would continue to invest in its R&D activities.
- (b) The end customer of the Company was mainly US based.

The Company's products were being used by wide range of industries and the industry of the Company's customer is not the major focus of the Company. Thus, the Company is unable to provide the breakdown of its customer's industry.

- (c) The Company would go into the market that required semiconductors. Vietnam would be the upcoming market that the Company would go into and was still undergoing discussion taken into consideration of the infrastructure of Vietnam.

Q10. The following questions were raised by Ho Xi Wen:

- (a) ***Moving into year 2023, how is the Group's business prospect so far? I understand that semiconductor industry is facing a recession right now. Can the management talk more about the business update and actions to go through the current situation?***
- (b) ***Any new update in the products development? Are there any game changer products moving forward?***
- (c) ***Given the softness in semiconductor industry, does the Group experiences any cancellation or deferment in orders?***

Mr. Choy replied that:

- (a) The current situation of the market might be alarming to short term investors. Based on their understanding, there were order cancellations received by the peers, however, the Company was still performing good.
- (b) Yes, the new flagship product will provide significant impact on the Company, however, the Management was not able to disclose further due to trade secrets.
- (c) There were a few deferments in orders but no cancellations, thus far.

Q11. The following question was raised by Andy Yap Keat Min:

Do VIS apply cost control measures due to macro economy downturns such as headcount freezing?

Mr. Choy replied that the Company did not freeze any headcounts and need more talents to join for its R&D activities.

Q12. The following questions were raised by Loh Jia Ying:

- (a) *The Company has mentioned in the annual report that it has received potential orders in the pipeline into the new year. Can the Company clarify if this is related to existing or new products and if the orders are substantial? Can the Company provide updates on the plans to move into wafer level machines and also any other new products in the pipeline?***
- (b) *Can the Company share the order momentum going into 2023 vs 2022 or 2021?***
- (c) *Can the Company share more details about the current flagship products (functions, industry segment, etc.)? and how will the new flagship products be different from the existing ones and their potential addressable markets?***

Mr. Choy replied that:

- (a) The Company has orders in pipeline for its new and existing products, and its new products had received order and acceptance from its customers.

The Company do have plan to move into wafer level machines.

- (b) The order momentum and business prospects had been provided in the reply to questions raised earlier.
- (c) The Company's machines specialise in tape and reel and vision inspection, which could not be matched by other competitors in the market, in the Management's opinion.

The Company has yet to cover all the semiconductor form factor in its production. To date, only two of the four major semiconductor form factor was covered in its production. The third type of the form factor was in the pipeline, i.e., the upcoming flagship product, and the fourth form factor product would require more time to develop.

Q13. The following question was raised by Ho Xi Wen:

You mentioned VIS's product are in high price. Can you share what is the main selling point of the products which can attract customer?

Mr. Choy replied that the Company's machine able to conduct complicated inspection work effectively and productively at stable and reliable quality which in return achieves cost savings in the long run for the customer.

Q14. The following question was raised by Fong Kah Kuen:

Could you also share your projected capex plays for FY2023 and FY2024 (if any)?

Mr. Choy replied that the Company did not have much capital expenditure as it focuses more on investment in human capital. Nonetheless, the Management budgeted RM15 million for the new plant construction.

Q15. The following questions were raised by Loh Jia Ying:

- (a) ***Can the Company share what is the current plant's utilisation rate and the progress on the new plant? What is the current headcount of engineers and what would be the target headcount?***
- (b) ***What is the estimated impact of cost inflation so far for the Company (raw materials, utilities, staff etc.)? Can the company maintain its profits margins by increasing prices?***
- (c) ***Does the Company expect a similar product mix and geographical exposure in 2023 vs 2022?***

Mr. Choy replied that:

- (a) The plant's utilisation rate was not applicable to the Company's business model, as mentioned in the answer to the questions raised earlier.

The Management hopes the construction of the new plant can be completed as soon as possible. However, the Company awaiting to receive approval from the local authority to commence the construction work.

The Company does not have a targeted headcount. The Management's aim was to achieve more with less resources. Nonetheless, the Management welcomes the talents to join the Company.

- (b) The Company increased the price of its products by 10% last year. The Company did not anticipate a significant impact on the Company from the inflation.
- (c) The Company could not anticipate the product mix and geographical exposure for 2023.

Q16. The following question was raised by Tan Ze Chien:

Any product from the Company involved in AI-related or HPC related chip manufacturing?

Mr. Choy replied that in his personal opinion, AI was made overblown nowadays. The AI would only work for the field that had much knowledge as AI only process data/information and reproduce work from existing data/information rather than creating new things.

Q17. The following question was raised by Fong Kah Kuen:

Could you share a little insight on the status of the growing receivables for those greater than 365 days?

Mr. Choy replied that the Company does not have many receivables due for more than 365 days. However, the Company would provide flexible payment arrangements to its customers, subject to negotiation between the parties.

Q18. The following question was raised by Ho Xi Wen:

On last AGM, the management mentioned that the Group's work force increased by 10% to 110. You can share the latest number? Any shortage in work force so far?

Mr Choy replied that the headcounts of the Company remain unchanged and the technology industry always short on talented engineers.

Q19. The following questions were raised by Lee Yen Ling:

(a) *Would management consider engaging Investor Relations to improve the valuation of VisDynamics?*

(b) *Could you provide earnings outlook for FY23, whether will revenue see a YoY growth and whether can net margin maintain at 25% level?*

Mr. Choy replied that:

(a) In his opinion, the best way to improve value of shareholder's investment and reward the shareholders was to increase the share value.

(b) The Company would not provide guidance of the Company's earning outlook. Nonetheless, the market was expecting downward financial performance for all businesses in general as compared to 2022.