

NOTIONVTEC

NOTION VTEC BERHAD

(Company No. 637546-D)
(Incorporated in Malaysia under the Companies Act, 1965)

Annual Report 2012



www.notionvtec.com

Lot 6123, Jalan Haji Salleh, Batu 5 1/2, Jalan Meru
41050 Klang, Selangor Darul Ehsan, Malaysia.

VISION & MISSION

To be a leader and world class specialist in high precision components for the data storage, consumer electronics, digital imaging and automotive industries and an outsourcing provider using state of the art high precision technology.



9th Annual General Meeting

PLACE

Level 2, Hotel Novotel Kuala Lumpur City Centre
No. 2, Jalan Kia Peng, 50450 Kuala Lumpur

TIME

9.30 am, Wednesday
20th March 2013

CONTENTS 2012



02	Corporate Information	25	Internal Control Statement
03	Corporate Structure	27	Financial Statements
04	Financial Highlights	95	Supplementary Information
05	Chairman's Statement	96	List of Properties
08	Board of Directors	99	Analysis of Shareholdings and Warrant Holdings
11	Key Management	109	Additional Information
13	Corporate Social Responsibility Statement	111	Notice of Annual General Meeting
15	Corporate Governance Statement	115	Appendix 1
22	Audit Committee Report	•	Proxy Form

CORPORATE INFORMATION

BOARD OF DIRECTORS

Thoo Chow Fah

Executive Chairman

William Choo Wing Hong

Managing Director

John Choo Wing Onn

Executive Director

Lee Tian Yoke

Executive Director

Jerry Choo Wing Yew

Executive Director

Saw Tat Loon

Independent Non-Executive Director

Alwin Yike Chee Wah

Independent Non-Executive Director

Anita Chew Cheng Im

Independent Non-Executive Director

AUDIT COMMITTEE

Saw Tat Loon (Chairman)

Alwin Yike Chee Wah

Anita Chew Cheng Im

REMUNERATION COMMITTEE

Alwin Yike Chee Wah (Chairman)

Saw Tat Loon

Thoo Chow Fah

Anita Chew Cheng Im

NOMINATION COMMITTEE

Anita Chew Cheng Im (Chairman)

Alwin Yike Chee Wah

Saw Tat Loon

COMPANY SECRETARIES

Tai Yit Chan (MAICSA 7009143)

Liew Irene (MAICSA 7022609)

HEAD / MANAGEMENT OFFICE

Lot 6123 Jalan Haji Salleh

Batu 5 1/2, Jalan Meru

41050 Klang

Selangor Darul Ehsan

Tel : (603) 3361 5615

Fax : (603) 3361 5618

REGISTERED OFFICE

Lot 6.05, Level 6, KPMG Tower

8, First Avenue, Bandar Utama

47800 Petaling Jaya

Selangor Darul Ehsan

Tel : (603) 7720 1188

Fax : (603) 7720 1111

WEBSITE

www.notionvtec.com

SHARE REGISTRAR

Tricor Investor Services Sdn Bhd

Level 17, The Gardens North Tower

Mid Valley City, Lingkaran Syed Putra

59200 Kuala Lumpur

Tel : (603) 2264 3883

Fax : (603) 2282 1886

AUDITORS

Crowe Horwath

Chartered Accountants

Level 16 Tower C

Megan Avenue II

12 Jalan Yap Kwan Seng

50450 Kuala Lumpur

Tel : (603) 2166 0000

Fax : (603) 2166 1000

PRINCIPAL BANKERS

Standard Chartered Bank Malaysia Berhad

Level 16, Menara Standard Chartered
30 Jalan Sultan Ismail

50250 Kuala Lumpur

Tel : (603) 2781 7013

Fax : (603) 2142 8933

HSBC Bank Malaysia Berhad

2, Jalan Tiara 2A, Bandar Baru Klang

41150 Klang, Selangor Darul Ehsan

Tel : (603) 3343 6111

Fax : (603) 3344 4249

OCBC Bank (Malaysia) Berhad

18 Jalan Tun Perak

50050 Kuala Lumpur

Tel : (603) 2783 3539

Fax : (603) 2698 1919

AmBank (M) Berhad

Wisma SH NG, No.42-44

Persiaran Sultan Ibrahim

41300 Klang, Selangor Darul Ehsan

Tel : (603) 3344 2752

Fax : (603) 3344 2755

Hong Leong Islamic Bank Berhad

Level 1, Wisma Hong Leong

18 Jalan Perak, 50450 Kuala Lumpur

Tel : (603) 2164 3939

Fax : (603) 2161 1278

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad

Shares

Stock Name : Notion

Stock Code : 0083

Warrants

Stock Name : Notion-WA

Stock Code : 0083WA

Stock Name : Notion-WB

Stock Code : 0083WB

CORPORATE STRUCTURE

NOTIONVTEC

NOTION VTEC BERHAD



FINANCIAL HIGHLIGHTS

The table below sets out a summary of the audited consolidated results of the Notion Group for the financial years ended 30 September 2008 to 2012.

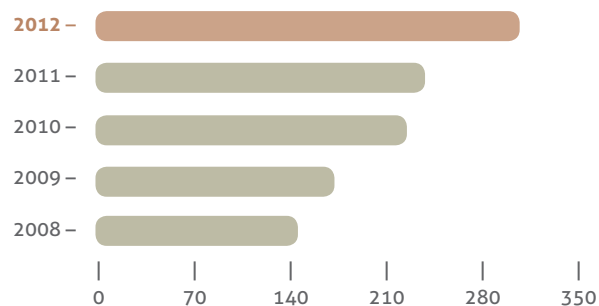
		2012	2011	2010	2009	2008
Revenue	(RM'000)	308,827	236,767	225,401	172,703	146,104
Profit before Tax (PBT)	(RM'000)	57,322	55,808	44,272	42,727	40,859
Profit after Tax	(RM'000)	49,249	47,534	38,031	35,975	33,073
Profit attributable to owners of the Company	(RM'000)	49,264	47,464	38,002	35,898	32,919
Earning before interest, taxes, depreciation and amortisation (EBITDA)	(RM'000)	96,590	92,846	72,586	64,815	56,051
No. of shares in issue*	('000)	270,418	270,418	270,418	270,418	270,418
Net earnings per share (EPS)**	(Sen)	18.2	17.6	14.1	13.2 [#]	12.2 [#]

* The number of shares in issue has been restated as a result of the bonus issue made in year 2011 (including treasury shares).

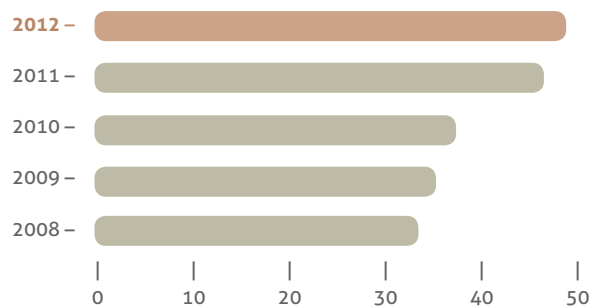
** EPS is based on the restated number of shares as a result of the bonus issue made in year 2011 for comparison purposes.

[#] Based on the issued and paid-up capital after the consolidation of every five ordinary shares of RM0.10 each into 1 new ordinary share of RM0.50 each. The share consolidation exercise was completed in November 2009.

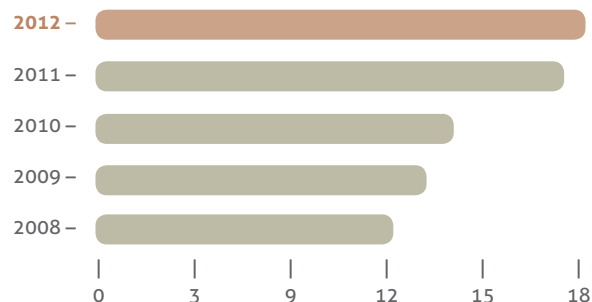
5-YEAR GROUP REVENUE
(RM Million)



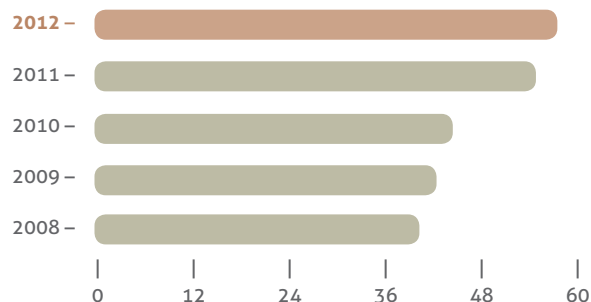
5-YEAR GROUP PROFIT AFTER TAX
(RM Million)



5-YEAR NET EARNINGS PER SHARE (EPS)
(Sen)



5-YEAR GROUP PROFIT BEFORE TAX
(RM Million)



CHAIRMAN'S STATEMENT



THOO CHOW FAH
Executive Chairman

THE YEAR UNDER REVIEW

We started the year on a shaky ground as a result of the massive flood in Thailand. Our major customers were also directly impacted by the flood which resulted in major disruptions to the supply chain. Many of the industry vendors and end customers were located in the flooded areas.

Orders plummeted immediately and as a result of the flood, we recorded a loss of approximately RM5 million in the 1st quarter for 2012.

Due to a panic run by both vendors and end customers to recover and restore supply, Notion benefited from the unused production capacity in our Klang plants. The emergency orders from new customers lifted revenue significantly for the 3 quarters of FY2012 but these were mostly short lived. When the recovery in Thailand was completed, these new customers mostly reverted back to their pre-flood suppliers. Despite that and the earlier quarter loss, we still ended the year with another record revenue and profit after tax of approximately RM308.8 million and RM49.2 million respectively.

CHAIRMAN'S STATEMENT

The HDD industry did not perform to expectations due to the impact of the smartphones and the tablets which have affected the sales of notebooks and PCs and consequently the disk drive shipments tapered off.

The SLR camera was affected by the slowdown in the Euro zone as well as weaker sentiments in the emerging markets when consumer spending turned cautious after the Olympics. The territorial dispute between China and Japan also made it difficult for sales of Japanese goods in China as sentiments turned nationalist.

High definition photography will still make the SLR camera the device of choice and the many options in the interchangeable lens make the SLR camera sales strong and sustainable for the foreseeable future.

SUBSEQUENT EVENT

At the end of December 2012, a fire broke out on the 1st floor of a 2-storey building in the rear section of our main Plant 1 in Klang. It destroyed about 100 auto lathe machines and equipment and affected the machining capacity of our subsidiary, Kaiten Precision (M) Sdn Bhd which contributes 10% to our revenue. Also, there arose bottlenecks to the HDD processes for Notion Venture Sdn Bhd which contributes 85% to Group revenue. Emergency orders for replacement CNCs and equipment and outsourcing of parts supply helped to restore parts for the customers.

All measures are being taken to prevent any significant disruption of supplies to our customers.

Meanwhile, our management and staff are working closely with the insurer to ascertain the cause of fire and determining the extent of damage and claims to be filed. We are of the opinion that there is adequate insurance coverage for plant and machinery, goods, building and structures and consequential loss arising from the incident. We are very thankful that there were no reported injuries.

OPERATIONAL REVIEW

We are happy to report another year of new record in revenue and profits. Group revenue of RM308.8 million was higher by approximately 30% over the revenue achieved in FY2011 of RM236.7 million. However, profit attributable to shareholders of RM49 million was only higher by 3% than the previous year.

The higher revenue was attributable to the increased orders from new HDD customers affected by the floods as they sourced for new suppliers in the 2nd and 3rd quarters of FY2012. The 4th quarter however saw a downturn in the orders from all sectors as signs of deteriorating economic environment began to show. Profit margin for the year was lower mainly due to the 1st quarter loss incurred as a result of the flood.

Additional contributions were derived from our aluminium plant in Ijok and a new German based automotive customer.

We recorded an EBITDA of approximately RM96.6 million for the year while our cash and cash equivalents totaled RM36.8 million as at 30 September 2012.

The SLR camera segment remains the main contributor to our Group's revenue. The product mix revenue ratio for 2012 of our 3 main segments of HDD: Camera: Automotive/Industrial was 38%50%:12%.

CORPORATE EXERCISE

During the year, we implemented a bonus issue of 115,856,572 new shares on the basis of 3 for every 4 shares held (Bonus Issue) to improve the liquidity of our Company's shares. We also issued 38,618,857 free warrants (Warrants-B) on the basis of 1 Warrant-B for every 4 shares held (Free Warrants Issues).

Pursuant to the Bonus Issue and Free Warrants Issue, the Company has also issued 30,652,652 free Warrants-A on the basis of 1 free Warrant-A for every existing 1 Warrant-A held arising from the adjustment.

CHAIRMAN'S STATEMENT

DIVIDEND

We declared and paid an interim tax exempt dividend of 1 sen per ordinary share amounting to RM2.6 million. Our board further proposes a final tax-exempt dividend of 2 sen per ordinary share to be approved by the shareholders at the forthcoming annual general meeting.

We expect a challenging year ahead and are constantly mindful of the need to strike a balance between conserving resources for expansion and paying regular dividends.

OUTLOOK AND PROSPECTS

Growth of the world economy has weakened considerably during 2012 and is expected to remain subdued in the coming 2 years, according to the United Nations in its latest issue of the World Economic Situation and Prospects 2013. According to the report, the euro zone crisis continues to loom as the largest threat to global growth. Growth prospects from the US remains sluggish and the slowdown in a number of larger developing countries including China could well deteriorate further ending in a "hard landing".

The HDD industry is currently going through a down cycle. The industry is facing much headwind due to the popularity of smaller devices such as the smart phones and tablets. There are also contrarian views that the tablets are not replacing PCs/ notebooks but instead constitute a lateral, complimentary market. This is evident by the growth of the 7-8 inch tablets while the 9 inch and above market is shrinking.

It remains uncertain as to when the disk drive industry will recover but the underlying fact that digital content is still exploding and there is a need for cheap and reliable storage devices gives the disk drive industry a hope for a sustainable rebound. We take some comfort in the numbers of PC shipments. Although there has not been growth in the shipments for the last 3 years, the shipments in 2012 are still above 350 million pieces which are more than doubled the 168.9 million pieces recorded in 2003.

We expect that the industry should improve in the second half of the fiscal year.

Against this backdrop, we expect 2013 to be a challenging year for us. We will continue to reduce costs, improve yields, innovate and expand our customer base. It may also be an opportune time to consider mergers and acquisitions in our areas of knowledge should the opportunity arises.

THANK YOU

On behalf of our Board, I wish to thank all the stakeholders for their kind understanding and also our committed employees who continue to work hard to overcome any setbacks and challenging situations to ensure the growth of our performance.

BOARD OF DIRECTORS

THOO CHOW FAH

Executive Chairman

Malaysian, aged 60

Mr Thoo Chow Fah was first appointed to the Board on 8 February 2005. In his capacity as Executive Chairman, Mr Thoo's key role is the macro management and investors' relation of the Group. Mr Thoo is also a member of the Remuneration Committee.

He commenced his career with Sime Darby Plantations in 1978.

Subsequently, in 1990 he joined Sinar Mas group, one of the largest private plantation groups in Indonesia.

He left the group in 1995 before setting up his own palm oil factory engineering consultancy.

He also has a passive investment in an Indonesian company, PT Kwala Mas Sawit Abadi, with palm oil fruit processing factories in Sumatra.

Mr Thoo graduated from the University of Strathclyde, Glasgow, Scotland with a Bachelor's degree in Mechanical Engineering. He also has a Master's degree in Management Science from Imperial College, University of London.

WILLIAM CHOO WING HONG

Managing Director

Malaysian, aged 48

Mr William Choo Wing Hong was first appointed to the Board on 8 February 2005. In his capacity as Managing Director, Mr William Choo plays a key role in executing the strategic growth and development plans of the Group. He is the key technical person of the Group.

Prior to setting up Notion Venture Sdn Bhd, the principal manufacturing arm of the Group in 1995, he has garnered more than 21 years of CNC precision machining experience at Fujitsu Electronics Sdn Bhd, Johor, TPK Engineering Pte Ltd, Singapore, Motorola (M) Sdn Bhd, Sungei Way, Yamazen Sdn Bhd, Selangor and Preciturn Sdn Bhd, Bangi.

He also heads the R&D division of the Notion Group which provides technical research on and development of new machining methods, new production methods and engineering processes.

Mr William Choo obtained his Diploma in Mechanical Engineering from the Federal Institute of Technology, Kuala Lumpur in 1985.

BOARD OF DIRECTORS

JOHN CHOO WING ONN

Executive Director
Malaysian, aged 46

Mr John Choo Wing Onn was first appointed to the Board on 8 February 2005. His key role is in maintaining key disk drive manufacturer accounts and the constant monitoring and satisfying customer's need of quality components.

He has worked at American Express Malaysia Sdn Bhd, Kuala Lumpur and Schering AG Petaling Jaya and subsequently joined Schering Plough Sdn Bhd in various sales capacity.

He obtained his Certificate in Marketing from the Chartered Institute of Marketing, United Kingdom, in 1993.

LEE TIAN YOKE

Executive Director
Malaysian, aged 42

Mr Lee Tian Yoke was first appointed to the Board on 8 February 2005. He heads the marketing team of the Notion Group, where his concentration is on non-HDD projects.

Mr Lee commenced his sales career in Mechcraft Trading Sdn Bhd, Kuala Lumpur. During his tenure with Mechcraft, he had made valuable contacts with many MNCs wanting to localize the manufacture and supply of component parts. In 1995, he moved to Preciturn Sdn Bhd where he was in charge of customer relations and new project development.

He received his Certificate in Marketing from HELP Institute, Kuala Lumpur in 1994.

JERRY CHOO WING YEW

Executive Director
Malaysian, aged 51

Jerry Choo was appointed to the Board on 10 November 2009.

He is a member of the Chartered Institute of Management Accountants, United Kingdom and the Malaysian Institute of Accountants. He started his professional career with Deloitte Kassim Chan & Co., a public accounting firm in 1983. Later in 1990, he moved into financial management positions in various corporations including public companies.

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

ALWIN YIKE CHEE WAH

Independent Non-Executive Director
Malaysian, aged 65

Mr Alwin Yike Chee Wah was first appointed to the Board on 9 February 2005. Mr Alwin Yike is the Chairman of the Remuneration Committee as well as a member of the Audit and Nomination Committees.

He started work at Shook Lin & Bok from 1967 and then Ng Ek Teong & Partners before joining Amanah Butler (M) Sdn Bhd, Kuala Lumpur as a foreign exchange and money broker. In 1991, he joined TA Securities Sdn Bhd as a dealer's representative. He has had more than 20 years of experience in investment and financial matters, with exposure to foreign exchange transactions. In 1996, he became a Pastor with Community Baptist Church, Petaling Jaya for a period of 5 years.

BOARD OF DIRECTORS

SAW TAT LOON

Independent Non-Executive Director

Malaysian, aged 42

Mr Saw Tat Loon was first appointed to the Board on 9 February 2005. He is also Chairman of the Audit Committee as well as a member of the Remuneration and Nomination Committees.

He was previously with Crowe Horwath, Chartered Accountants for 4 years in which he undertook a variety of audit assignments. He was also extensively involved in a successful public listing exercise on Hong Kong Stock Exchange in 1999. Subsequently, he joined a global media specialist in 2000 as a Finance Manager, overseeing the group financial reporting, Sarbane-Oxley's compliance and treasury functions. In 2008, he continued his career with a petrochemical company as a Financial Controller, responsible for the group financial and treasury management.

He is a member of the Malaysian Institute of Accountants and fellow member of the Association of Chartered Certified Accountants.

ANITA CHEW CHENG IM

Independent Non-Executive Director

Malaysian, aged 46

Ms Anita Chew Cheng Im was first appointed to the Board on 29 June 2007. She is the Chairman of the Nomination Committee as well as a member of the Audit and Remuneration Committees.

She started her career as an audit assistant at KPMG, Melbourne in 1989. In 1992, she joined the corporate finance department of Bumiputra Merchant Bankers Berhad and subsequently worked at Alliance Investment Bank Berhad and HwangDBS Investment Bank Berhad. She was involved in most related areas of corporate finance work during her 15 years tenure in the various investment banks, having advised clients on IPO, fund raising and corporate restructuring exercises. Her last held position at HwangDBS was senior vice president, equity capital market.

She also sits on the Board of MK Land Holdings Berhad and Ni Hsin Resources Berhad.

Ms Anita Chew graduated from Monash University, Australia with a Bachelor of Economics degree majoring in Accounting.

Notes to Directors' profile:

1. Family Relationships

William Choo Wing Hong, John Choo Wing Onn and Jerry Choo Wing Yew are siblings. They are also brothers-in-law of Mr Thoo Chow Fah. The other Directors do not have any family relationship with any Director and/or major shareholders of the Company.

2. Conflict of Interest

None of the Directors has any conflict of interest with the Company.

3. Conviction of Offences

None of the Directors has any conviction for offences within the past 10 years.

4. Attendances at Board Meetings

The details of the Directors' attendance at Board Meetings are set out on page 17 of this Annual Report.

5. Shareholdings

The details of the Directors' interest in the securities of the Company are set out on pages 101, 103 and 106 of this Annual Report.

KEY MANAGEMENT

EE MENG PIN

aged 50, General Manager
Kaiten Precision (M) Sdn Bhd

He joined the Notion Group in 2002 and is a key member of the R&D team of the Group, initiating new processes, new product and process development in order to improve manufacturing efficiency. He reports directly to the Managing Director and coordinates the R&D activities of the Group. Since August 2002, he has also been appointed a Director of Kaiten Precision, a company specialising in the production of micro precision parts utilising CNC auto-lathe technology.

His career spanning more than 20 years included holding many manufacturing positions in MNCs in precision machining components for aerospace, electrical and electronic, automotive, aluminium die-casting and other general industries. He is very knowledgeable in CNC machines and modern manufacturing systems.

He obtained his Diploma in Mechanical Engineering from the Federal Institute of Technology, Kuala Lumpur in 1984 and holds a Certificate in Industrial Management conducted by Sanno Institute Technology, Japan.

JOE CHOO WING LEONG

aged 45, Engineering Manager
Notion Venture Sdn Bhd

He is the Engineering Manager of Notion Venture Sdn Bhd, the main manufacturing arm of the Group.

He was previously appointed as the QA Manager for the group since 1996. He is now responsible for the development and implementation of the policies, standards and procedures for the engineering and technical work performed in the group. Besides, he is also in charge of coordinating and directing projects, making detailed plans to accomplish goals and directing the integration of technical activities. Thus, he also analyses technology, resource needs, and market demand to plan and assesses the feasibility of projects for the group.

LOUIS CHEAH KING YOONG

aged 46, Business Development Manager
Notion Venture Sdn Bhd

He joined the Group in September 2005 and assists the marketing team in developing new business opportunities. Also he manages Intech Precision Sdn Bhd, a subsidiary company catering to the production of customised jigs and fixtures which support the Group's volume manufacturing. His current primary focus is in the manufacture of very fine turned components for the digital camera segment.

He started his career as a CNC machinist with a local SME firm making and fabricating high precision tools and dies/ moulds for the semiconductor industry after graduating from a vocational institute in 1985. He subsequently joined Motorola (M) Sdn Bhd, Sungai Way in the tooling department.

After leaving Motorola, he began his marketing profession with a local machine tools trading company for a period of about 10 years, during which, he was responsible for the sales and service of CNC wire-cut EDM machines. He was the Deputy General Manager at the time he left the company.

JOHN CHUA HENG SIANG

aged 54, Business Development Manager
Notion Venture Sdn Bhd

He is in charge of establishing contacts with potential overseas customers in key industries. He has worked in China with Spindex Precision Engineering (Suzhou) Co Ltd and also MCE Industries (Shanghai) Co Ltd in operational and senior management positions. He also has work experience in metal stamping, tool fabrication and CNC machining in his previous employment in Singapore. John had attended supervisory management courses in the National Productivity Board of Singapore and also inventory management courses in the Singapore Institute of Material Management.

KEY MANAGEMENT

DAVID CHOO WING KIN,
aged 39, Purchasing Manager
Notion Venture Sdn Bhd

David has more than 20 years of experience in manufacturing industries. He joined the Notion Group in 1996. Prior to that he was a Factory Manager in a precision manufacturing company. Presently, his primary function includes supply chain management, inventory turnover, sourcing and supplier management, plant productivity, cost and quality assurance.

GRACE TAN SOOK WANG
aged 46, Production Planning Manager
Notion Venture Sdn Bhd

She is a degree holder in Business and Administration from Southern Illinois University of Carbondale, USA. Upon her graduation in 1992, she worked with a Japanese MNC as a Production Planning Supervisor. She joined the Group in 1998 as a Production Planning and Control Executive. Her key responsibilities include overseeing the sales function, managing customers accounts and requirements as well as resource planning to meet production orders.

ER CHAI CHUAN
aged 33, QA Manager

He joined the group in 2003 as a fresh graduate. In the initial part of his career with the group, he was involved in various departments, namely Quality Assurance, Engineering and Production. He replaced Mr Joe Choo Wing Leong who is now leading the Engineering department.

In this position, he is responsible for the successful implementation of quality management system in compliance with BS EN 9001:2008, ISO 14001:2009, and TS 16949, the standards that are used in all aspects of production in the group. He oversees the training for inspection process, data collection and its analysis, usage of measuring equipment and the execution of regular quality activity that ensures good and consistent manufacturing process.

He obtained his Diploma in Mechanical Engineering from TAR College in 2001, and his Bachelor Degree in Mechanical and Manufacturing Engineering from Sheffield Hallam University in 2003. He attended various training programmes related to quality and management.

AHMAD MURAD ABD RAHMAN
aged 59, Human Resource Advisor
Notion Venture Sdn Bhd

He joined the Group in July 2010 and is responsible for all human resource and administration functions. He manages the industrial relations, compensation and benefits and succession planning, apart from the administrative part of human resource like payroll and leave administration. He also assists in the restructuring exercise within the group, and is responsible for setting up well-defined grading system and salary structure. He is very knowledgeable in labour laws of Malaysia.

He has about 30 years of experience, mostly in human resource functions, some in public listed companies in transport, civil engineering and construction, telecommunication, radio transmission, textile and hospitality activities. He had been the Country Manager for Sudan while working for a Malaysian company involved in construction in that country.

He obtained his Diploma in Business Administration from Central London College and post-graduate Diploma in Management from University of Hertfordshire, St Albans, UK (then called Hatfield Polytechnic). He also attended the Senior Management Development Program run by Harvard Business School of USA.

NOUYUKI SOGA
aged 53, Business Development Manager
(Japanese Market)

He joined the group in 2005 and was responsible for camera parts business. The following year he was assigned to manage business development function related to camera parts specifically targeted at Japanese clients namely NIKON, CANON and SONY. He coordinates meetings and discussions with clients and the company R&D team. He reports directly to the Executive Director, Business Development and Marketing.

His past experience includes about 20 years with Japan Victor Company (JVC) of Japan, and also about 5 year stint with JVC Malaysia as Advisor for VTR Production.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Our Group recognises corporate social responsibility (CSR) commitments based on ethical values and respect for the community, employees, the environment, shareholders and other stakeholders.

We have defined CSR as follows:

- Conducting business in a socially responsible and ethical manner;
- Protecting the environment and the safety of people;
- Supporting human rights; and
- Engaging, learning from, respecting and supporting the communities and cultures with which we work.

At Notion, all matters of CSR are considered and supported in our operations and administrative matters, which are consistent with Notion's stakeholder's best interest. We are working towards demonstrating responsibility in our relationships with the world and communities, whether in business or socially. The Board and the management of Notion recognise that in doing so, it will add significant value for our shareholders.

We have adopted a CSR policy which could be applied into our operational activities and our employees day-to-day work activities. The Board and Management will act as role models by incorporating CSR considerations and values into decision-making in all business activities and will ensure that appropriate organisational structures and systems are in place to effectively identify, monitor and manage CSR issues and performance relevant to the Group's businesses.

OUR VALUES

Our CSR policy is built on the values that reflect existing and emerging standards of CSR, which are as follows:

Business Ethics and Transparency

We are committed to maintaining the highest standards of integrity and corporate governance practices in order to maintain excellence in our daily operations, and to promote confidence in our management and governance systems.

We will advise our business partners, customers and suppliers of our CSR policy and look forward towards working with them to achieve consistency with our policy.

Environment Health & Safety

We believe in protecting the health and safety of all individuals affected by our activities, including our employees and contractors and the public. We provide a safe and healthy working environment and will not compromise the health and safety of our employees.

Our management and employees are responsible and accountable for contributing towards a safe working environment including fostering safe working attitudes and operating in an environmentally responsible manner.

We value the importance of pollution prevention, biodiversity, environmental protection and also resource conservation, which are essential to a sustainable environment. To this end, we have complied with the European Union's policy on the restriction use of hazardous substance in electrical and electronic equipment which came to effect in June 2007. We shall continue to work with industry peers and suppliers to identify technologies and processes that will help reduce hazardous substances in our manufacturing processes and products. We will further ensure that our suppliers understand and are also committed to comply with the policy.

Reusing and recycling of office stationery and paper, switching off the lights and air conditioners when they are not in use are among some of the conservation measures taken by our Group.

CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Stakeholder Relations

We are committed to timely and meaningful dialogues with all stakeholders, including shareholders, customers, employees, regulators, etc.

Employee Relations

Our management apply fair labour practices, while respecting the national laws of the country and communities where we operate. We treat our employees fairly and with dignity and take into consideration their goals and aspirations while ensuring that diversity in the workplace is embraced. We believe in providing equal opportunity in all aspects of employment and will not tolerate unlawful workplace conducts, including discrimination, intimidation, or harassment at workplace.

Human Rights

We strive to work within our scope of influence with government agencies and other governmental bodies to provide our support and respect for human rights. In addition, we will always work towards building trust, to deliver mutual advantage and demonstrate respect for human dignity and rights in all relationships that we enter into, including respect for cultures, customs and values of individual and groups.

Community

We will emphasise on collaborative, consultative, partnership approaches in our community investment programmes. We are working towards integrating community investment considerations and values into decision-making and business practices, and to also develop mutually beneficial relationships with communities in which the Group operates.

We have been conducting industrialised training programmes for engineering students from MIT Academy Sdn Bhd for a period of 3 months providing training and work experience to students in the community. These students were nominated by Pembangunan Sumber Manusia Berhad, a corporation under the Human Resource Ministry. Some of these students have been employed by our group.

We have also provided internship training programmes for engineering students from other local institutions of higher learning.

CORPORATE GOVERNANCE STATEMENT

Corporate Governance describes the framework and process by which institutions, through their board of directors and senior management, regulate their business activities. These principles are to create balance, safe and sound business operations while complying with relevant laws and regulations.

INTRODUCTION

The Company is fully committed to ensuring and maintaining a high standard of corporate governance within the Group. Good corporate governance establishes and maintains a legal and ethical environment which strives to preserve and enhance the interests of all shareholders.

This report describes how the Company has applied its corporate governance framework and practices of the Group to comply with the principles and best practices of corporate governance as prescribed in the Malaysian Code on Corporate Governance [Revised 2007] (Code) and Main Market Listing Requirements of the Bursa Malaysia Securities Berhad (Bursa Securities) (Listing Requirements).

A. BOARD OF DIRECTORS

Role of the Board of Directors

The Board oversees management and ensures that shareholder's long-term interests are served. Through oversight, review and counsel, the Board establishes and promotes the Group's business and organizational objectives, provides leadership to the Group, oversees business affairs and integrity, works with management to determine the Group's mission and long-term strategy.

The Board has delegated certain responsibilities to committees which operate in accordance with Charter approved by the Board and delegated the day to day management of the business of the Group to Management and Managing Director.

The Board is responsible for overseeing risk management of the Company. The Board exercises direct oversight of strategic risks to the Company and other risk areas are delegated to one of its committees.

The Board shall reserve a formal schedule of matters for its decision to ensure that the direction and control of the Group is firmly in its hands. This includes strategic issues and planning, material acquisition and disposal of assets, capital expenditure, risk management policies, appointment of auditors and review of the financial statements, financing and borrowing activities, ensuring regulatory compliance and reviewing the adequacy and integrity of internal controls.

The principal duties and responsibilities of the Board including those adopted from the Code are:

- reviewing and adopting a strategic plan including setting performance objectives and approving operating budgets for the Group and ensuring that the strategies promote sustainability;
- monitoring the Company's performance and build sustainable value for shareholders in accordance with any duties and obligations imposed on the Board by law and within a framework of prudent and effective controls which enables risk to be assessed and managed;
- reviewing the procedures to identify principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
- set, review and ensure compliance with the Company's principles, values and ethos of the Company;
- establishing proper succession planning, including appointing, assessing, training, fixing the compensation of and where appropriate, replacing Board and senior management;
- developing and implementing an investor relations programme or shareholder communications policy for the Group;
- reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines; and
- ensuring that the Company adheres to high standards of ethics and corporate behaviour.

CORPORATE GOVERNANCE STATEMENT

In overseeing the conduct of the Group's business, the Board shall ensure that an appropriate financial planning, operating and reporting framework as well as an embedded risk management framework is established. Elements under this combined framework include the Business Plan, the budget, financial statements and risk management reports.

Board Composition and Balance

The strength of the Board lies in the composition of its members, who have a wide range of expertise, extensive experience and diverse background in business, finance and technical knowledge.

As at 30 September 2012, the Board consists of eight (8) directors of whom three (3) are independent. The composition of independent non-executive directors is in compliance with the minimum prescribed in the Code and Listing Requirements. The list of directors is as follows:

Executive Directors

Thoo Chow Fah	- Executive Chairman
William Choo Wing Hong	- Managing Director
John Choo Wing Onn	- Executive Director
Lee Tian Yoke	- Executive Director
Jerry Choo Wing Yew	- Executive Director

Independent Non-Executive Directors

Saw Tat Loon
Alwin Yike Chee Wah
Anita Chew Cheng Im

The composition of the Board has been reviewed by the NC which is of the view that the current Board size of eight (8) directors, is appropriate and effective, taking into account the nature and scope of the Company's operations. The Board is satisfied that the current Board composition fairly reflects the interests of the minority shareholders in the Company and provides the appropriate balance and size to govern the Company effectively.

The Board comprises persons who as a group provide the relevant core competencies and mix of skills in the areas of financial, technical and business to meet the Company's requirements. The directors' objective judgement on corporate affairs and collective experience and knowledge are invaluable to the Group. Profiles of the members of the Board are set out on pages 8 to 10.

There is a clear division of responsibilities between the Chairman and Managing Director, who also assumes the role of the Chief Executive Officer (CEO), to ensure that there is a balance of power and authority. In ensuring this balance, the positions of the Chairman and Group Managing Director are held by separate members of the Board.

Mr Thoo Chow Fah, the Chairman of the Board, is responsible for, among others, the exercise of control over quantity, quality and timeliness of the flow of information between the management of the Company and the Board. He also schedules Board meetings, oversees the preparation of the agenda for Board meetings and assists in ensuring compliance with the Group's guidelines on corporate governance.

He is assisted by the Managing Director, Mr William Choo Wing Hong, who also assumes the role of the CEO. Mr William Choo, together with the other Executive Directors and management comprising each subsidiary's general managers and key senior managers, are responsible for the day-to-day management of the Group.

The separation of the roles of the Chairman and CEO ensures a balance of power and authority such that considerable concentration of power does not lie with any one individual.

Independence of Directors

The independent directors play a pivotal role in corporate accountability, which is reflected in their membership of the various Board committees and their attendance of meetings as set out below. The independent directors provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the non-executive directors ensure that matters and issues brought to the Board are fully discussed and examined, taking into account the interest of all stakeholders in the Group.

CORPORATE GOVERNANCE STATEMENT

The NC reviews the independence of each director on an annual basis based on the Listing Requirements' definition of what constitutes an independent director. The NC is of the view that the three (3) independent directors (who represent more than one-third of the Board) are independent and no individual or small group of individuals dominates the Board's decision-making process.

The tenure of an Independent Director should not exceed a cumulative term of 9 years unless it is recommended by the NC and approved by the shareholders of the Company.

Board Meetings and Meetings of Board Committees

The Board meets at quarterly intervals and on other occasions, as and when necessary, to inter-alia, approve quarterly results, the Annual Report and budgets as well as to review the performance of the Group, other business development and corporate activities and the adequacy and integrity of the Group's internal control systems. Senior management and external advisors are invited to attend the Board and Board Committee meetings to advise on relevant agenda items to enable the Board and its Committees to arrive at a considered decision.

A total of five (5) Board meetings were held for the financial year ended 30 September 2012. The record of attendance of individual directors at Board meetings is detailed as follows:

Director	Number of Meetings Attended
Thoo Chow Fah	5/5
William Choo Wing Hong	4/5
John Choo Wing Onn	4/5
Lee Tian Yoke	5/5
Jerry Choo Wing Yew	5/5
Saw Tat Loon	5/5
Alwin Yike Chee Wah	5/5
Anita Chew Cheng Im	5/5

Supply of Information

To assist the Board in fulfilling its responsibilities, the directors are sent an agenda and a full set of Board papers providing complete, adequate and timely information prior to Board meetings to allow the directors time to deliberate on the issues to be raised at the meetings. The Board has full and unrestricted access to all information pertaining to the businesses and affairs from senior management as well as advice and services of the Company Secretary to enable them to discharge their duties effectively. In addition to quantitative information, the directors are also provided with updates on other areas such as market developments, customer and risk management. The Board believes that the current Company Secretaries are capable of carrying out their duties to ensure effective functioning of the Board. The terms of their appointment permits their removal and appointment of successor is a matter for the Board as a whole to decide. The Company Secretaries ensure that all Board and Board Committee meetings are properly convened and that accurate and proper records of the deliberations, proceedings and resolutions passed are recorded and maintained in the statutory register at the registered office of the Company.

The Company has in place the procedure to enable the directors, whether as a group or individually, to obtain independent professional advice and when necessary in furtherance of their duties at the Company's expense.

Appointments and Re-election

In compliance with the Code, the NC has the responsibility of proposing new candidates for appointment to the Board. One third of the directors shall retire from office and be eligible for re-election at each Annual General Meeting in accordance with the Company's Articles of Association. Re-appointments are not automatic and all directors shall retire from office at least once in every three (3) years but shall be eligible for re-election by shareholders in the Annual General Meeting.

Pursuant to the Listing Requirements, each member of the Board holds not more than ten (10) directorships in public listed companies and not more than fifteen (15) directorships in non-public listed companies. This ensures that the Board's commitment, resources and time are focused on the affairs of the Group to enable them to discharge their duties effectively.

CORPORATE GOVERNANCE STATEMENT

Directors' Training

All executive directors have been with the Company for several years and are familiar with their duties and responsibilities as directors. In addition, any newly appointed directors will be given briefings and orientation by the Executive Chairman and top management of the Company on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as directors.

The directors' training needs are analysed annually in conjunction with the Board review. The Board fully supports the need for its members to further enhance their skills and knowledge on relevant new laws and regulations and changing commercial risk to keep abreast with the developments in the economy, industry, technology and the changing business environment within which the Group operates.

During the financial year, our Board members attended several relevant seminars, forums and training programmes as follows:

- Briefing on "the Amendments of Listing Requirements of Bursa Malaysia, New Corporate Disclosure Guide and Corporate Governance Blueprint 2011" by our Company Secretary.
- A talk on "Corporate Governance and Risk Management" conducted by Boardroom Corporate Services (KL) Sdn Bhd.
- A talk organised by Bursa Securities on "Assessing the role of the audit committee and audit quality".
- "Pitfalls & opportunities of fund utilisation in China" organised by Commerce Clearing House (M) Sdn Bhd.
- Corporate Governance Week held by Bursa Malaysia.
- Briefing by Standard Chartered Bank on "Global Research".
- Talk by HSBC on "Asian Economic and Foreign Exchange Outlook 2012".
- Seminar on the "Impact on Amendments to Listing Requirements & Optimising IFRS Convergence" organised at Bursa Securities.

In addition, the directors receive regular briefings and updates on the Group's businesses, operations, risk management activities, Listing Requirements and relevant law updates.

Board Committees

To ensure the effective discharge of their fiduciary duties, the Board has delegated specific responsibilities to the following Board Committees. The Board Committees will deliberate in greater detail and examine the issues within their terms of reference as set out by the Board in compliance with the Code.

B. NOMINATION COMMITTEE (NC)

The NC was established on 19 August 2005 and the members of the NC, all of whom are independent non-executive directors are:

Anita Chew Cheng Im	- Chairman
Alwin Yike Chee Wah	- Member
Saw Tat Loon	- Member

The primary duties of the NC are as follows:

- To recommend to the Board, candidates for directorships and to review the Board's policies and procedures for the selection of Board members. In making its recommendations, to consider and assess the candidates':
 - skills, knowledge, expertise and experience;
 - professionalism;
 - time commitment to effectively discharge his/her role as a director;
 - contribution and performance;
 - character, integrity and competence; and
 - in the case of candidate for the position of independent non-executive directors, to evaluate the candidates' ability to discharge such responsibilities/functions as expected from independent non-executive directors.
- To develop, maintain and review the criteria to be used in the recruitment process and annual assessment of Directors.
- To recommend the Directors to sit on respective Board committees.
- To facilitate Board induction programme for newly appointed Directors.

CORPORATE GOVERNANCE STATEMENT

- To administer the annual assessment of Directors, including a review of the skill, qualification and competencies of the Board as a whole, the committees of the board and for assessing the contribution of each individual director, including independent non-executive directors, as well as the chief executive officer and to review the character, experience, integrity, competence and time to effectively discharge the roles of each of its director, chief executive and chief financial officer. All assessments and evaluations carried out to be properly documented.
- To identify suitable educational and training programmes for continuous development of Directors.
- To review the Board and senior management's succession plans.
- To recommend to Board protocol for accepting new directorships.

In developing its procedures and making recommendations to the Board, the Nomination Committee will take into account of:

- The provisions in the Company's Articles of Association, the Companies Act, 1965, the Bursa Malaysia Securities Berhad Listing Requirements and other laws and regulations, if any, in respect of the appointment, removal, etc of directors;
- The need for the Board to operate an open and transparent appointment process. This may include public advertisement or direct approaches being made to individuals who may be suitable or organizations that may be able to advise;
- The overall composition and balance of the Board.

For the financial year under review, the NC held one (1) meeting, which was attended by all members of the NC.

The NC reviews the criteria for evaluating the Board's performance. Based on the recommendations of the NC, the Board has established processes and conducted evaluation on the effectiveness of the Board as a whole. All assessments and evaluations carried out by the NC were properly documented.

The performance criteria for the Board evaluation includes an evaluation of the size and composition of the Board, the Board's access to information, accountability, Board processes, Board performance in relation to discharging its principal responsibilities, communication with management and standards of conduct of the directors.

The NC also reviewed the retirement of Directors by rotation eligible for re-election and training programmes for the continuous development of Directors.

C. REMUNERATION COMMITTEE (RC)

The RC was established on 30 May 2005 and members of the RC, the majority of whom are independent, are:

Alwin Yike Chee Wah	- Chairman
Saw Tat Loon	- Member
Thoo Chow Fah	- Member
Anita Chew Cheng Im	- Member

The members of the RC have many years of corporate experience and are knowledgeable in the field of executive compensation. In addition, the RC has access to professional advice on remuneration matters as and when necessary.

The responsibilities of the RC include the following:

- seek comparative information on remuneration and conditions of service in comparable organisations;
- review directors' fees to ensure that they are at sufficiently competitive levels;
- consider severance payments that represent public interest and avoid any inappropriate use of public funds;
- recommend and advise the Board on the terms of appointment and remuneration of its members; and
- establish a formal and transparent procedure for developing policy on remuneration packages of individual directors.

The RC reviews all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonuses, options and benefit-in-kind.

CORPORATE GOVERNANCE STATEMENT

The RC held two (2) meetings during the financial year. The record of attendance is detailed as follows:

Members	Number of Meetings Attended
Alwin Yike Chee Wah	2/2
Saw Tat Loon	2/2
Thoo Chow Fah	1/2
Anita Chew Cheng Im	2/2

D. DIRECTORS' REMUNERATION

Level and Mix of Remuneration

In setting remuneration packages, the RC takes into consideration the pay and employment conditions within the industry and in comparable companies. As part of the review, the RC ensures that the performance related elements and remuneration form a significant part of the total remuneration package of executive directors and is designed to align the directors' interests with those of shareholders and link rewards to corporate and individual performance. The RC also reviews all matters concerning the remuneration of non-executive directors to ensure that the remuneration commensurate with the contributions and responsibilities of the directors. The Company submits the quantum of directors' fees of each year to the shareholders for approval at each Annual General Meeting.

Disclosure on Remuneration

Remuneration of non-executive directors is determined by the Board as a whole. Individual directors do not participate in determining their own remuneration package. The Board, based on the sum to be authorised by the Company's shareholders, determines fees payable to non-executive directors. Non-executive directors are also entitled to meeting allowances and reimbursement of expenses incurred in the course of their duties as directors.

The aggregate remuneration of directors for the financial year ended 30 September 2012 is categorised as follows:

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
Fees	-	144
Salaries and other emoluments	2,315	39
	2,315	183

Analysis of Remuneration

Range of Remuneration	No. of Directors Executive	No. of Directors Non-Executive
Between RM50,001 and RM100,000	-	3
Between RM350,001 and RM400,000	3	-
Between RM400,001 and RM450,000	1	-
Between RM750,001 and RM800,000	1	-
	5	3

The Board has chosen to disclose the remuneration in bands pursuant to the Listing Requirements as separate and detailed disclosure of individual director's remuneration will not add significantly to the understanding and evaluation of the Company's governance.

CORPORATE GOVERNANCE STATEMENT

E. ACCOUNTABILITY AND AUDIT

Accountability

Financial Reporting

The directors are required by the Companies Act, 1965 to ensure that financial statements prepared for each financial year give a true and fair view of the state of affairs of the Company and the Group. The directors consider the presentation of the financial statements and that the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. The Audit Committee (AC) assists by scrutinizing the information to be disclosed, to ensure accuracy and adequacy. The Group's financial statements are presented on pages 38 to 95 of the annual report.

A statement explaining the Board of Directors' responsibility for the preparation of the Financial Statements are set out on page 108 of the annual report.

Relationship with the Auditors

The Board has established an independent internal audit function within the Group which reports to the AC. On behalf of the Board, the AC has established transparent and professional relationship with the Company's auditors, both internal and external.

Discussions are carried out between the AC with management on actions taken on issues identified by the internal and external auditors. The Committee has full access to the internal auditors. The internal auditors have access at all times to the Chairman and members of the Committee. In addition, the Committee also met with the internal auditors once during the financial year ended 30 September 2012 without the presence of the Executive Directors and management.

F. COMMUNICATION WITH SHAREHOLDERS

Communication with Shareholders

The Company believes that a high standard of disclosure is key to raising the level of corporate governance.

The Executive Chairman meets with analysts, institutional shareholders and investors throughout the year. Presentations based on permissible disclosures are made to explain the Group's performance and major development programmes. Price-sensitive and any information that may be regarded as undisclosed material information about the Group is however not disclosed in these sessions until after the prescribed announcement to Bursa Securities has been made.

The Annual General Meeting (AGM)

The AGM is the principal forum for dialogue with shareholders. The Board provides opportunities for shareholders to raise questions pertaining to issues in the Annual Report, corporate developments in the Group, the resolutions being proposed and the business of the Group in general at every AGM and Extraordinary General Meeting of the Company.

The Chairman will respond to shareholders' questions during the meeting. Representatives of the Group are also in attendance to answer questions, thereby ensuring a high level of accountability, transparency and identification with the Group's business operations, strategies and goals.

Compliance with the Code

The Company has complied with the Code and observed its best practices throughout the year, save for the appointment of a Senior Independent Director to whom queries or concerns regarding the Group may be conveyed. The Board does not consider it necessary to appoint a Senior Independent Director as all current members of the Board are always available and issues are discussed openly in Board meetings.

Our Executive Chairman, although not an independent member of the board, provides strong leadership and objective judgement with regard to board policies and other matters. He is a founding member of the Group and has vast knowledge and experience in the industry that we are operating in. He has also been actively engaging with the investing community since the listing of our Company. Our Board is of the view that the separation of the positions of the Chairman and the Managing Director together with the independent directors, provide further assurance that there is a balance of power and authority on the Board, and effective stewardship of the Company in terms of strategies and business performance.

AUDIT COMMITTEE REPORT

The AC reviews and monitors the integrity of the Group's financial reporting process, in addition to reviewing the Group's system of internal controls. It also reviews the Group's audit process, compliance with legal and regulatory requirements, code of business conduct and any other matters that are specifically delegated by the Board.

The AC was established on 14 February 2005. The Committee members are as follows:

Saw Tat Loon - Chairman
Alwin Yike Chee Wah - Member
Anita Chew Cheng Im - Member

As at the reporting date, the qualifying criteria as per the Listing Requirements for composition of AC members were met.

AUDIT COMMITTEE MEETINGS

The AC met five (5) times during the financial year ended 30 September 2012. The details of their attendance at meetings are as follows:

Audit Committee	Number of Meetings Attended
Saw Tat Loon	5/5
Alwin Yike Chee Wah	5/5
Anita Chew Cheng Im	5/5

The Group's external auditors, internal auditors and certain designated members of senior management also attended the meetings at the invitation of the Committee.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

During the financial year ended 30 September 2012, the AC carried out its duties as set out in the terms of reference which included the following:

- Review of the quarterly financial reports before recommending to the Board for their approval and release of the Group's results to Bursa Securities;

- Review of the Audit Planning Memorandum with the external auditors;
- Review of the results and issues arising from the audit and their resolutions with the external auditors;
- Review of the internal audit findings and recommendations with the internal auditors;
- Review of the proposed policies and procedures on Related Party Transactions to ensure compliance with laws and regulations;
- Reviewed the adequacy of the scope, function, competency and resources of the internal audit function;
- Met with the external auditors on 2 separate sessions without the presence of the Executive Directors and management; and
- Met with the internal auditors once without the presence of the Executive Directors and management.

INTERNAL AUDIT FUNCTION

The Company has outsourced its internal audit function to an independent internal audit services provider for the financial year ended 30 September 2012. The functions and activities of the internal audit are:

- Perform audit work in accordance with the pre-approved internal audit plan;
- Carry out review of the system of internal controls of the Group;
- Review and comment on the effectiveness and adequacy of the existing control policies and procedures; and
- Provide recommendations, if any, for the improvement of the control policies and procedures.

The total costs incurred for the internal audit function of the Group in respect of the financial year ended 30 September 2012 amounted to RM40,000.

AUDIT COMMITTEE REPORT

TERMS OF REFERENCE

1. Composition

The Committee shall be appointed from amongst the Board and shall comprise no fewer than three (3) members, a majority of whom shall be independent directors and all members should be non-executive directors. At least one (1) member must be a member of the Malaysian Institute of Accountants or possess such other qualifications and/or experience as approved by the Bursa Malaysia Securities Berhad (Bursa Securities).

In the event of any vacancy with the result that the number of members is reduced to below three, the vacancy shall be filled within two (2) months but in any case not later than three (3) months. Therefore a member of the AC who wishes to retire or resign should provide sufficient written notice to the Company so that a replacement may be appointed before he leaves.

The terms of office and performance of an AC and each of its members must be reviewed by the Board of directors at least once every three (3) years to determine whether such AC and members have carried out their duties in accordance with their terms of reference.

2. Chairman

The Chairman, who shall be elected by the AC, shall be an independent director. In the event of the Chairman's absence, the meeting shall be chaired by an independent director.

The Chairman should engage on a continuous basis with senior management, such as the chairman, the chief executive officer, the finance director, the head of internal audit and the external auditors in order to be kept informed of matters affecting the company.

3. Secretary

The Company Secretary shall be the Secretary of the Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it prior to each meeting.

The Secretary shall also be responsible for keeping the minutes of meetings of the Committee and circulating them to the Committee Members. The Committee Members may inspect the minutes of the AC at the Registered Office or such other place as may be determined by the AC.

4. Meetings

The Committee shall meet at least four (4) times in each financial year and may regulate its own procedure in lieu of convening a formal meeting by means of video or teleconference. The quorum for a meeting shall be the majority of members present, who shall be independent directors.

The Committee may call for a meeting as and when required with reasonable notice as the Committee Members deem fit.

All decisions at such meeting shall be decided on a show of hands on a majority of votes.

The external auditors and internal auditors have the right to appear at any meetings of the AC and shall appear before the Committee when required to do so by the Committee. The external auditors may also request a meeting if they consider it necessary.

5. Rights

The AC shall:

- have authority to investigate any matter within its terms of reference;
- have the resources which are required to perform its duties;
- have full and unrestricted access to any information pertaining to the Group;
- have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity;
- have the right to obtain independent professional or other advice at the Company's expense;
- have the right to convene meetings with the external auditors, excluding the presence of the executive board members, at least twice a year and whenever deemed necessary;
- promptly report to the Bursa Securities, or such other name(s) as may be adopted by Bursa Securities, matters which have not been satisfactorily resolved by the directors resulting in a breach of the listing requirements;

AUDIT COMMITTEE REPORT

- have the right to pass resolutions by a simple majority vote from the Committee and that the Chairman shall have the casting vote should a tie arise;
- meet as and when required on a reasonable notice; and
- the Chairman shall call for a meeting upon the request of the external auditors.

6. Duties

- To review the following with the external auditors:
 - audit plan, its scope and nature;
 - audit report;
 - results of their evaluation of the accounting policies and systems of internal accounting controls within the Group; and
 - level of assistance given by the officers of the Company to external auditors, including any difficulties or disputes with Management encountered during the audit.
- To review the adequacy of the scope, functions, competency and resources and set the standards of the internal audit function.
- To recommend such measures as to be taken by the Board of Directors on the effectiveness of the system of internal control and risk management practices of the Group.
- To review the adequacy of risk management and receive reports from the internal auditors on the effectiveness of controls in each major risk area.
- To comment on the proposals for implementation of risk management and express an opinion on the overall adequacy where applicable.
- To review the internal audit programme, processes the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function.
- To review with management:
 - audit reports and management letter issued by the external auditors and the implementation of audit recommendations;
 - interim financial information; and
 - level of assistance given by the officers of the Company to external auditors.
- To discuss problems and reservations arising from interim and final audits, and any matter the auditor may wish to discuss (in the absence of management where necessary).
- To monitor related party transactions entered into by the Company or the Group and to determine if such transactions are undertaken on an arm's length basis and normal commercial terms and on terms not more favourable to the related parties than those generally available to the public, and to ensure that the directors report such transactions annually to shareholders via the annual report, and to review conflicts of interest that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity.
- To review the quarterly reports on consolidated results and annual financial statements prior to submission to the directors, focusing particularly on:
 - changes in or implementation of major accounting policy and practices;
 - significant and/or unusual matters arising from the audit;
 - the going concern assumption; and
 - compliance with accounting standards and other legal requirements.
- To consider the appointment and/or re-appointment of auditors, the audit fee and any questions of resignation or dismissal including recommending the nomination of person or persons as auditors to the board.

INTERNAL CONTROL STATEMENT

INTRODUCTION

The Malaysian Code on Corporate Governance and the Companies (Amendment) Act 2007 requires the directors of listed companies to maintain a sound system of internal control to safeguard shareholders' investments and the Group's assets.

BOARD RESPONSIBILITY

The Board affirms its overall responsibility for maintaining a sound system of internal controls and for reviewing their adequacy and integrity so as to safeguard all its stakeholders' interests and protecting the Group's assets. The system of internal controls covers inter-alia, financial, operational and compliance systems controls and risk management. 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 to totally eliminate the risk of failure to achieve the Group's business objectives. Accordingly, the system of internal controls can only provide reasonable and not absolute assurance against material misstatement of losses and fraud.

The Board is pleased to disclose that there is a systematic process in place for identifying, evaluating and managing the various and diverse risk faced by the Group throughout the financial year under review and this process includes enhancing and regularly reviewing the system of internal controls as and when there are changes to the business environment or regulatory guidelines.

RISK MANAGEMENT

The Board acknowledges that the management of principal risks plays an important and integral part in achieving the Group's corporate objectives. The Group has an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. This is to ensure that all potential risks are adequately addressed at various levels within the Group including but not limited to the effects of natural disasters, rioting by workers, acts of sabotage, fire and other debilitating incidents.

Risk management is embedded in the Group's management and operational framework and every employee in the Group is exposed and subjected to training on the Group's Risks policies and procedures. Strategic Risk management training was carried out during the year involving different levels of management to identify and address the main risks faced by the Group. Accordingly, the Group has a structured risk management system in place and adopted a risk management policy to mitigate the potential critical risks.

INTERNAL AUDIT

The Group relies on existing internal audit control mechanisms and the Enterprise Resources Planning system to provide the management with the required level of assurance that its business is operating in an orderly manner. ISO 9001:2000 Quality Management Systems has also been implemented for its main subsidiary, Notion Venture Sdn. Bhd. where documented internal procedures and standard operating procedures have been put in place. Internal quality audits are carried out by management and annual surveillance audits are conducted by an independent certification body to provide a high assurance of compliance. The executive directors through their daily involvement in the business operations and attendance at operational, management and strategic level meetings, monitor the effectiveness and compliance of the Group's policies and procedures.

To further bolster the internal control systems of the Group, the Board engaged an independent professional firm to provide internal audit services at a cost of RM40,000 for the financial year ended 30 September 2012.

The outsourced Internal Auditors report directly to the Audit Committee of Notion VTec Berhad on a regular basis.

INTERNAL CONTROL STATEMENT

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Internal Control for inclusion in the Annual Report of the Company for the financial year ended 30 September 2012 and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of the internal controls.

CONCLUSION

The Board is of the view that the existing systems of internal controls in place for the year under review and up to the date of the issuance of the financial statements is sound, reasonably effective and adequate to safeguard the interest of the Company's shareholders, to cater for the interests of the Group's customers, regulators, employees and other stakeholders and protecting the Group's assets.

The Board recognises the need for the system of internal controls to be subjected to periodic review in line with the growth and dynamics of the Group. To this end, the Board remains committed towards striving for continuous improvements to be put in place to further enhance the system of internal controls of the Group.

FINANCIAL STATEMENTS

NOTION VTEC BERHAD 637546-D

28	Directors' Report
35	Statement by Directors
35	Statutory Declaration
36	Independent Auditors' Report
38	Statements of Financial Position
40	Statements of Comprehensive Income
42	Statements of Changes in Equity
44	Statements of Cash Flows
46	Notes to the Financial Statements
95	Supplementary Information

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2012.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are 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.

RESULTS

	The Group RM'000	The Company RM'000
Profit for the financial year	49,249	42,105
Attributable to:		
Owners of the Company	49,264	42,105
Non-controlling interests	(15)	-
	49,249	42,105

DIVIDENDS

During the current financial year, the Company paid an interim tax-exempt dividend of RM0.01 per ordinary share amounting to RM2,649,335 on 19 September 2012 in respect of the current financial year.

The directors now propose a final tax-exempt dividend of RM0.02 per ordinary share in respect of the current financial year. The dividend is subject to approval by shareholders at the forthcoming Annual General Meeting and has not been included as a liability in the financial statements.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year have been disclosed in the financial statements.

DIRECTORS' REPORT (cont'd)

ISSUES OF SHARES AND DEBENTURES

During the financial year,

- (a) there were no changes in the authorised share capital of the Company;
- (b) the Company increased its issued and paid-up share capital from RM77,280,689 to RM135,209,033 comprising 270,418,065 ordinary shares of RM0.50 each by way of:-
 - (i) a bonus issue of 115,856,572 new ordinary shares of RM0.50 each in the ratio of 3 bonus shares for every 4 existing ordinary shares held. The bonus shares were issued by way of capitalisation of RM25,193,096 and RM32,735,190 from share premium account and the retained profits account respectively; and
 - (ii) the issuance of 115 new ordinary shares of RM0.50 each for cash arising from the exercise of Warrants-B at an exercise price of RM1.00 per ordinary share.

The new shares issued rank *pari passu* in all respects with the existing shares of the Company; and

- (c) there were no issues of debentures by the Company.

TREASURY SHARES

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting held on 20 March 2012, granted their approval for the Company's plan to repurchase its own ordinary shares. The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company purchased from the open market, 6,279,600 units of its own shares through purchases on the Main Market of Bursa Malaysia Securities Berhad at an average buy-back price of RM1.22 per ordinary share. The total consideration paid for acquisition of the shares was RM7,630,276 and was financed by internally generated funds. The repurchased shares were held as treasury shares in accordance with Section 67A of the Companies Act 1965 in Malaysia.

As at 30 September 2012, the Company held 6,364,548 repurchased shares as treasury shares out of its total issued and paid up share capital of 270,418,065 ordinary shares of RM0.50 each. Such treasury shares were held at a carrying amount of RM7,828,269.

DIRECTORS' REPORT (cont'd)

WARRANTS

Warrants-A

On 4 August 2010, the Company issued 30,652,652 free warrants ("Warrants-A") on the basis of 1 Free Warrant for every 5 shares held by the shareholders of the Company.

The salient features of the Warrants-A are as follows:-

- (a) the Warrants may be exercised at any time after the date of issue of the Warrants until the expiry date which is the date occurring on the fifth (5th) anniversary of the issue date of the Warrants; and
- (b) subject to adjustments, in accordance with the Deed Poll, during the exercise period each Warrant entitles its registered holder to subscribe for one (1) new ordinary share of RM0.50 at an exercise price of RM2.55 at any time from the date of issue up to the expiry date.

Pursuant to the Bonus Issue and Free Warrants Issue, an additional 30,652,652 Warrants-A ("Additional Warrants-A") were issued, whereby a holder of 1 existing Warrant-A will received 1 new Warrant-A, and the exercise price of the Warrants-A was revised from RM2.55 to RM1.44 per Warrant-A with effect from 3 May 2012.

During the financial year, none of the options under the Warrants-A were converted to ordinary shares. The number of outstanding Warrants-A as at 30 September 2012 was 61,305,304.

Warrants-B

On 3 May 2012, the Company issued 38,618,857 free warrants ("Warrants-B") on the basis of 1 Warrant-B for every 4 shares held by the shareholders of the Company.

The salient features of the Warrants-B are as follows:-

- (a) the Warrants may be exercised at any time after the date of issue of the Warrants until the expiry date which is the date occurring on the fifth (5th) anniversary of the issue date of the Warrants; and
- (b) subject to adjustments, in accordance with the Deed Poll, during the exercise period each Warrant entitles its registered holder to subscribe for one (1) new ordinary share of RM0.50 at an exercise price of RM1.00 at any time from the date of issue up to the expiry date.

During the financial year, 115 Warrants-B which were converted to 115 ordinary shares. The number of outstanding Warrants-B as at 30 September 2012 was 38,618,742.

DIRECTORS' REPORT (cont'd)

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their values as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 35 to the financial statements. At the date of this report, there does not exist:-

- (i) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

DIRECTORS' REPORT (cont'd)

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

The directors who served since the date of the last report are as follows:-

Thoo Chow Fah
Choo Wing Hong
Choo Wing Onn
Lee Tian Yoke
Yike Chee Wah
Saw Tat Loon
Anita Chew Cheng Im
Choo Wing Yew

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in the securities in the Company during the financial year are as follows:-

	Number Of Ordinary Shares Of RM0.50 Each			
	At 1.10.2011	Bonus Issue	Sold	At 30.9.2012
<i>Direct Interests:</i>				
Thoo Chow Fah	11,396,752	8,547,564	-	19,944,316
Choo Wing Hong	20,049,129	14,586,846	(600,000)	34,035,975
Choo Wing Onn	15,156,282	11,367,211	-	26,523,493
Lee Tian Yoke	6,709,652	5,032,239	-	11,741,891
Choo Wing Yew	3,300,513	2,475,384	-	5,775,897
<i>Indirect interests held through spouse*</i>				
Thoo Chow Fah	4,840,446	1,905,334	(2,300,000)	4,445,780

DIRECTORS' REPORT (cont'd)

DIRECTORS' INTERESTS (cont'd)

	At 1.10.2011	Number Of Warrants-A			At 30.9.2012
		Free Issue	Sold		
<i>Direct Interests:</i>					
Thoo Chow Fah	1,572,355	1,572,355	(3,144,710)		-
Choo Wing Hong	3,748,409	3,242,109	(6,990,518)		-
Choo Wing Onn	2,992,355	2,992,355	(5,984,710)		-
Lee Tian Yoke	1,324,709	1,324,709	(2,649,418)		-
Choo Wing Yew	651,631	651,631	(1,303,262)		-

	At 1.10.2011	Number Of Warrants-B			At 30.9.2012
		Bought	Free Issue	Sold	
<i>Direct Interests:</i>					
Thoo Chow Fah	-	-	2,849,188	-	2,849,188
Choo Wing Hong	-	-	4,862,282	-	4,862,282
Choo Wing Onn	-	-	3,789,070	-	3,789,070
Lee Tian Yoke	-	-	1,677,413	-	1,677,413
Choo Wing Yew	-	-	825,128	-	825,128

*Indirect interests held through spouse**

Thoo Chow Fah	-	279,600	635,111	-	914,711
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* Disclosure pursuant to Section 134(12)(c) of the Companies Act 1965 in Malaysia.

Yike Chee Wah, Saw Tat Loon and Anita Chew Cheng Im did not have any interest in shares and warrants in the Company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which one of the directors has a substantial financial interest.

Neither during nor at the end of the financial year was the Company or its subsidiaries a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT (cont'd)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events of the Group during the financial year are disclosed in Note 37 to the financial statements.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, Messrs. Crowe Horwath, have expressed their willingness to continue in office.

Signed In Accordance With A Resolution Of The Directors

Dated 10 January 2013

Thoo Chow Fah

Choo Wing Hong

STATEMENT BY DIRECTORS

We, Thoo Chow Fah and Choo Wing Hong, being two of the directors of Notion VTec Berhad, state that, in the opinion of the directors, the financial statements set out on pages 38 to 94 are drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 30 September 2012 and of their results and cash flows for the financial year ended on that date.

The supplementary information set out in Note 41, which is not part of the financial statements, is prepared in all material respects, in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad.

**Signed In Accordance With A Resolution Of The Directors
Dated 10 January 2013**

Thoo Chow Fah

Choo Wing Hong

STATUTORY DECLARATION

I, Choo Wing Yew, being the director primarily responsible for the financial management of Notion VTec Berhad, do solemnly and sincerely declare that the financial statements set out on pages 38 to 94 are, to the best of my knowledge and belief, 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
Choo Wing Yew, at Klang in the state
of Selangor Darul Ehsan on this 10 January 2013

Choo Wing Yew

Before Me
Goh Cheng Teak
Commissioner For Oaths

INDEPENDENT AUDITORS' REPORT

**To the members of Notion VTec Berhad
(Incorporated in Malaysia) Company No: 637546-D**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Notion VTec Berhad, which comprise the statements of financial position as at 30 September 2012, 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 a summary of significant accounting policies and other explanatory information, as set out on pages 38 to 94.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 September 2012 and of their financial performance and cash flows for the financial year then ended.

INDEPENDENT AUDITORS' REPORT (cont'd)

To the members of Notion VTec Berhad
(Incorporated in Malaysia) Company No: 637546-D

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report the following:-

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act;
- (b) We have considered the financial statements and the auditors' report of the subsidiaries of which we have not acted as auditors, which is indicated in Note 5 to the financial statements;
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes; and
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

The supplementary information set out in Note 41 on page 95 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Crowe Horwath
Firm No : AF 1018
Chartered Accountants

Kuala Lumpur
10 January 2013

Chua Wai Hong
Approval No : 2974/09/13 (J)
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

At 30 September 2012

		The Group		The Company	
		Restated			
		2012	2011	2012	2011
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	-	-	55,103	54,000
Property, plant and equipment	6	319,810	263,924	26	87
		319,810	263,924	55,129	54,087
CURRENT ASSETS					
Inventories	7	56,231	43,959	-	-
Trade receivables	8	57,926	61,132	-	-
Other receivables, deposits and prepayments	9	8,288	8,781	-	-
Derivative assets	10	530	1,233	-	-
Amount owing by subsidiaries	11	-	-	98,671	62,744
Tax refundable		3,626	9,299	263	61
Short-term deposits with licensed banks	12	2,360	10,884	383	4,462
Cash and bank balances		36,651	13,446	1,498	3,489
		165,612	148,734	100,815	70,756
TOTAL ASSETS		485,422	412,658	155,944	124,843

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

STATEMENTS OF FINANCIAL POSITION

At 30 September 2012 (cont'd)

	Note	The Group		The Company	
		2012	Restated 2011	2012	2011
		RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	13	135,209	77,280	135,209	77,280
Share premium	14	*	25,193	*	25,193
Treasury shares	15	(7,828)	(198)	(7,828)	(198)
Currency translation reserve		(2,438)	(366)	-	-
Other capital reserve		4,800	-	-	-
Retained profits	16	176,135	166,885	11,091	4,371
TOTAL SHAREHOLDERS' EQUITY		305,878	268,794	138,472	106,646
NON-CONTROLLING INTERESTS		48	1,233	-	-
TOTAL EQUITY		305,926	270,027	138,472	106,646
NON-CURRENT LIABILITIES					
Long-term borrowings	17	64,113	58,172	10,205	11,773
Deferred taxation	18	19,736	16,323	-	-
		83,849	74,495	10,205	11,773
CURRENT LIABILITIES					
Trade payables	19	27,066	12,110	-	-
Other payables and accruals	20	29,051	20,223	1,092	577
Amount owing to subsidiaries	11	-	-	2,274	2,210
Derivative liabilities	10	-	1,247	-	-
Short-term borrowings	21	37,365	34,455	3,901	3,637
Bank overdraft	21	2,165	101	-	-
		95,647	68,136	7,267	6,424
TOTAL LIABILITIES		179,496	142,631	17,472	18,197
TOTAL EQUITY AND LIABILITIES		485,422	412,658	155,944	124,843
NET ASSETS PER ORDINARY SHARE (RM)	22	1.16	1.74		

* denotes RM57

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

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 30 September 2012

	Note	The Group		The Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
REVENUE	23	308,827	236,767	44,479	8,962
COST OF SALES		(235,532)	(175,866)	-	-
GROSS PROFIT		73,295	60,901	44,479	8,962
OTHER OPERATING INCOME		15,392	19,175	1,087	515
		88,687	80,076	45,566	9,477
MARKETING AND DISTRIBUTION EXPENSES		(5,136)	(3,129)	-	-
ADMINISTRATIVE AND OTHER OPERATING EXPENSES		(20,988)	(15,437)	(3,050)	(3,946)
FINANCE EXPENSES		(5,241)	(5,702)	(523)	(419)
PROFIT BEFORE TAXATION	24	57,322	55,808	41,993	5,112
INCOME TAX EXPENSE	25	(8,073)	(8,274)	112	(1,122)
PROFIT AFTER TAXATION FOR THE FINANCIAL YEAR		49,249	47,534	42,105	3,990
OTHER COMPREHENSIVE INCOME, NET OF TAX - foreign currency translations		(2,072)	(875)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		47,177	46,659	42,105	3,990

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

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 30 September 2012 (cont'd)

	Note	The Group		The Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
PROFIT AFTER TAXATION ATTRIBUTABLE TO:					
Owners of the Company		49,264	47,464	42,105	3,990
Non-controlling interests		(15)	70	-	-
		49,249	47,534	42,105	3,990
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Company		47,192	46,589	42,105	3,990
Non-controlling interests		(15)	70	-	-
		47,177	46,659	42,105	3,990
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY:					
- Basic	26	18.3 sen	17.6 sen		
- Diluted	26	17.6 sen	N/A		
DIVIDENDS PER SHARE	27			1.0 sen	7.5 sen

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 September 2012

Non-Distributable -----> Distributable											
The Group	Note	Share Capital	Share Premium	Treasury Shares	Currency Translation Reserve	Other Capital Reserve	Retained Profits	Attributable To Owners Of The Company		Non-Controlling Interests	Total Equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.10.2010		77,280	29,482	(4,039)	509	-	130,145	233,377	1,163	234,540	
Total comprehensive income for the financial year		-	-	-	(875)	-	47,464	46,589	70	46,659	
Dividends	28	-	-	-	-	-	(10,724)	(10,724)	-	(10,724)	
Reversal of expenses incurred in respect of the Bonus Issue and transfer to Main Market in prior financial year		-	334	-	-	-	-	334	-	334	
Purchase of own shares		-	-	(782)	-	-	-	(782)	-	(782)	
Share dividend		-	(4,623)	4,623	-	-	-	-	-	-	
Balance at 30.9.2011/ 1.10.2011		77,280	25,193	(198)	(366)	-	166,885	268,794	1,233	270,027	
Total comprehensive income for the financial year		-	-	-	(2,072)	-	49,264	47,192	(15)	47,177	
Dividend	28	-	-	-	-	-	(2,649)	(2,649)	-	(2,649)	
Purchase of own shares		-	-	(7,630)	-	-	-	(7,630)	-	(7,630)	
Bonus issue		57,929	(25,193)	-	-	-	(32,736)	-	-	-	
Capitalisation of bonus issue	-	-	-	-	-	4,800	(4,800)	-	-	-	
Conversion of warrants		*	*	-	-	-	-	#	-	#	
Acquisition of shares from non-controlling interests		-	-	-	-	-	171	171	(1,170)	(999)	
Balance at 30.9.2012		135,209	*	(7,828)	(2,438)	4,800	176,135	305,878	48	305,926	

* denotes RM57.50

denotes RM115

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 September 2012 (cont'd)

The Company	Note	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Retained Profits RM'000	Total Equity RM'000
Balance at 1.10.2010		77,280	29,482	(4,039)	11,105	113,828
Total comprehensive income for the financial year		-	-	-	3,990	3,990
Dividends	28	-	-	-	(10,724)	(10,724)
Reversal of expenses incurred in respect of the Bonus Issue and transfer to Main Market in prior financial year		-	334	-	-	334
Purchase of own shares		-	-	(782)	-	(782)
Share dividend		-	(4,623)	4,623	-	-
Balance at 30.9.2011/1.10.2011		77,280	25,193	(198)	4,371	106,646
Total comprehensive income for the financial year		-	-	-	42,105	42,105
Dividend	28	-	-	-	(2,649)	(2,649)
Purchase of own shares		-	-	(7,630)	-	(7,630)
Bonus issue		57,929	(25,193)	-	(32,736)	-
Conversion of warrants		*	*	-	-	#
Balance at 30.9.2012		135,209	*	(7,828)	11,091	138,472

* denotes RM57.50

denotes RM115

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

STATEMENTS OF CASH FLOWS

For the financial year ended 30 September 2012

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	57,322	55,808	41,993	5,112
Adjustments for:				
Allowance for impairment losses on trade receivables	10	18	-	-
Depreciation of property, plant and equipment	34,780	31,488	61	87
Fair value (gain)/loss on derivatives	(529)	640	-	-
Interest expense	4,488	5,550	522	418
Inventories written off	2,567	255	-	-
Plant and equipment written off	4,474	6	-	-
Expenses incurred in respect of the Bonus Issue and transfer to Main Market in prior financial year	-	334	-	334
Dividend income	-	-	(42,763)	(7,078)
Gain on disposal of plant and equipment	(34)	(220)	-	-
Interest income	(242)	(306)	(535)	(508)
Reversal of allowance for impairment losses on trade receivables	-	(235)	-	-
Unrealised foreign currency translation (gain)/loss	(466)	(2,488)	(551)	642
Reversal of inventories written down	-	(77)	-	-
Operating profit/(loss) before working capital changes	102,370	90,773	(1,273)	(993)
Increase in inventories	(14,839)	(8,647)	-	-
Decrease/(Increase) in trade and other receivables	3,254	(4,750)	-	1
Increase/(Decrease) in trade and other payables	13,527	(17,863)	515	215
CASH FROM/(FOR) OPERATIONS	104,312	59,513	(758)	(777)
Interest paid	(4,488)	(5,550)	(522)	(418)
Tax refunded/(paid)	1,014	(4,607)	(90)	(91)
NET CASH FROM/(FOR) OPERATING ACTIVITIES AND BALANCE CARRIED FORWARD	100,838	49,356	(1,370)	(1,286)

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

STATEMENTS OF CASH FLOWS

For the financial year ended 30 September 2012 (cont'd)

	Note	The Group		The Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
BALANCE BROUGHT FORWARD		100,838	49,356	(1,370)	(1,286)
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Dividend received		-	-	42,763	6,120
Interest received		242	306	535	508
Purchase of property, plant and equipment	29	(72,077)	(40,151)	-	(1)
Proceeds from disposal of plant and equipment		250	1,410	-	-
Investment in a subsidiary		-	-	(1,103)	-
Acquisition of shares in an existing subsidiary from non-controlling interests		(1,000)	-	-	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(72,585)	(38,435)	42,195	6,627
CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES					
Advances to subsidiaries		-	-	(35,863)	(15,028)
Dividends paid		(2,649)	(10,724)	(2,649)	(10,724)
Repayment of hire purchase and lease obligations		(17,355)	(15,739)	-	-
Drawdown of term loan		26,211	17,374	1,809	17,374
Proceeds from issuance of shares		*	-	*	-
Repayment of term loans		(12,639)	(11,530)	(2,562)	(2,606)
Treasury shares		(7,630)	(782)	(7,630)	(782)
NET CASH (FOR)/FROM FINANCING ACTIVITIES		(14,062)	(21,401)	(46,895)	(11,766)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		14,191	(10,480)	(6,070)	(6,425)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		24,229	35,259	7,951	14,376
Foreign exchange translation differences		(1,574)	(550)	-	-
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	30	36,846	24,229	1,881	7,951

* denotes RM115

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office : Lot 6.05, Level 6,
KPMG Tower, 8 First Avenue,
Bandar Utama,
47800 Petaling Jaya,
Selangor Darul Ehsan.

Principal place of business : Lot 6123, Jalan Haji Salleh,
Batu 5½, Jalan Meru,
41050 Klang,
Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 10 January 2013.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are 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.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Financial Reporting Standards ("FRS") and the Companies Act 1965 in Malaysia.

- (a) During the current financial year, the Group has adopted the following new accounting standards and interpretations (including the consequential amendments):-

FRSs and IC Interpretations (including the Consequential Amendments)

Amendments to FRS 1 (Revised): Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 1 (Revised): Additional Exemptions for First-time Adopters

Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions

Amendments to FRS 7: Improving Disclosures about Financial Instruments

IC Interpretation 4 Determining Whether An Arrangement Contains a Lease

IC Interpretation 18 Transfers of Assets from Customers

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

3. BASIS OF PREPARATION (cont'd)

(a) FRSs and IC Interpretations (including the Consequential Amendments) (cont'd)

IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments

Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement

Annual Improvement to FRSs (2010)

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Company's financial statements, other than the following:-

Amendments to FRS7

Amendments to FRS 7 expand the disclosure requirements in respect of fair value measurements and liquidity risk. In particular, the amendments require additional disclosure of fair value measurements by level of a fair value measurement hierarchy, as shown in Note 39(e) to the financial statements. Comparatives are not presented by virtue of the exemption given in the amendments.

Annual Improvements 2010

Annual Improvements to FRSs (2010) contain amendments to 11 accounting standards that result in accounting changes for presentation, recognition or measurement purposes. These amendments have no material impact on the financial statements of the Group upon their initial application.

Furthermore, the amendments to FRS 101 (Revised) also clarify that an entity may choose to present the analysis of the items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The Group has chosen to present the items of other comprehensive income in the statement of changes in equity.

- (b) The Group has not applied in advance the following accounting standards and interpretations (including the consequential amendments) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

FRSs and IC Interpretations (including the Consequential Amendments)	Effective Date
FRS 9 Financial Instruments	1 January 2015
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 (Revised) Employee Benefits	1 January 2013
FRS 124 (Revised) Related Party Disclosures	1 January 2012
FRS 127 (2011) Separate Financial Statements	1 January 2013
FRS 128 (2011) Investments in Associates and Joint Ventures	1 January 2013
Amendments to FRS 1 (Revised): Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 1 (Revised): Government Loans	1 January 2013

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

3. BASIS OF PREPARATION (cont'd)

(b) FRSs and IC Interpretations (including the Consequential Amendments) (cont'd)	Effective Date
Amendments to FRS 7: Disclosures - Transfers of Financial Assets	1 January 2012
Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures	1 January 2015
Amendments to FRS 10, FRS 11 and FRS 12: Transition Guidance	1 January 2013
Amendments to FRS 101 (Revised): Presentation of Items of Other Comprehensive Income	1 July 2012
Amendments to FRS 112: Recovery of Underlying Assets	1 January 2012
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Annual Improvements to FRSs (2012)	1 January 2013
(c) The Group's next set of financial statements for the annual period beginning on 1 October 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB that will also comply with International Financial Reporting Standards. As a result, the Group will not be adopting the above accounting standards and interpretations.	
(d) The adoption of MFRSs in the next financial year is expected to have no material impact on the financial statements of the Group upon their initial application.	

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Critical Accounting Estimates And Judgements

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below.

(i) Depreciation of Property, Plant and Equipment

The Group reviews annually the estimated useful lives and residual values of property, plant and equipment based on factors such as business plan and strategies, expected level of usage, future technological developments and market prices.

Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives and residual values of property, plant and equipment in particular the residual value of certain plant and machinery, would increase the recorded depreciation and decrease the net carrying value of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Critical Accounting Estimates And Judgements (cont'd)

(ii) *Income Taxes*

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises 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.

(iii) *Impairment of Non-financial Assets*

When the recoverable amount of an 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.

(iv) *Allowance 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.

(v) *Impairment of Trade and Other Receivables*

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its loan and receivables financial assets and analyses historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment terms when making a judgment to evaluate the adequacy of the allowance for impairment losses. 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. If the expectation is different from the estimation, such difference will impact the carrying value of receivables.

(vi) *Fair Value Estimates for Certain Financial Assets and Liabilities*

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and equity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 30 September 2012.

A subsidiary is defined as a company in which the parent company has the power, directly or indirectly, to exercise control over the financial and operating policies so as to obtain benefits from its activities.

All subsidiaries are consolidated using the purchase method. Under the purchase method, the results of the subsidiaries acquired or disposed of are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the consolidated financial statements. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

Intragroup transactions, balances and unrealised gains on transactions are eliminated, unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Non-controlling interests in the consolidated statement of financial position consist of the minorities' share of fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition and the minorities' share of movements in the acquiree's equity.

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the Company's shareholders' equity, and are separately disclosed in the consolidated statement of comprehensive income. Transactions with non-controlling interests are accounted for as transactions with owners. Gain or loss on disposal to non-controlling interests is recognised directly in equity.

(c) Functional and Foreign Currencies

(i) *Functional and Presentation Currency*

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) *Transactions and Balances*

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period 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 recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Functional and Foreign Currencies (cont'd)

(iii) Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at exchange rates ruling at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under currency translation reserve. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to profit or loss.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period.

(d) Financial Instruments

Financial instruments are recognised in the statement of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statement of financial position are disclosed in the individual policy statement associated with each item.

(i) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate.

- *Financial Assets at Fair Value Through Profit or Loss*

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognise the inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Financial Instruments (cont'd)

(i) Financial Assets (cont'd)

- *Financial Assets at Fair Value Through Profit or Loss (cont'd)*

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established.

- *Held-to-maturity Investments*

As at the end of the reporting period, there were no financial assets classified under this category.

- *Loans and Receivables Financial Assets*

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

- *Available-for-sale Financial Assets*

As at the end of the reporting period, there were no financial assets classified under this category.

(ii) Financial Liabilities

All financial liabilities are initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

(iii) Equity Instruments

Instruments classified as equity are measured at cost and are not remeasured subsequently.

- *Ordinary Shares*

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(d) Financial Instruments (cont'd)

(iii) Equity Instruments (cont'd)

• Treasury Shares

When the Company's own shares recognised as equity are bought back, the amount of the consideration paid, including all costs directly attributable, are recognised as a deduction from equity. Own shares purchased that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity. Where such shares are subsequently sold or reissued, any consideration received, net of any direct costs, is included in equity.

Where such shares are subsequently sold or reissued, any consideration received, net of any direct costs, is included in equity.

(iv) Hedge Activities

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks. None of its derivative financial instruments are designated as hedges and accordingly, the Group does not apply hedge accounting.

(e) Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that their carrying values may not be recoverable.

On the disposal of the investment in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(f) Property, Plant and Equipment

Property, plant and equipment other than freehold land, are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any, and is not depreciated.

Depreciation is calculated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Factory buildings	2% - 11%
Factory equipment and machinery	10% - 25%
Furniture, fittings and office equipment	10% - 30%
Motor vehicles	20%
Renovation	20%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(f) Property, Plant and Equipment (cont'd)

The depreciation method, useful life and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

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

Capital work-in-progress represents assets under construction, and which are not ready for commercial use at the end of the reporting period. Capital work-in-progress is stated at cost, and will be transferred to the relevant category of long term assets and depreciated accordingly when the assets are completed and ready for commercial use.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these plant and equipment.

(g) Impairment

(i) *Impairment of Financial Assets*

All financial assets (other than those categorised at fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(g) Impairment (cont'd)

(ii) *Impairment of Non-Financial Assets*

The carrying values of assets, other than those to which FRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited to other comprehensive income. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statements of comprehensive income, a reversal of that impairment loss is recognised as income in the statements of comprehensive income.

(h) Assets under Hire Purchase

Assets acquired under hire purchase are capitalised in the financial statements and are depreciated in accordance with the policy set out in Note 4(f) above. Each hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. Finance charges are recognised in profit or loss over the period of the respective hire purchase agreements.

(i) Assets Under Finance Leases

Leases of plant and equipment where substantially all the benefits and risks of ownership are transferred to the Group are classified as finance leases.

Plant and equipment acquired under finance leases are capitalised as long-term assets, based on the lower of the fair value of the leased plant and equipment or present value of the minimum lease payments at the inception of the lease.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding obligations due under the finance lease after deducting finance charges are included as liabilities in the financial statements.

Finance charges are allocated to the statements of comprehensive income over the period of the respective lease agreements.

Plant and equipment acquired under finance leases are depreciated over the useful lives of the assets. If there is no reasonable certainty that the ownership will be transferred to the Group, the assets are depreciated over the shorter of the lease terms and their useful lives.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis, and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress includes the cost of materials, direct labour and an appropriate proportion of production overheads.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

Where necessary, due allowance is made for all damaged, obsolete and slow-moving items.

(k) Purchase of Own Shares

When the share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity and is not re-valued for subsequent changes in the fair value or market price of shares. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity.

Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or distributable reserves, or both.

Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(l) Borrowing Costs

Borrowing costs, directly attributable to the acquisition and construction of property, plant and equipment are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they incurred.

(m) Income Taxes

Income taxes for the financial year comprise current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(m) Income Taxes (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

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 transactions either in other comprehensive income or directly in equity.

(n) Operating Segments

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

(o) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions, bank overdrafts 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.

(p) Employee Benefits

(i) Short-term Benefits

Wages, salaries, paid annual leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(q) Related Parties

A party is related to an entity if:-

- (i) directly, or indirectly through one or more intermediaries, the party:-
 - controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - has an interest in the entity that gives it significant influence over the entity; or
 - has joint control over the entity;
- (ii) the party is an associate of the entity;
- (iii) the party is a joint venture in which the entity is a venturer;
- (iv) the party is a member of the key management personnel of the entity or its parent;

A party is related to an entity if:-

- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(r) Contingent Liabilities and Contingent Assets

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

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

A contingent asset is a probable 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(s) Revenue Recognition

(i) *Sale of Goods And Services Rendered*

Sales are recognised upon the transfer of risks and rewards to the customers or the acceptance of services rendered and where applicable, net of returns and trade discounts.

(ii) *Dividend Income*

Dividend income from investment in subsidiaries is recognised upon declaration by the subsidiaries.

(iii) *Management Fee*

Management fee from subsidiaries are accounted for on an accrual basis.

(iv) *Interest Income*

Interest income is recognised on an accrual basis, based on the effective yield of the investment.

5. INVESTMENT IN SUBSIDIARIES

	The Company	
	2012 RM'000	2011 RM'000
Unquoted investment, at cost:		
At 1 October 2011/2010	54,000	54,000
Additions during the financial year	1,103	-
At 30 September	55,103	54,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

5. INVESTMENT IN SUBSIDIARIES (cont'd)

Details of the subsidiaries are as follows:-

Name of Company	Country of Incorporation	Effective Equity Interest		Principal Activities
		2012 %	2011 %	
Notion Venture Sdn. Bhd.	Malaysia	100	100	Design and volume production of high precision metal machining of hard disk drive, computer, consumer electronics and electrical and automotive industries' components, and related research and development activities.
Autic Mekki Sdn. Bhd.*	Malaysia	100	100	Provision of surface treatment, electrolysis nickel plating, chrome plating, electro-plating and anodizing metal or like substances.
Intech Precision Sdn. Bhd.	Malaysia	100	100	Dormant.
NV Technology Sdn. Bhd.	Malaysia	100	100	Dormant.
Diaphragm Tech Sdn. Bhd.	Malaysia	100	100	Dormant.
Notion (Thailand) Co., Ltd.†	Thailand	100	100	Design and manufacture of precision components.
Notion HiTec Sdn. Bhd.	Malaysia	100	100	Dormant.
Kaiten Precision (M) Sdn. Bhd.	Malaysia	100	90	Design and development leading to the mass production of high precision microparts and related research and development activities.
Swiss Impression Sdn. Bhd.	Malaysia	70	70	Design of tooling and volume manufacturing of precision appearance parts using progressive die stamping for digital cameras, motion picture experts group audio layer 3 ("MP3") players and other consumer electronic devices.
Notion Venture (Hong Kong) Limited†	Hong Kong	100	-	Dormant.

* held through Notion Venture Sdn. Bhd.

† not audited by Messrs. Crowe Horwath.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

6. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.10.2011	Additions	Disposals/ Write Off	Transfers	Depreciation Charge	Foreign Currency Translation Reserve	At 30.9.2012
Net Carrying Amount	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold land and buildings	42,329	18,692	-	-	(988)	1,255	61,288
Factory equipment and machinery	193,861	63,698	(4,365)	-	(28,540)	(1,652)	223,002
Furniture, fittings and office equipment	8,707	2,393	(292)	-	(1,939)	(54)	8,815
Motor vehicles	2,336	388	(33)	-	(745)	(14)	1,932
Renovation	7,268	5,981	-	6,124	(2,568)	(33)	16,772
Capital work-in-progress	9,423	4,702	-	(6,124)	-	-	8,001
Total	263,924	95,854	(4,690)	-	(34,780)	(498)	319,810

The Group	At 1.10.2010	Additions	Disposals/ Write Off	Depreciation Charge	Foreign Currency Translation Reserve	At 30.9.2011
Net Carrying Amount	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Freehold land and buildings	42,360	989	-	(928)	(92)	42,329
Factory equipment and machinery	194,956	26,525	(1,187)	(26,239)	(194)	193,861
Furniture, fittings and office equipment	7,782	2,914	(9)	(1,938)	(42)	8,707
Motor vehicles	2,068	984	-	(712)	(4)	2,336
Renovation	4,364	4,568	-	(1,671)	7	7,268
Capital work-in-progress	-	9,423	-	-	-	9,423
Total	251,530	45,403	(1,196)	(31,488)	(325)	263,924

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

6. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Group At 30.9.2012	Cost RM'000	Accumulated Depreciation RM'000	Net Carrying Amount RM'000
Freehold land and buildings	64,912	(3,624)	61,288
Factory equipment and machinery	358,512	(135,510)	223,002
Furniture, fittings and office equipment	17,209	(8,394)	8,815
Motor vehicles	5,551	(3,619)	1,932
Renovation	22,586	(5,814)	16,772
Capital work-in-progress	8,001	-	8,001
Total	476,771	(156,961)	319,810

At 30.9.2011

Freehold land and buildings	46,220	(3,891)	42,329
Factory equipment and machinery	299,825	(105,964)	193,861
Furniture, fittings and office equipment	15,125	(6,418)	8,707
Motor vehicles	5,199	(2,863)	2,336
Renovation	10,481	(3,213)	7,268
Capital work-in-progress	9,423	-	9,423
Total	386,273	(122,349)	263,924

The Company Net Carrying Amount	At 1.10.2011 RM'000	Depreciation Charge RM'000	At 30.9.2012 RM'000
Furniture, fittings and office equipment	2	(1)	1
Motor vehicles	85	(60)	25
Total	87	(61)	26

	At 1.10.2010 RM'000	Addition RM'000	Depreciation Charge RM'000	At 30.9.2011 RM'000
Furniture, fittings and office equipment	2	1	(1)	2
Motor vehicles	171	-	(86)	85
Total	173	1	(87)	87

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

6. PROPERTY, PLANT AND EQUIPMENT (cont'd)

The Company At 30.9.2012	Cost RM'000	Accumulated Depreciation RM'000	Net Carrying Amount RM'000
Furniture, fittings and office equipment	12	(11)	1
Motor vehicles	428	(403)	25
Total	440	(414)	26
At 30.9.2011			
Furniture, fittings and office equipment	12	(10)	2
Motor vehicles	428	(343)	85
Total	440	(353)	87

Assets held under hire purchase and lease terms and term loans

Included in the net carrying amount of property, plant and equipment at the end of the reporting period were the following assets acquired under hire purchase and lease terms and by term loans respectively:-

	The Group	
	2012 RM'000	2011 RM'000
<u>Hire purchase and lease</u>		
Factory equipment and machinery	64,568	60,857
<u>Term loans</u>		
Freehold land and buildings	25,155	7,822
Factory equipment and machinery	45,789	42,875

Assets pledged as security

Property, plant and equipment of the Group pledged as security for banking facilities granted to certain subsidiaries are as follows:-

	The Group	
	2012 RM'000	2011 RM'000
<u>At net carrying amount</u>		
Factory equipment and machinery	45,789	42,875
Freehold land and buildings	25,155	7,822

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

7. INVENTORIES

	The Group	
	2012 RM'000	2011 RM'000
At cost:		
Raw materials	23,138	16,892
Work-in-progress	12,122	11,429
Finished goods	20,341	14,653
	55,601	42,974
At net realisable value:-		
Finished goods	630	985
	56,231	43,959

8. TRADE RECEIVABLES

	The Group	
	2012 RM'000	2011 RM'000
Gross trade receivables	57,994	61,190
Allowance for impairment losses:		
At 1 October 2011/2010	(58)	(275)
Increase during the financial year	(10)	(18)
Reversal during the financial year	-	235
At 30 September	(68)	(58)
Net trade receivables	57,926	61,132

The Group's normal trade credit terms range from 30 to 90 days. Other credit terms are assessed and approved on a case-by-case basis.

9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Other receivables	1,154	3,830	-	-
Deposits	4,193	3,018	-	-
Prepayments	2,941	1,933	-	-
	8,288	8,781	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

10. DERIVATIVE ASSETS/(LIABILITIES)

	The Group			
	Contract/Notional Amount		Assets/(Liabilities)	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Forward currency contracts:				
- US Dollar	139,600	359,796	522	1,002
- Euro	7,200	28,096	8	231
	146,800	387,892	530	1,233
Commodity future contracts	-	6,615	-	(1,247)
	146,800	394,507	530	(14)

The Group does not apply hedge accounting.

Forward currency contracts are used to mitigate the effects of foreign exchange fluctuations as the Group's sales is denominated in United States Dollar or the Euro for which firm commitments existed at the end of the reporting period. The duration of these contracts are typically 12 to 24 months from the date of the contract with an early settlement "knock-out" feature.

Commodity derivative contracts are used to manage and hedge the Group's exposure to the adverse price movements of the quoted aluminium price in the London Metal Exchange.

The method and assumptions applied in determining the fair value of these derivatives are disclosed in Note 39(d)(iv) to the financial statements.

11. AMOUNT OWING BY/(TO) SUBSIDIARIES

The amounts owing are non-trade in nature and unsecured, and are in respect of interest-free advances and payments made on behalf. The amounts owing are repayable within the next twelve months and are to be settled in cash.

12. SHORT-TERM DEPOSITS WITH LICENSED BANKS

The interest rates of the short-term deposits of the Group and of the Company at the end of the reporting period ranged from 0.23% to 3.33% (2011 - 1.9% to 2.8%) and 2.70% (2011 - 2.1% to 2.8%) per annum respectively. The maturity period of the short-term deposits of the Group and of the Company ranged from 30 to 365 days (2011 - 10 to 365 days) and 30 days (2011 - 10 days to 30 days) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

13. SHARE CAPITAL

	The Company			
	2012	2011	2012	2011
	Number Of Ordinary Shares ('000)		RM'000	RM'000
Authorised				
Ordinary shares of RM0.50 each	1,000,000	1,000,000	500,000	500,000
Issued And Fully Paid:				
Ordinary shares of RM0.50 each:				
At 1 October 2011/2010	154,561	154,561	77,280	77,280
Bonus issue	115,857	-	57,929	-
Conversion of warrants	*	-	#	-
At 30 September	270,418	154,561	135,209	77,280

* denotes 115

denotes RM57

14. SHARE PREMIUM

	The Group And The Company	
	2012	2011
	RM'000	RM'000
At 1 October 2011/2010	25,193	29,482
Bonus Issue	(25,193)	-
Premium arising from conversion of warrants	*	-
Reversal of expenses in respect of the Bonus Issue and transfer to Main Board in prior financial year	-	334
Share dividend distributed on the basis of 13 treasury shares for every 1,000 ordinary shares held	-	(4,623)
At 30 September	*	25,193

* denotes RM57

The share premium account is not distributable by way of cash dividends but may be utilised in the manner set out in Section 60(3) of the Companies Act 1965 in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

15. TREASURY SHARES

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting held on 20 March 2012, granted their approval for the Company's plan to repurchase its own ordinary shares. The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company purchased from the open market, 6,279,600 units of its own shares through purchases on the Main Market of Bursa Malaysia Securities Berhad at an average buy-back price of RM1.22 per ordinary share. The total consideration paid for acquisition of the shares was RM7,630,276 and was financed by internally generated funds. The repurchased shares were held as treasury shares in accordance with Section 67A of the Companies Act 1965 in Malaysia.

As at 30 September 2012, the Company held 6,364,548 repurchased shares as treasury shares out of its total issued and paid up share capital of 270,418,065 ordinary shares of RM0.50 each. Such treasury shares were held at a carrying amount of RM7,828,269.

16. RETAINED PROFITS

Subject to the agreement of the tax authorities, at the end of the reporting period, the Company has sufficient tax credits under Section 108 of the Income Tax Act, 1967 and tax-exempt income to frank the payment of dividends out of its entire retained profits without incurring any additional tax liabilities.

At the end of the reporting period, the Company has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, the Company will automatically move to the single tier tax system. Under the single tier tax system, tax on the Company's profit is a final tax, and dividends distributed to the shareholders will be exempted from tax.

17. LONG-TERM BORROWINGS

	The Group		The Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Hire purchase and lease payables (Note 21)	17,183	19,910	-	-
Term loans (Note 21)	46,930	38,262	10,205	11,773
	64,113	58,172	10,205	11,773

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

18. DEFERRED TAXATION

	The Group	
	2012 RM'000	2011 RM'000
At 1 October 2011/2010	16,323	12,246
Recognised in profit or loss (Note 25)	3,413	4,077
At 30 September	19,736	16,323

The deferred taxation is attributable to temporary differences between depreciation and capital allowances on qualifying capital expenditure.

No deferred tax assets have been recognised as follows:-

	The Group	
	2012 RM'000	2011 RM'000
Unutilised tax losses	4	2
Unabsorbed capital allowances	1,125	364
	1,129	366

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profit of the subsidiaries will be available against which the deductible temporary differences can be utilised.

19. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 90 days.

20. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Other payables	21,051	12,994	663	157
Accruals	8,000	7,229	429	420
	29,051	20,223	1,092	577

Included in the other payables of the Group is an amount of RM9,243,784 (2011 - RM2,876,682) in respect of the acquisition of plant and equipment during the financial year.

The said amount is owing to third party suppliers pending financing via hire purchase and term loan arrangements which were only completed subsequent to the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

21. SHORT-TERM BORROWINGS AND BANK OVERDRAFT

Short-term borrowings comprise the following:-

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Bills payable	4,198	5,469	-	-
Hire purchase and lease payables	16,371	16,364	-	-
Term loans	16,796	12,622	3,901	3,637
	37,365	34,455	3,901	3,637

The bank overdraft and bills payable are secured by corporate guarantees issued by the Company.

The hire purchase and lease payables and term loans are secured as follows:-

- (a) by legal charges over certain property, plant and equipment belonging to certain subsidiaries of the Company; and
- (b) by corporate guarantees issued by the Company.

Details of the hire purchase and lease payables outstanding at the end of the reporting period are as follows:-

	The Group	
	2012 RM'000	2011 RM'000
Minimum hire purchase and lease payments:		
- not later than one year	18,155	18,208
- later than one year and not later than five years	18,583	20,933
	36,738	39,141
Less: Future finance charges	3,184	2,867
Present value of hire purchase and lease payables	33,554	36,274
Current portion:		
- not later than one year	16,371	16,364
Non-current portion:		
- later than one year and not later than five years (Note 17)	17,183	19,910
	33,554	36,274

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

21. SHORT-TERM BORROWINGS AND BANK OVERDRAFT (cont'd)

The term loans are repayable as follows:-

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Term loans	63,726	50,884	14,106	15,410
Portion repayable within twelve months	(16,796)	(12,622)	(3,901)	(3,637)
Portion repayable after twelve months (Note 17)	46,930	38,262	10,205	11,773

Details of the term loans outstanding at the end of the reporting period are as follows:-

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current portion:				
- repayable within one year	16,796	12,622	3,901	3,637
Non-current portion:				
- repayable between one to two years	17,519	12,957	3,779	7,273
- repayable between two to five years	29,411	25,305	6,426	4,500
Total non-current portion	46,930	38,262	10,205	11,773
	63,726	50,884	14,106	15,410

Details of the term loans outstanding at the end of the reporting period are as follows:-

	Number of Instalments	Instalment Amount RM	Date of Commencement of Repayment	Amount Outstanding at the End of the Reporting Period			
				The Group		The Company	
				2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Term loan 1	84	75,000	May 2009	2,350	3,250	-	-
Term loan 2	60	315,396	March 2010	8,787	11,852	-	-
Term loan 3	60	116,724	May 2010	3,391	4,516	-	-
Term loan 4	60	89,125	June 2010	2,627	3,484	-	-
Term loan 5	#	797,500	August 2010	8,851	12,372	-	-
Term loan 6	#	944,775	March 2011	14,106	15,410	14,106	15,410
Term loan 7	84	197,000	September 2012	15,712	-	-	-
Term loan 8	60	155,917	October 2012	7,902	-	-	-
				63,726	50,884	14,106	15,410

payable on a quarterly basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

22. NET ASSETS PER ORDINARY SHARE

The net assets per ordinary share of the Group is calculated based on the net assets value at the end of the reporting period of approximately RM305,878,000 (2011 - RM268,794,000) divided by the number of ordinary shares in issue at the end of the reporting period of 264,053,000 (2011 - 154,476,000) excluding treasury shares held by the Company.

23. REVENUE

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Revenue represents:				
Invoiced value of goods sold and services rendered less discounts and returns	308,827	236,767	-	-
Dividend income	-	-	42,763	7,078
Management fee	-	-	1,716	1,884
	308,827	236,767	44,479	8,962

24. PROFIT BEFORE TAXATION

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

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Allowance for impairment losses on trade receivables	10	18	-	-
Auditors' remuneration:				
- statutory audit	177	156	43	41
- non-statutory audit	32	7	-	-
- underprovision in the previous financial year	14	14	-	5
Depreciation of property, plant and equipment	34,780	31,488	61	87
Directors' remuneration:				
- fee	144	126	144	126
- other emoluments	2,354	2,347	1,582	1,530
Fair value (gain)/loss on derivatives	(529)	640	-	-
Interest expense:				
- bank overdraft	82	42	-	-
- bills payable	147	174	-	-
- hire purchase and lease	2,228	2,872	-	-
- term loans	2,031	2,462	522	418
Inventories written off:				
- due to flood damage	2,302	-	-	-
- others	265	255	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

24. PROFIT BEFORE TAXATION (cont'd)

Profit before taxation is arrived at after charging/(crediting):- (cont'd)

	The Group		The Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Loss on foreign currency:				
- realised:				
- translation	570	264	90	218
- unrealised:				
- translation	-	-	-	642
Plant and equipment written off:				
- due to flood damage	4,474	-	-	-
- others	-	6	-	-
Preliminary expenses written off	38	-	-	-
Rental of premises	109	113	-	-
Rental of office equipment	6	-	-	-
Staff costs:				
- salaries, bonuses and wages	35,308	32,095	361	410
- defined contribution plan	1,530	1,132	49	41
Dividend income (gross)	-	-	(42,763)	(7,078)
Gain on disposal of plant and equipment	(34)	(220)	-	-
Gain on foreign currency:				
- realised:				
- translation	(3,237)	(373)	-	(7)
- derivative contract	(2,544)	(7,036)	-	-
- unrealised:				
- translation	(466)	(2,488)	(551)	-
Interest income	(242)	(306)	(535)	(508)
Rental income	(2)	-	-	-
Reversal of allowance for impairment losses on trade receivables	-	(235)	-	-
Reversal of inventories written down	-	(77)	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

25. INCOME TAX EXPENSE

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current tax expense:				
- for the financial year	4,447	3,978	16	1,121
- under/(over) provision in the previous financial year	213	219	(128)	1
	4,660	4,197	(112)	1,122
Deferred tax expense (Note 18):				
- for the financial year	2,694	3,857	-	-
- underprovision in the previous financial year	719	220	-	-
	3,413	4,077	-	-
	8,073	8,274	(112)	1,122

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Profit before taxation	57,322	55,808	41,993	5,112
Tax at the statutory tax rate of 25%	14,331	13,952	10,498	1,278
Tax effects of:				
Non-deductible expenses:				
- depreciation on non-qualifying assets	351	148	-	16
- expenses disallowed for tax purposes	1,541	958	367	671
Non-taxable income	(294)	(355)	(10,849)	(844)
Under/(Over) provision in the previous financial year:				
- income tax	213	219	(128)	1
- deferred tax	719	220	-	-
Deferred tax assets not recognised during the financial year	223	164	-	-
Reinvestment allowances	(9,011)	(7,032)	-	-
Income tax expense for the financial year	8,073	8,274	(112)	1,122

Subject to agreement with the tax authorities, the Group has unabsorbed capital allowances, unutilised tax losses and unutilised reinvestment allowances of approximately RM4,499,000 (2011 - RM1,455,000), RM16,000 (2011 - RM8,000) and RM6,877,000 (2011 - RM529,000) respectively at the end of the reporting period available for offset against future taxable business income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

26. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the consolidated profit after taxation attributable to owners of the Company for the financial year divided by the weighted average number of ordinary shares of RM0.50 each in issue during the financial year excluding the treasury shares held by the Company.

	The Group	
	2012 RM'000	2011 RM'000
Profit after taxation attributable to owners of the Company	49,264	47,464
Number of ordinary shares at beginning of the financial year ('000)	154,561	154,561
Effect of purchase of own shares and held as treasury shares ('000)	(1,101)	(997)
Effect of bonus issue ('000)	115,857	115,857
Weighted average number of ordinary shares in issue ('000)	269,317	269,421
Basic earnings per share (sen)	18.3	17.6

The basic earnings per share was arrived at by dividing the consolidated profit after taxation attributable to owners of the Company of approximately RM49,264,000 (2011 - RM47,464,000) by the following weighted average number of ordinary shares in issue and issuable during the financial year.

	The Group	
	2012 '000	2011 '000
Weighted average number of ordinary shares of basic earnings per share	269,317	269,421
Effect of dilution:		
- conversion of Warrants-A	4,351	-
- conversion of Warrants-B	5,710	-
	279,378	269,421
Diluted earnings per share (sen)	17.6	N/A

The diluted earnings per share is not presented for 2011 as the effect of the issuable shares arising from the assumed conversion of the warrants would be anti-dilutive as the market price for the share is below the warrant exercise price.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

27. DIVIDENDS PER SHARE

	The Company	
	2012 Sen	2011 Sen
<u>In respect of the financial year ended 30 September 2010:</u>		
Interim tax-exempt dividend of 4.5 sen per ordinary share of RM0.50 each, paid on 13 January 2011	-	4.5
<u>In respect of the financial year ended 30 September 2011:</u>		
First interim dividend of 2.0 sen per ordinary share of RM0.50 each less 25% tax, paid on 10 June 2011	-	2.0
Second interim tax-exempt dividend of 1.0 sen per ordinary share of RM0.50 each, paid on 10 June 2011	-	1.0
<u>In respect of the financial year ended 30 September 2012:</u>		
Interim tax-exempt dividend of 1.0 sen per ordinary share of RM0.50 each, paid on 19 September 2012	1.0	-
	1.0	7.5

28. DIVIDENDS

	The Company	
	2012 RM'000	2011 RM'000
Interim tax-exempt dividend of 4.5 sen per ordinary share of RM0.50 each in respect of the financial year ended 30 September 2010	-	6,862
First interim dividend of 2.0 sen per ordinary share of RM0.50 each less 25% tax in respect of the financial year ended 30 September 2011	-	2,317
Second interim tax-exempt dividend of 1.0 sen per ordinary share of RM0.50 each in respect of the financial year ended 30 September 2011	-	1,545
Interim tax-exempt dividend of 1.0 sen per ordinary share of RM0.50 each for the current financial year	2,649	-
	2,649	10,724

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

29. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cost of property, plant and equipment acquired	95,854	45,403	-	1
Amount financed through hire purchase and lease	(14,534)	(2,376)	-	-
Amount owing to plant and equipment suppliers	(9,243)	(2,876)	-	-
Cash disbursed for purchase of property, plant and equipment	72,077	40,151	-	1

30. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Short-term deposits with licensed banks	2,360	10,884	383	4,462
Cash and bank balances	36,651	13,446	1,498	3,489
Bank overdraft	(2,165)	(101)	-	-
	36,846	24,229	1,881	7,951

31. DIRECTORS' REMUNERATION

- (a) The aggregate amounts of emoluments received and receivable by directors of the Group and the Company during the financial year are as follows:-

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Executive directors:				
- non-fee emoluments	2,062	2,081	1,374	1,347
- defined contribution plan	253	232	169	149
	2,315	2,313	1,543	1,496
Non-executive directors:				
- fee	144	126	144	126
- allowance	39	34	39	34
	183	160	183	160
Total directors' remuneration	2,498	2,473	1,726	1,656

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

31. DIRECTORS' REMUNERATION (cont'd)

- (a) The aggregate amounts of emoluments received and receivable by directors of the Group and the Company during the financial year are as follows:- (cont'd)

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Represented by:				
Directors' fee	144	126	144	126
Directors' non-fee emoluments	2,354	2,347	1,582	1,530
	2,498	2,473	1,726	1,656

- (b) Details of directors' emoluments of the Group received and receivable for the financial year in bands of RM50,000 are as follows :-

	Number Of Directors	
	2012	2011
Executive directors:		
RM300,001 - RM350,000	-	1
RM350,001 - RM400,000	3	-
RM400,001 - RM450,000	1	3
RM700,001 - RM750,000	-	1
RM750,001 - RM800,000	1	-
Non-executive directors:		
Less than or equal to RM100,000	3	3
	8	8

32. SIGNIFICANT RELATED PARTY DISCLOSURES

- (a) Identities of related parties

The Company has related party relationships with:-

- (i) its subsidiaries; and
- (ii) the directors and other members of key management personnel.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

32. SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

- (b) In addition to the information detailed elsewhere in the financial statements, the Company carried out the following significant transactions with the related parties during the financial year:-

	The Company	
	2012 RM'000	2011 RM'000
Dividend income from subsidiaries	42,763	7,078
Management fee from subsidiaries	1,716	1,884

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Key management personnel compensation:				
- short-term employee benefits	3,836	3,667	1,726	1,656
Rental expense paid to a director and a Company in which a director has a substantial financial interest	180	90	-	-

33. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group comprises the following main business segments:-

Manufacturing Manufacturer of high volume precision components and tools.

Investing Investment holding and provision of management services.

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

33. OPERATING SEGMENTS (cont'd)

BUSINESS SEGMENTS

2012	Manufacturing RM'000	Investing RM'000	Group RM'000
REVENUE			
External revenue	308,827	-	308,827
Inter-segment revenue	28,226	44,479	72,705
	337,053	44,479	381,532
Adjustments and eliminations			(72,705)
Consolidated revenue			308,827
Results			
Segments results	99,330	42,453	141,783
Adjustments and eliminations	(652)	(42,763)	(43,415)
	98,678	(310)	98,368
Interest income	119	123	242
Other items of income	6,344	-	6,344
Depreciation of property, plant and equipment	(34,720)	(60)	(34,780)
Other items of expenses	(7,611)	-	(7,611)
	62,810	(247)	62,563
Finance expenses	(4,718)	(523)	(5,241)
Income tax expense			(8,073)
Consolidated profit after taxation			49,249
ASSETS			
Segment assets	479,889	1,907	481,796
Unallocated assets			3,626
Consolidated total assets			485,422
LIABILITIES			
Segment liabilities	144,562	15,198	159,760
Deferred taxation			19,736
Consolidated total liabilities			179,496
OTHER SEGMENT ITEMS			
Additions to non-current assets other than financial instruments:			
- property, plant and equipment	95,855	-	95,855

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

33. OPERATING SEGMENTS (cont'd)

BUSINESS SEGMENTS (cont'd)

2011	Manufacturing RM'000	Investing RM'000	Group RM'000
REVENUE			
External revenue	236,767	-	236,767
Inter-segment revenue	23,090	8,962	32,052
	259,857	8,962	268,819
Adjustments and eliminations			(32,052)
Consolidated revenue			236,767
Results			
Segments results	87,635	5,432	93,067
Adjustments and eliminations	(73)	(7,078)	(7,151)
	87,562	(1,646)	85,916
Interest income	120	186	306
Other items of income	7,941	-	7,941
Depreciation of property, plant and equipment	(31,401)	(87)	(31,488)
Other items of expenses	(1,165)	-	(1,165)
	63,057	(1,547)	61,510
Finance expenses	(5,283)	(419)	(5,702)
Income tax expense			(8,274)
Consolidated profit after taxation			47,534
ASSETS			
Segment assets	395,321	8,038	403,359
Unallocated assets			9,299
Consolidated total assets			412,658
LIABILITIES			
Segment liabilities	110,321	15,987	126,308
Deferred taxation			16,323
Consolidated total liabilities			142,631
OTHER SEGMENT ITEMS			
Additions to non-current assets other than financial instruments:			
- property, plant and equipment	45,402	1	45,403

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

33. OPERATING SEGMENTS (cont'd)

BUSINESS SEGMENTS (cont'd)

(a) Other items of income consist of the following:-

	The Group	
	2012 RM'000	2011 RM'000
Fair value gain on derivatives	529	-
Gain on disposal of plant and equipment	34	220
Gain on foreign currency translations	3,237	373
Gain on foreign currency derivative contract	2,544	7,036
Reversal of allowance for impairment losses on trade receivables	-	235
Reversal of inventories written down	-	77
	6,344	7,941

(b) Other items of expenses consist of the following:-

	The Group	
	2012 RM'000	2011 RM'000
Fair value loss on derivatives	-	640
Inventories written off	2,567	255
Loss on foreign currency translations	570	264
Plant and equipment written off	4,474	6
	7,611	1,165

GEOGRAPHICAL INFORMATION

	Source of Revenue		Total Assets Employed	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Malaysia	53,664	45,664	456,059	387,426
Thailand	202,716	167,384	29,363	25,232
Belgium	18,105	5,831	-	-
Japan	15,714	23	-	-
China	4,940	11,336	-	-
United States of America	6,963	863	-	-
Others	6,725	5,666	-	-
	308,827	236,767	485,422	412,658

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

33. OPERATING SEGMENTS (cont'd)

MAJOR CUSTOMERS

Revenue from two major customers amounted to approximately RM133,206,000 (2011 - RM132,631,000) arising from the manufacturing segment.

34. FOREIGN CURRENCY RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to RM equivalent) for the translation of the foreign currency balances at the end of the reporting period are as follows:-

	The Group	
	2012 RM	2011 RM
Euro	3.93	4.32
Hong Kong Dollar	0.39	0.41
Japanese Yen	0.04	0.04
Singapore Dollar	2.49	2.46
Sterling Pound	4.94	4.97
Swiss Franc	3.26	3.54
Thai Baht	0.10	0.10
United States Dollar	3.06	3.19

35. CONTINGENT LIABILITIES

	The Company	
	2012 RM'000	2011 RM'000
Unsecured:		
(i) Corporate guarantee given to financial institutions for banking facilities granted to subsidiaries	55,982	56,454
(ii) Corporate guarantee given to financial institutions for hire purchase facilities granted to subsidiaries	33,554	36,274
	89,536	92,728

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

36. CAPITAL COMMITMENTS

	The Group	
	2012 RM'000	2011 RM'000
Capital expenditure in respect of purchase of property, plant and equipment:		
- approved and contracted for	13,491	9,100

37. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

During the financial year,

- (i) the Company acquired the remaining 10% equity interest in its subsidiary, Kaiten Precision (M) Sdn. Bhd., comprising 20,000 ordinary shares of RM1.00 each for a cash consideration of RM1,000,000. As a result of this acquisition, the Company now holds 100% (2011 - 90%) of the equity interest in the said subsidiary;
- (ii) the Company incorporated and subscribed for 250,000 ordinary shares of HKD1 each representing 100% of the equity interest in Notion Venture (Hong Kong) Limited; and
- (iii) the Company's wholly-owned subsidiary, Notion Venture Sdn. Bhd. entered into a Sale and Purchase Agreement with a third party to acquire a piece of property for a total consideration of RM17.5 million.

38. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

Subsequent to the reporting period,

- (i) the Company entered into a Settlement Agreement with a third party who had earlier initiated a legal action against the Company. The Company is required to pay a total ex-gratia settlement sum of RM250,000 as full and final settlement of the Industrial Suit and purchase 150,000 ordinary shares of RM1.00 each in Swiss Impression Sdn. Bhd., representing 30% of the equity interest in Swiss Impression Sdn. Bhd. at a total purchase consideration of RM250,000 as full and final settlement of the Civil Suit; and
- (ii) a fire occurred at a rear building of the Company's main manufacturing plant. The incident affects both the wholly-owned subsidiaries of the Company, Kaiten Precision (M) Sdn Bhd ("KPSB") and Notion Venture Sdn Bhd ("NVSB"). There is a temporary loss of capacity of about 90% for KPSB which contributes about 10% of the Group's revenue and some disruption to certain operations of NVSB. The Company is currently conducting remedial and rehabilitation works to its production facility and expects its production to be reinstated to its original operational capacity within 4 months. The financial impact due to the damage caused by the fire cannot be ascertained with reasonable accuracy as the Company is currently in the midst of ascertaining the extent of the damage with its insurer.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:-

(i) Market Risks

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currencies giving rise to this risk are primarily United States Dollar, Euro, Thai Baht and Japanese Yen. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group enters into forward foreign currency contracts to hedge against its foreign currency risk.

The Group's exposure to foreign currency risk is as follows:-

	Euro RM'000	Japanese Yen RM'000	Thai Baht RM'000	Ringgit Malaysia RM'000	United States Dollar RM'000	Total RM'000
2012						
Financial assets						
Trade receivables	5,178	110	4,427	3,115	45,096	57,926
Other receivables, deposits and prepayments	-	-	152	8,136	-	8,288
Cash and bank balances	1,393	9	1,749	13,930	19,570	36,651
	6,571	119	6,328	25,181	64,666	102,865
Financial liabilities						
Trade payables	-	-	4,180	16,102	6,784	27,066
Other payables and accruals	-	328	810	27,345	568	29,051
Term loans	-	-	-	40,591	23,135	63,726
Hire purchase payables	-	2,147	-	31,407	-	33,554
	-	2,475	4,990	115,445	30,487	153,397
Net financial assets/(liabilities)	6,571	(2,356)	1,338	(90,264)	34,179	(50,532)
Less: Net financial (assets)/ liabilities denominated in the entity's functional currencies	-	-	(1,338)	90,264	-	88,926
Currency exposure	6,571	(2,356)	-	-	34,179	38,394

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risks (cont'd)

(i) Foreign Currency Risk (cont'd)

2011	Euro RM'000	Japanese Yen RM'000	Thai Baht RM'000	Ringgit Malaysia RM'000	United States Dollar RM'000	Total RM'000
Financial assets						
Trade receivables	2,873	75	2,354	6,307	49,523	61,132
Other receivables, deposits and prepayments	-	-	832	7,949	-	8,781
Cash and bank balances	286	42	2,163	9,552	1,403	13,446
	3,159	117	5,349	23,808	50,926	83,359
Financial liabilities						
Trade payables	266	-	380	9,041	2,423	12,110
Other payables and accruals	-	1,603	2,126	15,944	550	20,223
Term loans	-	-	-	23,102	27,782	50,884
Hire purchase payables	-	4,388	-	31,886	-	36,274
	266	5,991	2,506	79,973	30,755	119,491
 Net financial assets/(liabilities)	 2,893	 (5,874)	 2,843	 (56,165)	 20,171	 (36,132)
Less: Net financial (assets)/ liabilities denominated in the entity's functional currencies	-	-	(2,843)	56,165	-	53,322
Currency exposure	2,893	(5,874)	-	-	20,171	17,190

The Group's details of the outstanding forward foreign currency contracts as at 30 September 2012 is disclosed in Note 10 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risks (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:-

	The Group	
	2012	2011
	Increase/ (Decrease)	Increase/ (Decrease)
	RM'000	RM'000
Effects on profit after taxation and equity		
Euro:		
- strengthened by 5%	329	130
- weakened by 5%	(329)	(130)
Japanese Yen:		
- strengthened by 5%	(118)	(257)
- weakened by 5%	118	257
United States Dollar:		
- strengthened by 5%	1,709	908
- weakened by 5%	(1,709)	(908)

	The Company	
	2012	2011
	Increase/ (Decrease)	Increase/ (Decrease)
	RM'000	RM'000
Effects on profit after taxation and equity		
United States Dollar:		
- strengthened by 5%	(652)	(773)
- weakened by 5%	652	773

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risks (cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from its interest-bearing borrowings. The Group's policy is to obtain the most favourable interest rate available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Information relating to the Group's exposure to the interest rate risk of the financial liabilities is disclosed in Note 39(a)(iii) to the financial statements.

Interest rate risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the interest rates as at the end of the reporting period, with all other variables held constant:-

The Group		
	2012 (Decrease)/ Increase RM'000	2011 (Decrease)/ Increase RM'000
Effects on profit after taxation		
Increase of 100 basis points (bp)	(1,036)	(927)
Decrease of 100 bp	1,036	927
Effects on equity		
Increase of 100 bp	(1,036)	(927)
Decrease of 100 bp	1,036	927

The Company		
	2012 (Decrease)/ Increase RM'000	2011 (Decrease)/ Increase RM'000
Effects on profit after taxation		
Increase of 100 basis points (bp)	(141)	(154)
Decrease of 100 bp	141	154
Effects on equity		
Increase of 100 bp	(141)	(154)
Decrease of 100 bp	141	154

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(i) Market Risks (cont'd)

(iii) Equity Price Risk

The Group does not have any quoted investments and hence is not exposed to equity price risk.

(ii) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

Credit risk concentration profile

The Group's major concentration of credit risk related to amounts owing by two customers which constituted approximately 56% of its trade receivables as at the end of the reporting period.

Exposure to credit risk

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

The exposure of credit risk for trade receivables by geographical region is as follows:-

	The Group	
	2012 RM'000	2011 RM'000
Belgium	3,667	2,134
China	1,974	1,597
Hong Kong	269	397
Japan	2,576	-
Malaysia	7,473	10,347
Philippines	26	85
Singapore	31	34
Thailand	40,108	45,373
United States of America	1,753	863
Others	49	302
	57,926	61,132

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(ii) Credit Risk (cont'd)

Ageing analysis

The ageing analysis of the Group's trade receivables as at the reporting period is as follows:-

	Gross amount RM'000	Individual impairment RM'000	Net carrying amount RM'000
2012			
Not past due	26,900	-	26,900
Past due:			
- less than 3 months	29,120	-	29,120
- 3 to 6 months	1,474	-	1,474
- over 6 months	500	(68)	432
	57,994	(68)	57,926
2011			
Not past due	57,718	-	57,718
Past due:			
- less than 3 months	2,792	-	2,792
- 3 to 6 months	292	-	292
- over 6 months	388	(58)	330
	61,190	(58)	61,132

Trade receivables that are past due but not impaired

The Group believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Trade receivables that are neither past due nor impaired

A significant portion of trade receivables that are neither past due nor impaired are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due, which are deemed to have higher credit risk, are monitored individually.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(iii) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group 2012	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
Trade payables	-	27,066	27,066	27,066	-
Other payables and accruals	-	29,051	29,051	29,051	-
Bill payable	2.1	4,198	4,198	4,198	-
Hire purchase and lease payables	6.9	33,554	36,738	18,155	18,583
Term loans	6.6	63,726	80,773	19,598	61,175
Bank overdraft	7.6	2,165	2,165	2,165	-
Total		159,760	179,991	100,233	79,758
2011					
Trade payables	-	12,110	12,110	12,110	-
Other payables and accruals	-	20,223	20,223	20,223	-
Bill payable	3.0	5,469	5,469	5,469	-
Hire purchase and lease payables	3.5	36,274	39,141	18,208	20,933
Term loans	5.1	50,884	56,688	15,073	41,615
Bank overdraft	7.3	101	101	101	-
Total		125,061	133,732	71,184	62,548

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial Risk Management Policies (cont'd)

(iii) Liquidity Risk (cont'd)

The Company	Weighted Average Effective Rate	Carrying Amount	Contractual Undiscounted Cash Flows	Within 1 Year	1 - 5 Years
2012	%	RM	RM	RM	RM
Other payables and accruals	-	1,092	1,092	1,092	-
Amount owing to subsidiaries	-	2,274	2,274	2,274	-
Term loan	3.46	14,106	15,257	4,385	10,872
Total		17,472	18,623	7,751	10,872
2011					
Other payables and accruals	-	577	577	577	-
Amount owing to subsidiaries	-	2,210	2,210	2,210	-
Term loan	3.37	15,410	16,780	4,156	12,624
Total		18,197	19,567	6,943	12,624

(b) Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) equal to or not less than 25% of the issued and paid-up share capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(b) Capital Risk Management (cont'd)

The debt-to-equity ratio of the Group as at the end of the reporting period was as follows:-

	The Group	
	2012 RM'000	2011 RM'000
Bills payable	4,198	5,469
Trade payables	27,066	12,110
Other payables and accruals	29,051	20,223
Hire purchase and lease payables	33,554	36,274
Term loans	63,726	50,884
Bank overdraft	2,165	101
	159,760	125,061
Less: Short-term deposits with licensed banks	2,360	10,884
Less: Cash and bank balances	36,651	13,446
Net debt	120,749	100,731
Total equity	305,926	270,027
Debt-to-equity ratio	0.39	0.37

(c) Classification of Financial Instruments

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Financial Assets				
<u>Fair value through profit or loss</u>				
Derivative assets	530	1,233	-	-
<u>Loans and receivables financial assets</u>				
Trade receivables	57,926	61,132	-	-
Other receivables, deposits and prepayments	8,288	8,781	-	-
Amount owing by subsidiaries	-	-	98,671	62,744
Short-term deposits with licensed banks	2,360	10,884	383	4,462
Cash and bank balances	36,651	13,446	1,498	3,489
	105,225	94,243	100,552	70,695

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(c) Classification of Financial Instruments (cont'd)

	The Group		The Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Financial Liabilities				
<u>Fair value through profit or loss</u>				
Derivative liabilities	-	1,247	-	-
<u>Other financial liabilities</u>				
Hire purchase payables	33,554	36,274	-	-
Term loans	63,726	50,884	14,106	15,410
Trade payables	27,066	12,110	-	-
Other payables and accruals	29,051	20,223	1,092	577
Amount owing to subsidiaries	-	-	2,274	2,210
Bills payable	4,198	5,469	-	-
Bank overdraft	2,165	101	-	-
	159,760	125,061	17,472	18,197

(d) Fair Values of Financial Instruments

The carrying amounts of the financial assets and financial liabilities reported in the financial statements approximated their fair values.

The following summarises the methods used to determine the fair values of the financial instruments:-

- The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.
- The fair value of hire purchase payables is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period.
- The carrying amounts of the term loans approximated their fair values as these instruments bear interest at variable rates.
- The fair value of forward foreign currency contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(e) Fair Values Hierarchy

The fair values of the financial assets and liabilities are analysed into level 1 to 3 as follows:-

- Level 1: Fair value measurements derive from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements derive from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Fair value measurements derive from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has derivative assets and derivative liabilities that is classified as financial assets and liabilities at fair value through profit or loss. These financial assets and liabilities belongs to level 2 of the fair value hierarchy.

40. COMPARATIVE FIGURES

The following comparative figures have been restated to conform with the current financial year's presentation:-

	The Group	
	As restated RM'000	As previously reported RM'000
<u>Statement of financial position (Extract):</u>		
<u>Current Assets</u>		
Derivative assets	1,233	-
<u>Current Liabilities</u>		
Derivative liabilities	1,247	14

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2012 (cont'd)

41. DISCLOSURE OF REALISED AND UNREALISED PROFITS

The breakdown of the retained profits of the Group and of the Company as at the end of the reporting period into realised and unrealised profits are presented in accordance with the directive issued by Bursa Malaysia Securities Berhad and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, as follows:-

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Total retained profits:				
- realised	194,876	180,734	11,091	4,371
- unrealised	(18,741)	(13,849)	-	-
At 30 September	176,135	166,885	11,091	4,371

LIST OF PROPERTIES

held as at 30 September 2012

Lot No./Location/Description	Approximate age of building (years)	Date of Acquisition/ Completion	Land Area (sq ft)	Tenure	Net Book Value (RM)
1½ Storey Semi-Detached Light Industrial Factory held under H.S.(M) No. 22229, P.T. No. 27966, Mukim Kapar, Daerah Klang Address: No.11, Jalan Teruntum 20 KU/8, Jalan Teratai, Batu 5½, Jalan Meru, 41050 Klang, Selangor Darul Ehsan	8	26 February 2004	7,653	Freehold	515,894
1½ Storey Semi-Detached Light Industrial Factory held under H.S.(M) No. 22230, P.T. No. 27967, Mukim Kapar, Daerah Klang Address: No.11A, Jalan Teruntum 20 KU/8, Jalan Teratai, Batu 5½, Jalan Meru, 41050 Klang, Selangor Darul Ehsan	8	26 February 2004	7,653	Freehold	515,894
3 Storey Office Building with Factory Building held under H.S.(D) No. 13321, P.T. No. 371 and H.S.(D) No. 22781, P.T. No. 10649, Mukim Kapar, Daerah Klang Address: Lot 6123, Jalan Haji Salleh, Batu 5½, Jalan Meru, 41050 Klang, Selangor Darul Ehsan	7	10 August 2006	304,988	Freehold	21,049,828
1 Storey Factory with a 3 Storey Office held under GM1108, Lot 5009, Place: 5 th Mile Sungai Binjai Road, Mukim of Kapar, District of Klang, State of Selangor Address: Lot 5009, Jalan Sungai Binjai, Batu 5½, Jalan Meru, 41050 Klang, Selangor Darul Ehsan	19	7 January 2008	132,041	Freehold	7,713,034
Factory buildings under the land title Deed No. 9845, Lot No. 112, Survey Page No. 623, Khan Ham Sub District, U Thai District, Ayutthaya Province, Thailand Address: No. 1/48, Rojana Industrial Park Moo 5, Tambol Kanham, Amphur U-Thai, Pranakorn Sri Ayutthaya 13210, Thailand	15	2 October 2009	170,517	Freehold	6,840,696

LIST OF PROPERTIES

held as at 30 September 2012 (cont'd)

Lot No./Location/Description	Approximate age of building (years)	Date of Acquisition/ Completion	Land Area (sq ft)	Tenure	Net Book Value (RM)
1½ Storey Light Industrial Factory held under H.S.(M) 19366, P.T.24011, Mukim Kapar, Daerah Klang Address: No. 31, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan	16	28 January 2010	1,959	Freehold	193,778
1½ Storey Light Industrial Factory held under H.S.(M) 19373, P.T.24018, Mukim Kapar, Daerah Klang Address: No. 45, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan	16	28 January 2010	1,970	Freehold	193,778
1½ Storey Light Industrial Factory held under H.S.(M) 19374, P.T.24019, Mukim Kapar, Daerah Klang Address: No. 47, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan	16	28 January 2010	1,970	Freehold	193,778
1½ Storey Light Industrial Factory held under H.S.(M) 19375, P.T.24020, Mukim Kapar, Daerah Klang Address: No. 49, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan	16	28 January 2010	1,970	Freehold	193,778
1½ Storey Light Industrial Factory held under H.S.(M) 19376, P.T.24021, Mukim Kapar, Daerah Klang Address: No. 51, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan	16	28 January 2010	3,197	Freehold	387,555
2 Storey Office Building with Factory Building held under H.S.(D) No. 22776 P.T. No. 10644 Mukim Kapar, Daerah Klang Address: Lot 6123, Jalan Haji Salleh, Batu 5½, Jalan Meru, 41050 Klang, Selangor Darul Ehsan	16	29 April 2010	108,931	Freehold	4,979,790

LIST OF PROPERTIES

held as at 30 September 2012 (cont'd)

Lot No./Location/Description	Approximate age of building (years)	Date of Acquisition/ Completion	Land Area (sq ft)	Tenure	Net Book Value (RM)
1½ Storey Light Industrial Factory held under H.S.(M) 19372, P.T.24017, Mukim Kapar, Daerah Klang Address: No. 43, Jalan Keledang 9, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan	16	08 February 2012	1,970	Freehold	228,211
1 Storey Factory with a 2 Storey Office held under H.S.(D) No. 135933, P.T. No. 52829, Mukim Kapar, Daerah Klang Address: Lot 6071, Jalan Haji Manan, Batu 5½, Jalan Meru, 41050 Klang, Selangor Darul Ehsan	20	13 March 2012	283,952	Freehold	18,283,024

Note: Revaluation of properties have not been carried out on any of the above properties to date.

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013

SHAREHOLDINGS

Authorised Share Capital	:	RM500,000,000 divided into 1,000,000,000 ordinary shares of RM0.50 each
Issued and Paid-Up Share Capital	:	RM135,209,032.50 comprising 270,418,065 ordinary shares of RM0.50 each
Class of Shares	:	Ordinary shares of RM0.50 each
Voting Rights	:	Every member of the Company, present in person and entitled to vote, or by proxy or by attorney or other duly authorised representative, shall have on a show of hands, one (1) vote or on a poll, one (1) vote for each ordinary share held
Number of shareholders	:	3,886

ANALYSIS OF SHAREHOLDINGS

Size of holdings	No. of holders	% of holders	No. of shares	% of Issued Capital [#]
1 – 99	431	11.091	17,769	0.007
100 – 1,000	345	8.878	166,744	0.063
1,001 – 10,000	1,888	48.585	9,502,368	3.600
10,001 – 100,000	1,052	27.072	30,784,008	11.663
100,001 – 13,197,674*	165	4.246	122,638,760	46.462
13,197,675 and above**	5	0.128	100,843,868	38.205
Total	3,886	100.000	263,953,517	100.000

Notes:

- * less than 5% of issued shares (excluding treasury shares).
- ** 5% and above of issued shares (excluding treasury shares).
- # excluding 6,464,548 shares held as treasury shares as at 31 January 2013.

LIST OF THIRTY (30) LARGEST REGISTERED SHAREHOLDERS

Name	No. of shares held	Percentage (%) [#]
1. HSBC Nominees (Asing) Sdn Bhd Exempt An for Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	24,543,181	9.298
2. Choo Wing Onn	22,523,493	8.533
3. Thoo Chow Fah	19,944,316	7.556
4. Choo Wing Hong	17,035,975	6.454
5. Lembaga Tabung Haji	16,796,903	6.364
6. Lee Tian Yoke	11,741,891	4.448
7. Choo Wing Hong	11,500,000	4.357

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

LIST OF THIRTY (30) LARGEST REGISTERED SHAREHOLDERS (cont'd)

	Name	No. of shares held	Percentage (%) [#]
8.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad MIDF Amanah Asset Management Berhad for Yayasan Sarawak (JG281)	8,000,000	3.031
9.	Choo Wing Leong	5,784,448	2.191
10.	Alliancegroup Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Choo Wing Hong (8095431)	5,500,000	2.084
11.	Choo Wai Sook	4,445,780	1.684
12.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad MIDF Amanah Asset Management Berhad for Universiti Putra Malaysia (JG482)	4,096,618	1.552
13.	Choo Wing Yew	4,025,897	1.525
14.	RHB Capital Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Choo Wing Onn	4,000,000	1.515
15.	Choo Wing Kin	3,921,403	1.486
16.	Amanahraya Trustees Berhad Public Islamic Opportunities Fund	3,148,818	1.193
17.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad MIDF Amanah Asset Management Berhad for Renesas Semiconductor (M) Sdn Bhd (JF290)	2,900,000	1.099
18.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad MIDF Amanah Asset Management Berhad for The Malaysian Estates Staff Provident Fund (JF257)	2,750,000	1.042
19.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Hong Leong Penny Stockfund	2,100,000	0.796
20.	Citigroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Choo Wing Yew (471952)	1,750,000	0.663
21.	Amanahraya Trustees Berhad MIDF Amanah Strategic Fund	1,666,000	0.631
22.	RHB Capital Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Oh Kim Sun (CEB)	1,449,800	0.549
23.	RHB Capital Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Choong Foong Ming (CEB)	1,280,400	0.485
24.	Hong Leong Assurance Berhad As Beneficial Owner (Unitlinked DP)	1,063,650	0.403

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

LIST OF THIRTY (30) LARGEST REGISTERED SHAREHOLDERS (cont'd)

Name	No. of shares held	Percentage (%) [#]
25. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Oh Kim Sun	989,653	0.375
26. Amanahraya Trustees Berhad MIDF Amanah Growth Fund	984,000	0.373
27. Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohd Radzuan Bin Ab Halim	957,512	0.363
28. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad MIDF Amanah Asset Management Berhad for Lembaga Kumpulan Wang Amanah Pelaburan Negeri Pulau Pinang (JG412)	955,900	0.362
29. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Exempt An for Kumpulan Sentiasa Cemerlang Sdn Bhd (TSTAC/CLNT)	931,148	0.353
30. Pui Cheng Wui	882,500	0.334
Total	187,669,286	71.099

Notes:

[#] excluding 6,464,548 shares held as treasury shares as at 31 January 2013.

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 31 JANUARY 2013

Substantial shareholders	Direct		Indirect	
	No. of shares held	% [#]	No. of shares held	% [#]
Thoo Chow Fah	19,944,316	7.56	-	-
Choo Wing Hong	34,035,975	12.89	-	-
Choo Wing Onn	26,523,493	10.05	-	-
Nikon Corporation	24,543,181	9.30	-	-
Lembaga Tabung Haji	16,796,903	6.36	-	-

Note:

[#] excluding 6,464,548 shares held as treasury shares as at 31 January 2013.

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS AS AT 31 JANUARY 2013

Directors	Direct		Indirect	
	No. of shares held	% [#]	No. of shares held	% [#]
Thoo Chow Fah	19,944,316	7.56	4,445,780 ¹	1.68
Choo Wing Hong	34,035,975	12.89	-	-
Choo Wing Onn	26,523,493	10.05	-	-
Lee Tian Yoke	11,741,891	4.45	-	-
Choo Wing Yew	5,775,897	2.19	-	-
Saw Tat Loon	-	-	-	-
Yike Chee Wah	-	-	-	-
Anita Chew Cheng Im	-	-	-	-

Note:

[#] excluding 6,464,548 shares held as treasury shares as at 31 January 2013.

¹ Deemed interested in shares held by his spouse, Choo Wai Sook, pursuant to Section 134(12)(c) of the Companies Act, 1965.

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

WARRANT-A HOLDINGS

No. of warrants in issue	:	61,305,304
Exercise price of the warrants	:	RM1.44
Expiry date of the warrants	:	3 August 2015
Voting Rights	:	Every warrant holder present in person or by proxy at any Warrant holders' Meeting, shall have on a show of hands, one (1) vote or on a poll, one (1) vote for each warrant held

ANALYSIS OF WARRANT-A HOLDINGS

Size of holdings	No. of holders	% of holders	No. of warrants	% of warrants held
1 – 99	205	8.874	8,539	0.014
100 – 1,000	901	39.004	479,327	0.782
1,001 – 10,000	698	30.217	2,646,590	4.317
10,001 – 100,000	402	17.403	16,371,080	26.704
100,001 – 3,065,264*	103	4.459	36,261,892	59.150
3,065,265 and above**	1	0.043	5,537,876	9.033
Total	2,310	100.000	61,305,304	100.000

Notes:

* less than 5% of issued warrants.

** 5% and above of issued warrants.

LIST OF THIRTY (30) LARGEST WARRANT-A HOLDERS

Name	No. of warrants held	Percentage of warrants (%)
1. HSBC Nominees (Asing) Sdn Bhd Exempt An for Mitsubishi UFJ Morgan Stanley Securities Co., Ltd	5,537,876	9.033
2. CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank for Tan Seng Kow (MY0085)	2,700,000	4.404
3. RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Siow Chock Shume	2,440,600	3.981
4. RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chiam Teong Tee (CEB)	1,895,800	3.092
5. Ong Wan Chin	1,721,000	2.807

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

LIST OF THIRTY (30) LARGEST WARRANT-A HOLDERS (cont'd)

	Name	No. of warrants held	Percentage of warrants (%)
6.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kek Lian Lye	1,500,000	2.447
7.	Tsen Kui Lan @ Margaret Tsen	1,358,900	2.217
8.	Yap Swee Hang	1,130,500	1.844
9.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Thian Shing	960,800	1.567
10.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Boon Chen (CCTS)	829,100	1.353
11.	Mohd Radzuan Bin Ab Halim	735,000	1.199
12.	RHB Capital Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Che Bashah @ Zaiton binti Mustaffa (CEB)	700,000	1.142
13.	Koh Hock Lye	659,000	1.075
14.	Lok Wei Seong	623,800	1.018
15.	Lee Kok Hoong	550,000	0.897
16.	ECML Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Gan Ching Han @ Paul Ngan Ching Han (011)	534,000	0.871
17.	Wong Chok Chiw	500,000	0.816
18.	Yap Swee Hang	487,400	0.795
19.	ECML Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Keng Eng Hai (10K34873M)	450,000	0.734
20.	Chong Kim Loong	400,000	0.653
21.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chong Teck Mon	393,000	0.641
22.	Ooi Lean Han	376,400	0.614
23.	Gan Chye Hoon	340,000	0.555
24.	L Sundra Surian a/l N Lechumanan	327,200	0.534

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

LIST OF THIRTY (30) LARGEST WARRANT-A HOLDERS (cont'd)

Name	No. of warrants held	Percentage of warrants (%)
25. Lim Tian @ Tan Tee Soon	303,000	0.494
26. Choo Wai Yeen	300,600	0.490
27. Chan Bin Hua	300,000	0.489
28. ECML Nominees (Tempatan) Sdn Bhd Chan Wai Thar (010-10E000064)	300,000	0.489
29. Koh Hock Lye	300,000	0.489
30. HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Swee Hang (CCTS)	292,600	0.477
Total	28,946,576	47.217

DIRECTORS' WARRANT HOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' WARRANT-A HOLDINGS AS AT 31 JANUARY 2013

Directors	Direct		Indirect	
	No. of warrants held	%	No. of warrants held	%
Anita Chew Cheng Im	-	-	-	-
Choo Wing Hong	-	-	-	-
Choo Wing Onn	-	-	-	-
Choo Wing Yew	-	-	-	-
Lee Tian Yoke	-	-	-	-
Saw Tat Loon	-	-	-	-
Thoo Chow Fah	-	-	-	-
Yike Chee Wah	-	-	-	-

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

WARRANT-B HOLDINGS

No. of warrants in issue	:	38,618,742
Exercise price of the warrants	:	RM1.00
Expiry date of the warrants	:	2 May 2017
Voting Rights	:	Every warrant holder present in person or by proxy at any Warrant holders' Meeting, shall have on a show of hands, one (1) vote or on a poll, one (1) vote for each warrant held

ANALYSIS OF WARRANT-B HOLDINGS

Size of holdings	No. of holders	% of holders	No. of warrants	% of warrants held
1 – 99	670	21.283	13,131	0.034
100 – 1,000	1,217	38.659	575,509	1.490
1,001 – 10,000	1,030	32.719	2,844,897	7.367
10,001 – 100,000	194	6.163	5,647,780	14.624
100,001 – 1,930,936*	32	1.017	12,053,717	31.212
1,930,937 and above**	5	0.159	17,483,708	45.273
Total	3,148	100.000	38,618,742	100.000

Notes:

* less than 5% of issued warrants.

** 5% and above of issued warrants.

LIST OF THIRTY (30) LARGEST WARRANT-B HOLDERS

Name	No. of warrants held	Percentage of warrants (%)
1. Choo Wing Hong	4,862,282	12.591
2. Choo Wing Onn	3,789,070	9.812
3. HSBC Nominees (Asing) Sdn Bhd Exempt An for Mitsubishi UFJ Morgan Stanley Securities Co., Ltd	3,506,168	9.079
4. Thoo Chow Fah	2,849,188	7.378
5. Amanahraya Trustee Berhad MIDF Amanah Strategic Fund	2,477,000	6.414
6. Lee Tian Yoke	1,677,413	4.344
7. Amanahraya Trustee Berhad MIDF Amanah Growth Fund	1,424,000	3.687

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

LIST OF THIRTY (30) LARGEST WARRANT-B HOLDERS (cont'd)

	Name	No. of warrants held	Percentage of warrants (%)
8.	Amanahraya Trustee Berhad MIDF Amanah Islamic Fund	917,000	2.375
9.	Choo Wai Sook	914,711	2.368
10.	Choo Wing Leong	826,349	2.140
11.	Choo Wing Yew	575,128	1.489
12.	Choo Wing Kin	560,200	1.451
13.	Amanahraya Trustee Berhad Public Islamic Opportunities Fund	449,831	1.165
14.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Seng Kow	377,900	0.978
15.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chong Teck Mon	348,100	0.901
16.	Wong Yunn Lai	331,433	0.858
17.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Hong Leong Penny Stockfund	300,000	0.777
18.	Amanahraya Trustee Berhad MIDF Amanah Dynamic Fund	263,000	0.681
19.	Citigroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Choo Wing Yew (471952)	250,000	0.647
20.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ching Soon Liang (E-TWU)	237,563	0.615
21.	Kon Thiam Sen	230,000	0.596
22.	Chay Chee Ken	200,000	0.518
23.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kek Lian Lye	200,000	0.518
24.	Ng Kim Kiat	200,000	0.518
25.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB Bank for Tan Seng Kow (MY0085)	195,600	0.506
26.	Chong Cheng Sing	164,200	0.425

ANALYSIS OF SHAREHOLDINGS AND WARRANT HOLDINGS

as at 31 January 2013 (cont'd)

LIST OF THIRTY (30) LARGEST WARRANT-B HOLDERS (cont'd)

Name	No. of warrants held	Percentage of warrants (%)
27. Hong Leong Assurance Berhad As Beneficial Owner (Unitlinked DP)	151,950	0.393
28. Ng Seng Nam	150,000	0.388
29. Teng Hong Wah	145,040	0.376
30. Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Mohd Radzuan Bin Ab Halim	136,787	0.354
Total	28,709,913	74.342

DIRECTORS' WARRANT HOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' WARRANT-B HOLDINGS AS AT 31 JANUARY 2013

Directors	Direct		Indirect	
	No. of warrants held	%	No. of warrants held	%
Thoo Chow Fah	2,849,188	7.38	914,711 ¹	2.37
Choo Wing Hong	4,862,282	12.59	-	-
Choo Wing Onn	3,789,070	9.81	-	-
Lee Tian Yoke	1,677,413	4.34	-	-
Choo Wing Yew	825,128	2.14	-	-
Saw Tat Loon	-	-	-	-
Yike Chee Wah	-	-	-	-
Anita Chew Cheng Im	-	-	-	-

Note:

- ¹ Deemed interested in Warrants-B held by his spouse, Choo Wai Sook, pursuant to Section 134(12)(c) of the Companies Act, 1965.

ADDITIONAL INFORMATION

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for ensuring that the financial statements of the Group are drawn up in accordance with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and the Company as at 30 September 2012 and of the results and cashflows of the Group and the Company for the financial year ended on that date.

In preparing the financial statements, the Directors have:

- (a) adopted suitable accounting policies and applied them consistently;
- (b) made judgements and estimates that are reasonable and prudent;
- (c) ensured the adoption of applicable approved accounting standards; and
- (d) used the going concern basis for the preparation of the financial statements.

The Directors are responsible for ensuring proper accounting records are kept which disclose with reasonable accuracy of the financial position of the Group and Company and are kept in accordance with the Companies Act, 1965. The Directors are also responsible for ensuring that a proper internal control is in place to safeguard the Group's assets and to prevent and detect fraud and other irregularities.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving the Company's Directors' and/or major shareholders' interests, either still subsisting at the end of the financial year, or which were entered into since the end of the previous financial year.

OPTIONS AND CONVERTIBLE SECURITIES

Save for the issuance of 38,618,857 Warrants-B and 30,652,652 additional Warrants-A, the Company has not issued any options or convertible securities during the financial year.

For the financial year ended 30 September 2012, 115 Warrants-B have been converted to 115 ordinary shares of RM0.50 each.

SHARE BUY-BACK

The shareholders of the Company at the Eighth AGM held on 20 March 2012 granted authority to the Company to purchase its own shares provided that the aggregate number of shares purchased shall not exceed 10% of the total issued and paid-up share capital of the Company at time of purchase.

ADDITIONAL INFORMATION (cont'd)

SHARE BUY-BACK (cont'd)

The monthly breakdown of the shares purchased by the Company and retained as treasury shares are set out below:

Month	No. of Shares	Nominal value per Share (RM)	Total Consideration RM	Purchase Price per Share (RM)		
				Highest	Lowest	Average
Nov 2011	1,000	0.50	1,572	1.530	1.530	1.530
May 2012	1,000	0.50	1,182	1.140	1.140	1.140
Jun 2012	400,000	0.50	467,998	1.200	1.140	1.170
Jul 2012	3,553,000	0.50	4,375,659	1.240	1.190	1.232
Aug 2012	1,444,600	0.50	1,760,113	1.230	1.160	1.218
Sept 2012	880,000	0.50	1,023,751	1.160	1.150	1.160

As at 30 September 2012, the Company held 6,364,548 repurchased shares or treasury shares out of its total issued and paid up share capital of 270,418,065 ordinary shares of RM0.50 each. Such treasury shares were held at a carrying amount of RM7,828,269.

DEPOSITORY RECEIPT PROGRAMME

The Company did not sponsor any Depository Receipts during the financial year.

SANCTIONS AND/OR PENALTIES

There were no material sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management by any regulatory bodies during the financial year.

PROFIT GUARANTEE

During the financial year, there was no profit guarantee issued or received by the Company.

NON-AUDIT FEES

The non-audit fees paid by the Group to external auditors or company affiliated to the external auditor's firm for the financial year ended 30 September 2012 amounted to RM79,900.

VARIATION IN RESULTS

There was no deviation of 10% or more between the results of the financial year ended 30 September 2012 as per the audited financial statements and the unaudited results previously announced.

UTILISATION OF PROCEEDS

During the year ended 30 September 2010, the Company placed out 13,844,964 ordinary shares of RM0.50 each representing 9.09% of equity interest in the Company to Nikon Corporation at an issue price of RM2.44. The proceeds raised of approximately RM33.78 million for the capital expenditure in Thailand has been fully utilised in the financial year ended 30 September 2012.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of NOTION VTEC BERHAD ("Company") will be held at Level 2, Hotel Novotel Kuala Lumpur City Centre, No. 2, Jalan Kia Peng, 50450 Kuala Lumpur on Wednesday, 20 March 2013 at 9.30 a.m. for the following purposes:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 September 2012 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 1 of the Explanatory Notes)**
2. To declare a final tax-exempt dividend of 2.0 sen per ordinary share of RM0.50 each for the financial year ended 30 September 2012. **(Ordinary Resolution 1)**
3. To re-elect the following Directors who are retiring in accordance with Article 69 of the Articles of Association of the Company:
 - i) Choo Wing Hong **(Ordinary Resolution 2)**
 - ii) Choo Wing Yew **(Ordinary Resolution 3)**
 - iii) Saw Tat Loon **(Ordinary Resolution 4)**
4. To approve the increase of Directors' Fees for the financial year ended 30 September 2012. **(Ordinary Resolution 5)**
5. To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**

Special Business

To consider and, if thought fit, with or without any modification, to pass the following resolutions:

6. Proposed Renewal of Authority to the Company to purchase its own shares

"THAT subject to the provisions under the Companies Act, 1965 (the "Act"), the Memorandum and Articles of Association of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Company be and is hereby authorised to purchase such number of ordinary shares of RM0.50 each in the Company ("Shares") 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 the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total issued and paid-up share capital of the Company ("Proposed Share Buy-Back");

THAT the maximum amount of funds to be utilised for the purpose of the Proposed Share Buy-Back shall not exceed the Company's aggregate retained profits and/or share premium account;

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any of the Shares so purchased by the Company in the following manner:

- (i) the Shares so purchased could be cancelled; or
- (ii) the Shares so purchased could be retained as treasury shares for distribution as dividends to the shareholders of the Company and/or be resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; or
- (iii) combination of (i) and (ii) above.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the said authority would 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 is required by law to be held; or
- (iii) the authority is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting, whichever occurs first;

AND THAT the Directors of the Company be and are hereby authorised to take such steps to give full effect to the Proposed Share Buy-Back with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."
(Ordinary Resolution 7)

7. Proposed Renewal of Authority to Allot Shares pursuant to Section 132D of the Act

"THAT pursuant to Section 132D of the Act, the Directors be and are hereby empowered to allot and issue Shares in the share capital of the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of Shares to be issued does not exceed ten per centum (10%) of the issued share capital of the Company (excluding treasury shares) at the time of issue, subject to the Articles of Association of the Company and approval for the listing of and quotation for the additional Shares so issued on the Bursa Securities and other relevant bodies where such approval is necessary."

(Ordinary Resolution 8)

8. Proposed Amendments to the Articles of Association

"THAT the deletions, alterations, modifications, variations and additions to the Articles of Association of the Company as set out in Appendix 1 attached with the Annual Report for the financial year ended 30 September 2012 be and are hereby approved."
(Special Resolution)

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a final tax-exempt dividend of 2.0 sen per ordinary share of RM0.50 each for the financial year ended 30 September 2012, if approved, will be paid on 16 April 2013 to the shareholders whose names appear on the Record of Depositors of the Company on 29 March 2013.

A depositor shall qualify for entitlement to the dividend only in respect of:

- a) Shares transferred into the depositor's securities account before 4.00 p.m. on 29 March 2013 in respect of transfers; and
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

Tai Yit Chan (MAICSA 7009143)
Liew Irene (MAICSA 7022609)

Company Secretaries

Selangor Darul Ehsan
26 February 2013

NOTICE OF ANNUAL GENERAL MEETING (cont'd)

Explanatory Notes:

(1) To receive the Audited Financial Statements

Agenda item no. 1 is meant for discussion only as the provision of Section 169(1) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

(2) Proposed Renewal of Authority to the Company to purchase its own shares

The proposed Ordinary Resolution 7, if passed, will give the Directors of the Company authority to take all such steps as are necessary or expedient to implement, finalise, complete and/or to effect the purchase(s) of Shares by the Company as the Directors may deem fit and expedient in the best interest of the Company. The authority will, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM of the Company following the Ninth AGM is required by law to be held.

Further information on the Proposed Renewal of Share Buy-Back is set out in the Share Buy Back Statement of the Company dated 26 February 2013 which was despatched together with this Annual Report.

(3) Proposed Renewal of Authority to Allot Shares pursuant to Section 132D of the Act

The Company had, during its Eighth AGM held on 20 March 2012, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 132D of the Act. As at the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.

The proposed Ordinary Resolution 8, if passed, will empower the Directors from the conclusion of this AGM, to allot and issue up to a maximum of 10% of the issued share capital of the Company (excluding treasury shares) at the time of issue (other than bonus or rights issue) for such purposes as they consider would be in the best interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied at a general meeting, will expire at the next AGM of the Company.

This authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares for purpose of funding investment project(s), working capital and/or acquisition. At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

(4) Proposed Amendments to the Articles of Association

The Special Resolution, if passed, will render the Articles of Association of the Company to be in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and to update the Articles of Association of the Company to be consistent with the prevailing laws, guidelines or requirements of the relevant authorities as well as to further enhance administrative efficiency of the Company.

Notes:

- (1) A member entitled to attend and vote at the meeting may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies.
- (2) A member may appoint up to two (2) proxies to attend the meeting. Where a member appoints two (2) proxies, the appointment shall not be valid unless the member specifies the proportion of his shareholding to be represented by each proxy. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (3) The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (4) The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar's office at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding of the meeting or adjourned meeting.
- (5) For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available a Record of Depositors as at 13 March 2013 and only members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.

APPENDIX 1

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Articles of Association of the Company are proposed to be amended in the following manner:

Article No.	Existing Articles		Amended Articles	
To amend Article 2	WORDS	MEANINGS	WORDS	MEANINGS
	Approved Market Place	A stock exchange which is specified to be an approved market place pursuant to an exemption order made under Section 62A of the Securities Industry (Central Depositories) Act, 1991.	<u>(deleted)</u>	
	Bursa Depository	Bursa Malaysia Depository Sdn Bhd <u>(formerly known as Malaysian Central Depository Sdn Bhd)</u> (165570-W)	Bursa Depository	Bursa Malaysia Depository Sdn Bhd (165570-W) or such other name(s) as may be adopted from time to time
	Bursa Securities	Bursa Malaysia Securities Berhad <u>(formerly known as Malaysia Securities Exchange Berhad)</u> (635998-W) or such other name(s) as may be adopted from time to time.	Bursa Securities	Bursa Malaysia Securities Berhad (635998-W) or such other name(s) as may be adopted from time to time.
	<i>New definition</i>		<u>Exempt Authorised Nominee</u>	<u>An authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.</u>
	Listing Requirements	The Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time and such practice notes and circulars as may from time to time be issued by Bursa Securities.	Listing Requirements	The <u>Main Market</u> Listing Requirements of Bursa Securities, including any amendments thereto that may be made from time to time and such practice notes and circulars as may from time to time be issued by Bursa Securities.
	<i>New definition</i>		<u>Share Issuance Scheme</u>	<u>A scheme involving a new issuance of shares to the employees.</u>
To amend Article 3(b)(i)	Shares to be under control of Directors		Shares to be under control of Directors	
	No Director shall participate in a <u>share scheme for employees</u> of the Company unless the shareholders in general meetings have approved of the specific allotment to be made to such Director.		No Director shall participate in a <u>Share Issuance Scheme</u> of the Company unless the shareholders in general meetings have approved of the specific allotment to be made to such Director.	

APPENDIX 1 (cont'd)

Article No.	Existing Articles	Amended Articles
To amend Article 3(c)	<p>Shares to be under control of Directors</p> <p>All new issue of Security for which listing on the Bursa Securities is sought shall be made by way of crediting the Securities Account of the allottees with such Securities save and except where the Company is specifically exempted from compliance with section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this Article. For this purpose, the Company shall notify the Bursa Depository of the names of the allottees and all such particulars required by the Bursa Depository, to enable the Bursa Depository to make the appropriate entries in the Securities Account of such allottees. Notwithstanding these Articles, the Company shall comply with the provisions of the Central Depositories Act and the Rules in respect of all matters relating to the Prescribed Securities.</p>	<p>Shares to be under control of Directors</p> <p>All new issue of Security for which listing on the Bursa Securities is sought shall be made by way of crediting the Securities Account of the allottees with such Securities save and except where the Company is specifically exempted from compliance with section 38 of the Central Depositories Act, in which event it shall so similarly be exempted from compliance with this Article. For this purpose, the Company shall notify the Bursa Depository of the names of the allottees and all such particulars required by the Bursa Depository, to enable the Bursa Depository to make the appropriate entries in the Securities Account of such allottees. Notwithstanding these Articles, the Company shall comply with the provisions of the Central Depositories Act and the Rules in respect of all matters relating to the Prescribed Securities. <u>The Company must not cause or authorise its registrars to cause the Securities Accounts of the allottees to be credited with the additional securities until after the Company has filed with the Bursa Securities an application for listing of such additional securities and been notified by the Bursa Securities that the additional Securities have been authorised for listing.</u></p>
To amend Article 10	<p>Company to have paramount lien</p> <p>The Company's lien on shares and dividends as from time to time declared in respect to such shares shall be restricted to unpaid calls and instalments upon specific shares in respect of which such moneys are deemed unpaid and to such amounts as the Company is required by law to pay, and has paid, in respect of the shares of members or deceased member and if the shares were acquired under <u>an employee share option scheme</u>, amounts which are owed to the Company for acquiring them. In each case, the lien extends to reasonable interest and expenses incurred since the amount has not been paid.</p>	<p>Company to have paramount lien</p> <p>The Company's lien on shares and dividends as from time to time declared in respect to such shares shall be restricted to unpaid calls and instalments upon specific shares in respect of which such moneys are deemed unpaid and to such amounts as the Company is required by law to pay, and has paid, in respect of the shares of members or deceased member and if the shares were acquired under <u>a Share Issuance Scheme</u>, amounts which are owed to the Company for acquiring them. In each case, the lien extends to reasonable interest and expenses incurred since the amount has not been paid.</p>

APPENDIX 1 (cont'd)

Article No.	Existing Articles	Amended Articles
To amend Article 23	<p>Closing of registers</p> <p>The registration of transfers of any Security which is not a Deposited Security may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year. The Company may require the Bursa Depository to suspend the trading of shares that are Deposited Securities at such time and for such period as the Directors may determine and upon giving notice to the Bursa Securities. Such notice shall state the book closing date, which shall be at least <u>twelve (12) clear days</u> (or such other period as prescribed by the Bursa Securities or any relevant governing laws and/or guidelines) after the date of notification to the Bursa Securities, and the address of share registry at which documents will be accepted for registration. At least three (3) Market Days prior notice shall be given to the Bursa Depository to enable the Bursa Depository to prepare the appropriate Record of Depositors.</p>	<p>Closing of registers</p> <p>The registration of transfers of any Security which is not a Deposited Security may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year. The Company may require the Bursa Depository to suspend the trading of shares that are Deposited Securities at such time and for such period as the Directors may determine and upon giving notice to the Bursa Securities. Such notice shall state the book closing date, which shall be at least <u>ten (10) market days</u> (or such other period as prescribed by the Bursa Securities or any relevant governing laws and/or guidelines) after the date of notification to the Bursa Securities, and the address of share registry at which documents will be accepted for registration. At least three (3) Market Days prior notice shall be given to the Bursa Depository to enable the Bursa Depository to prepare the appropriate Record of Depositors.</p>
To amend Article 29	<p>Transmission of Shares from Foreign Register</p> <p>Where –</p> <p>(a) the securities of the Company are listed on <u>an Approved Market Place</u>; and</p> <p>(b) the Company is exempted from compliance with Section 14 of the Securities Industry (Central Depositories) Act, 1991 or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such securities,</p> <p>the Company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the <u>Approved Market Place (hereinafter referred to as "the Foreign Register")</u>, to the register of holders maintained by the registrar of the Company in Malaysia <u>(hereinafter referred to as "the Malaysian Register")</u> provided that there shall be no change in the ownership of such securities.</p>	<p>Transmission of Shares from Foreign Register</p> <p>Where –</p> <p>(a) the securities of the Company are listed on <u>another stock exchange</u>; and</p> <p>(b) the Company is exempted from compliance with Section 14 of the Securities Industry (Central Depositories) Act, 1991 or Section 29 of the Securities Industry (Central Depositories) (Amendment) Act, 1998, as the case may be, under the Rules in respect of such securities,</p> <p>the Company shall, upon request of a securities holder, permit a transmission of securities held by such securities holder from the register of holders maintained by the registrar of the Company in the jurisdiction of the <u>other stock exchange</u> to the register of holders maintained by the registrar of the Company in Malaysia <u>and vice versa</u> provided that there shall be no change in the ownership of such securities.</p>

APPENDIX 1 (cont'd)

Article No.	Existing Articles	Amended Articles
To add Article 9A	<i>New provision</i>	<p><u>Company may give notice to require information of shareholdings</u></p> <p><u>The Company may by notice in writing without prejudice to the Company's right to require information or other matters from a Member under the Act or any other written law or howsoever require any Member within such reasonable time as is specified in the notice:-</u></p> <p>(a) <u>to inform the Company whether he holds any voting shares in the Company as beneficial owner, authorised nominee or as trustee; and</u></p> <p>(b) <u>if he holds them as trustee or authorised nominee, to indicate so far as he can the persons for whom he holds them by name and by other particulars sufficient to enable those persons to be identified and the nature of their interest.</u></p>
To add Article 41(c)	<p>Shares to be offered to members before issue</p> <p><i>New provision</i></p>	<p>Shares to be offered to members before issue</p> <p><u>Subject to the Listing Requirements and notwithstanding the existence of a resolution pursuant to Section 132D of the Act, the Company shall not issue any shares or convertible Securities if the nominal value of those shares or convertible Securities, when aggregated with the nominal value of any such shares or convertible Securities issued during the preceding twelve (12) months, exceeds ten percent (10%) of the nominal value of the issued and paid-up capital of the Company, except where the shares or convertible Securities are issued with the prior approval of the Members in general meeting of the precise terms and conditions of the issue. Provided that in working out the number of shares or convertible Securities that may be issued by the Company, if the Security is a convertible Security, each such Security is counted as the maximum number of shares into which it can be converted or exercised.</u></p>

APPENDIX 1 (cont'd)

Article No.	Existing Articles	Amended Articles
To amend Article 44(a)	<p>Reduction of capital</p> <p>The Company may by special resolution reduce its share capital <u>and</u> any capital redemption reserve fund in any manner authorised and subject to any conditions prescribed by the Act and the Listing Requirements.</p>	<p>Reduction of capital</p> <p>The Company may by special resolution reduce its share capital, any capital redemption reserve fund <u>or any share premium account</u> in any manner authorised and subject to any conditions prescribed by the Act and the Listing Requirements.</p>
To amend Article 47	<p>Ordinary and Extraordinary General Meeting</p> <p>Annual general meeting of the Company shall be held in accordance with the provisions of the Act. All general meeting other than the annual general meeting shall be called extraordinary general meeting. All general meetings shall be held at such time and place as the Directors shall determine.</p>	<p>Ordinary and Extraordinary General Meeting</p> <p>Annual general meeting of the Company shall be held in accordance with the provisions of the Act. All general meeting other than the annual general meeting shall be called extraordinary general meeting. All general meetings shall be held at such time and place as the Directors shall determine, <u>but shall be held in Malaysia.</u></p>
To add Article 53A	<p><i>New provision</i></p>	<p><u>Chairman to promote orderly conduct of the business of all general meetings</u></p> <p><u>Without prejudice to any other power which the Chairman may have under the provisions of these Articles or at common law and subject to the Act and the Listing Requirements, the Chairman may take such action as he thinks fit to promote the orderly conduct of the business of all general meetings as specified in the notice of such meetings and the Chairman's decision on matters of procedure or arising incidentally from the business of such meetings shall be final, as shall be his determination as to whether any matter is of such a nature.</u></p>

APPENDIX 1 (cont'd)

Article No.	Existing Articles	Amended Articles
To add Article 55A	<i>New provision</i>	<p><u>Objections</u></p> <p><u>If:-</u></p> <p>(a) <u>any objection shall be raised to the qualification of any voter;</u></p> <p>(b) <u>any votes have been counted which ought not to have been counted or which might have been rejected; or</u></p> <p>(c) <u>any votes are not counted which ought to have been counted;</u></p> <p><u>the objection or error shall not vitiate the decision of the meeting on any resolution unless the same is raised or pointed out at the meeting or adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the Chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the Chairman decides that the same is of sufficient magnitude to vitiate the resolution or may otherwise have affected the decision of the meeting. The decision of the Chairman on such matters shall be final and conclusive.</u></p>
To amend Article 63(a)	<p>Proxies</p> <p>Where a Member is an <u>authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least 1 proxy in respect of each securities account it holds with ordinary shares of the company standing to the credit of the said securities account.</u></p>	<p>Proxies</p> <p>Where a Member is an <u>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.</u></p>
To add Article 63(c)	<p>Proxies</p> <p><i>New provision</i></p>	<p>Proxies</p> <p><u>A proxy appointed to attend and vote at a meeting shall have the same rights as the member to speak at the meeting.</u></p>

APPENDIX 1 (cont'd)

Article No.	Existing Articles	Amended Articles
To amend Article 64	<p>Proxy to be in writing</p> <p>The instrument appointing a proxy shall be in writing (in the 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 seal or under the hand of an officer or attorney duly authorised. <u>Save for the authorised nominee defined under Article 63 (a) above</u>, a proxy may but need not be a Member of the Company. If the proxy is not a Member of the Company, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.</p>	<p>Proxy to be in writing</p> <p>The instrument appointing a proxy shall be in writing (in the 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 seal or under the hand of an officer or attorney duly authorised. A proxy may but need not be a Member of the Company. If the proxy is not a Member of the Company, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies. <u>There shall be no restriction as to the qualification of the proxy.</u> The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.</p>
To add Article 70A	<i>New provision</i>	<p><u>Notice to nominate Directors</u></p> <p><u>The cost of serving the notice to propose the election of a Director where the nomination is made by a Member or Members, shall be borne by the Member or Members making the nomination.</u></p>
To amend Article 130	<p>Payment of Dividends</p> <p>The Directors may before recommending any Dividends, set aside, out of the profits of the Company such sums as they think proper as reserves which shall, at the discretion of the Directors, be applicable for any purposes to which the profits of the Company may be properly applied, and pending any such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments <u>(other than shares in the Company)</u> as the Directors may from time to time think fit. The Directors may also without placing the same as reserves, carry forward any profits which they may think prudent not to divide.</p>	<p>Payment of Dividends</p> <p>The Directors may before recommending any Dividends, set aside, out of the profits of the Company such sums as they think proper as reserves which shall, at the discretion of the Directors, be applicable for any purposes to which the profits of the Company may be properly applied, and pending any such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments <u>(including purchasing shares in the Company to the extent and in the manner allowed by the Act)</u> as the Directors may from time to time think fit. The Directors may also without placing the same as reserves, carry forward any profits which they may think prudent not to divide.</p>
To add Article 139(a)(iv)	<p>Persons entitled to notice</p> <p><i>New provision</i></p>	<p>Persons entitled to notice</p> <p><u>Bursa Securities and other stock exchange, if any, on which the Securities of the Company are listed.</u></p>

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PROXY FORM

NOTIONVTEC

NOTION VTEC BERHAD

(Company No. 637546-D)
(Incorporated in Malaysia under the Companies Act, 1965)

No. of Shares Held

CDS Account No.

I/We, _____ (name of shareholder as per NRIC)
NRIC No./Passport No./Company No. _____ (new) _____ (old)
of _____ (full address)
being a Member(s) of NOTION VTEC BERHAD, hereby appoint _____
(name of proxy as per NRIC) NRIC No. _____ (new) _____ (old)
of _____ (full address) or
failing him/her, _____ (name of proxy as per NRIC)
NRIC No. _____ (new) _____ (old)
of _____ (full address) or
the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Ninth Annual General Meeting of the Company to be held at Level 2, Hotel Novotel Kuala Lumpur City Centre, No. 2, Jalan Kia Peng, 50450 Kuala Lumpur on Wednesday, 20 March 2013 at 9.30 a.m. or at any adjournment thereof and to vote as indicated below:-

Resolutions			For	Against
1	To declare a final tax-exempt dividend of 2.0 sen per ordinary share of RM0.50 each	Ordinary Resolution 1		
2	To re-elect Choo Wing Hong	Ordinary Resolution 2		
3	To re-elect Choo Wing Yew	Ordinary Resolution 3		
4	To re-elect Saw Tat Loon	Ordinary Resolution 4		
5	To approve the increase of Directors' Fees for the financial year ended 30 September 2012	Ordinary Resolution 5		
6	To re-appoint Messrs Crowe Horwath as Auditors of the Company and to authorise the Directors to fix their remuneration	Ordinary Resolution 6		
7	Special Business Proposed Renewal of Authority to the Company to purchase its own shares	Ordinary Resolution 7		
8	Special Business Proposed Renewal of Authority to Allot Shares pursuant to Section 132D of the Companies Act, 1965	Ordinary Resolution 8		
9	Special Business Proposed Amendments to the Articles of Association	Special Resolution		

Mark either box if you wish to direct the proxy how to vote. If you do not do so, the proxy may vote on the resolution or abstain from voting as the proxy thinks fit. If you appoint two proxies or more and wish them to vote differently, this should be specified.

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	NO. OF SHARES	PERCENTAGE
PROXY 1		%
PROXY 2		%
TOTAL		100%

If you wish to appoint other person(s) to be your proxy/proxies, kindly strike out the words "The Chairman of the Meeting" and insert the name(s) of the person(s) desired.

* Delete if not applicable

Dated this _____ day of _____ 2013.

Contact No. _____

Signature of Shareholder or Common Seal

NOTES:

- A member entitled to attend and vote at the meeting may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. If the proxy is not a member, he need not be an advocate, an approved company auditor or a person approved by the Registrar of Companies.
- A member may appoint up to two (2) proxies to attend the meeting. Where a member appoints two (2) proxies, the appointment shall not be valid unless the member specifies the proportion of his shareholding to be represented by each proxy. Where a member is an exempt authorised nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing (in the common or usual form) under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's Share Registrar's office at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time for holding of the meeting or adjourned meeting.
- For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available a Record of Depositors as at 13 March 2013 and only members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.

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Affix
Stamp
Here

The Share Registrar
NOTION VTEC BERHAD
(637546-D)

c/o Tricor Investor Services Sdn Bhd
Level 17, The Gardens North Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur

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