

VISDYNAMICS HOLDINGS BERHAD
(Company No. 677095-M)
(Incorporated in Malaysia)

**SUMMARY OF KEY MATTERS DISCUSSED AT THE COMPANY'S FOURTEENTH ANNUAL GENERAL MEETING
HELD ON WEDNESDAY, 27 MARCH 2019 AT 10.30 A.M.**

NO.	QUESTION RAISED BY SHAREHOLDERS/ PROXIES	RESPONSES FROM DIRECTORS/ MANAGEMENT
1.	The reason that accounted for the substantial increase in the trade receivables as compared to the previous financial year and whether the demo machines were included in the trade receivables.	The demo machines were not included in the trade receivables. The increase in the trade receivables was mainly due to the substantial product sales recorded in the last financial quarter of 2018 and the credit terms given to the customers upon delivery of products and buy-off. The Chief Financial Officer added that the Company had received some payment from the customers after the financial year end.
2.	The Company's selling and distribution strategy.	The Company's distribution channel included direct distribution in the local market and United States market where the Company had established its business presence, and distributors/intermediaries in South East Asia market such as Taiwan and Korea due to the business cultural differences.
3.	The breakdown of revenue contributed by each region and the major contributor to the Company's revenue.	The breakdown of revenue by geographical market could be found in the note 31 to the audited financial statements for the financial year ended 31 October 2018. As of to-date, the China and Taiwan markets were the major revenue contributors of the Company.
4.	The manpower deployed in the research and development and the demand of qualified engineering in Melaka as well as the Company's employee retention strategy.	There were approximately 91 employees in the Group, out of which 71% were technical staff and involved in the Company's research and development. The Company has been facing the problem of shortage of engineering talent similar to other technology companies. Nonetheless, the Company has put in place several human resources policies to promote employees' welfare and create a flexible and friendly working environment.
5.	The major contribution to the Group's revenue and the product customer group	The Company's products were not designed for the use of specific industry and could be customised based on the customers' needs. Currently, the tray based machine was the main revenue stream of the Company.
6.	The average selling price for the tray based machine.	The average selling price of the tray based machine ranged from USD250,000 to USD400,000 depending on the machine's specification.

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7.	The reason for the decrease in revenue derived from the South East Asia market from RM12.7 million in year 2017 as compared to RM7.9 million in year 2018.	The revenue from South East Asia market for the financial year 2017 was higher than that of the financial year 2018 mainly due to an exceptional order from a customer. Despite the drop in the sales in year 2018, the orders from the Philippines market had been growing and become the major customer of the Company in that region.
8.	The progress of the Company's expansion into the high and mid/ lower end market and the commercialisation of the new machine	The Company had launched a new high-end machine, which would require time to take off. The Company would continue exploring the mid to lower-end market but it would not be the key focus area of the Company
9.	The type of product distributed to the North Asia market	The products distributed in the North Asia market including the Company's existing products and the new products
10.	The targeted capital expenditure of the Company for the financial year 2019	The capital expenditure for an information technology related company was minimal. Nonetheless, the Company had expanded the production floor of the Company in last financial year to meet the production requirement