

VERSATILE • INNOVATIVE • SIMPLICITY

VISDYNAMICS HOLDINGS BERHAD (677095-M)

ANNUAL REPORT 2008

**VisDynamics**

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SUSTAINABLE *Growth*

















## CORPORATE SOCIAL RESPONSIBILITY

Our new facility, which is fully operational, is a testament to the environmental concerns of the Group. I will not belabour the details as they have been mentioned in last year's statement.

During the financial year, we have offered internships to a number of undergraduates who were required to fulfill their practical training requirement. Apart from learning technical skills, these undergraduates had the opportunity to gain an insight of our culture and operations, and may be attracted to join us upon graduation.

We have also put in place a scholarship programme for existing staff who are interested in furthering their education. We have sponsored two of our staffs during the financial year.

## INVESTORS RELATIONS

By participating in Bursa Malaysia's Capital Market Development Fund Research Scheme, we have an opportunity to disseminate to the investing public our financial results as well as corporate developments free-of-charge. Currently, the Group is covered by two research houses, namely Standard & Poor's and SJ Securities.

Our one-stop investor information centre in our corporate website, [www.vis-dynamics.com](http://www.vis-dynamics.com), provides up-to-date announcements and press releases as well as financial reports. Within the Group, we communicate regularly with our employees to brief them of our financial performance and to encourage their participation in the ownership of our shares. Our investor relation activities have also been extended to business associates.

We also provide briefings to the analyst community and the press on the occasion of our Annual General Meetings.

## CORPORATE GOVERNANCE

The Group is committed to achieving and maintaining good standards of corporate governance. The Board views good corporate governance as going beyond the duty of care that it owes to shareholders. All things being equal, we expect good governance to translate into a lower cost of capital for the Group, and a premium for shareholders in the long run.

## ACKNOWLEDGEMENT

Allow me express, on behalf of the Board, our deep appreciation to management, employees and business associates for their unstinting commitment, dedication, support and loyalty in contributing to the success of the Group.

We also wish to express our sincere appreciation and gratitude to our shareholders and stakeholders for the confidence placed upon us. In the difficult year ahead, we will redouble our efforts to earn and retain your trust.

# Board of Directors



*from left to right*

- Khairil Anuar Bin Abdullah** - Chairman / Non-Independent Non-Executive Director
- Dato' Nordin Bin Baharuddin** - Independent Non-Executive Director
- Datuk Azzat Bin Kamaludin** - Independent Non-Executive Director
- Choy Ngee Hoe** - Chief Executive Officer / Executive Director
- Lee Chong Leng** - Chief Technical Officer / Executive Director
- Ong Hui Peng** - Machine Software Department Manager / Executive Director

# Board of Directors' Profile

## **KHAIRIL ANUAR BIN ABDULLAH**

*58 years of age / Malaysian, Chairman / Non-Executive Non-Independent Director*

En Khairil Anuar Bin Abdullah ("En Khairil") was appointed as the Chairman/Non-Executive Non-Independent Director on 14 January 2005. He is the Chairman of the Employees' Share Option Scheme ("ESOS") Committee and a member of the Remuneration Committee, Nomination Committee and Audit Committee.

En Khairil graduated with a first degree in economics from the University of Malaya in 1972 and obtained his Master of Business Administration from Harvard Business School, USA in 1981. He is a Fellow of the Malaysian Institute of Banks.

En Khairil's career covers a diverse range of government and corporate experiences in the Economic Planning Unit of the Prime Minister's Department from 1973 to 1982, the Guthrie Group of Companies from 1983 to 1987, Batu Lintang Rubber Company (re-listed on Bursa Securities as Advance Synergy Berhad) and Arthur D Little from 1988 to 1992. In 1993, he joined the Securities Commission at its commencement as Director for Policy and Development. His portfolio included regulations and law reform, product development, economic research, information technology, the Securities Industry Development Centre, accounting standards and Islamic capital market development. He also served in the advisory committee of the Malaysian Central Depository, the Board of the Labuan Offshore Financial Services Authority and chaired a working group on the regulation of secondary markets of the Emerging Markets Committee of the International Organisation of Securities Commission ("IOSCO"). He was a member of the Bank of International Settlement / IOSCO Task Force on clearing and settlement in 1996.

In 1997, he was appointed founding chairman of the Malaysian Exchange of Securities Dealing & Automated Quotation Bhd (MESDAQ), Malaysia's securities exchange catering to high growth and technology companies until it merged with Bursa Securities (then the Kuala Lumpur Stock Exchange) in 2002.

Currently, En Khairil is the Chairman of The Media Shoppe Berhad and BCT Technology Berhad. He is also a Director of Symphony House Berhad, Kuwait Finance House (M) Berhad, and Apollo Hospitals Enterprise Limited.

## **CHOY NGEE HOE**

*45 years of age / Malaysian, Executive Director / Chief Executive Officer*

Mr Choy Ngee Hoe ("Mr Choy") was appointed as the Executive Director on 14 January 2005. He is also a member of the Remuneration Committee and ESOS Committee.

Mr Choy, a major shareholder, is our Chief Executive Officer and one (1) of the founder members of Visdynamics Research Sdn Bhd ("VRSB"), a subsidiary of our company. He is the leader of the team of talented and experienced engineers in VRSB. He oversees our management team as well as in charge of devising our corporate strategies and plans.

Mr Choy graduated from University of Malaya with a Bachelor of Science Degree in Mechanical Engineering (Honours) in 1988. He began his career in the semiconductor industry in 1988 as a Process Engineer in a subsidiary of one (1) of the well-known Multi-National Corporations (MNCs), National Semiconductors Corporation, in Melaka. Mr Choy was exposed to manufacturing and process technologies covering molding, strip/laser marking, solder plating, trim and form, electrical tests, reliability test and all the way to final pack in various consumers, industrial and military/aerospace products. Other than process related responsibilities such as yield improvement, cost savings, upgrades, productivity enhancement, equipment qualification, product transfer etc, he was also actively involved in new product development that required him to work with the corporate R&D team. His last position in National Semiconductor Corporation was Equipment Manager.

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

In 1997, Telford acquired the backend equipment division of a major semiconductor Integrated Device Manufacturer (IDM), Texas Instruments Incorporated, where he was a member of the acquisition team. Telford equipment division was then spun off to become the Semiconductor Technologies & Instruments (STI) group of companies. Mr Choy was made President of STI Sdn Bhd, which he helped form. In 1999, Telford and the STI group of companies were later united under ASTI Holding Ltd ("ASTI") and listed on the Singapore Exchange Ltd, Singapore. Mr Choy also held directorship and chairmanship in various international ASTI subsidiaries and helped ASTI with another major acquisition, the Reel Service Ltd group of companies, making ASTI one of the world's largest TNR contract manufacturers. He resigned from ASTI at 31 December 2002 and subsequently set up VRSB with the rest of the promoters.

# Board of Directors' Profile (cont'd)

## LEE CHONG LENG

*44 years of age / Malaysian, Executive Director / Chief Technical Officer*

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Mr Lee Chong Leng ("Mr Lee") was appointed as the Executive Director on 14 January 2005. He is also a member of ESOS Committee.

Mr Lee is our Chief Technical Officer ("CTO") and one (1) of the founder members of VRSB. In his capacity, Mr Lee oversees our Vision Software, Mechanical Design, Machine Software and Equipment Assembly sections. In addition, he is also our R&D project leader, in which he is in charge of the overall R&D activities that we undertake. He is involved in the formulation of corporate strategies and implementation of the R&D policy.

Mr Lee graduated with both Bachelor of Science Degree in Computer Science and Bachelor of Engineering Degree (Honours) in Electrical Engineering from University of New South Wales in 1989.

Upon his graduation, he joined as a Test Engineer in the subsidiary of one (1) of the well-known semiconductor MNCs, National Semiconductors Corporation, in Penang. During 1990 to 1997, he acted as an R&D Engineer for Powermatic Sdn Bhd in Petaling Jaya, Selangor which specialized in the manufacturing of security system, time management system and computer peripherals. In 1997, he joined TQS Manufacturing Sdn Bhd, a subsidiary of ASTI, which specialized in the TNR solution for semiconductor back-end industry, as Engineering Manager for two (2) years. In 1999, he was transferred to STISB, a subsidiary of ASTI, where he held the post of Engineering Manager.

Mr Lee resigned from ASTI and STISB on 15 November 2002 after which he and the rest of the promoters formed VRSB where he assumed the position as Engineering Manager and subsequently CTO. His vast experience and technical know-how throughout his nineteen (19) years of employment history has gained him reputable recognition from the industry. He is also one (1) of the inventors of our proprietary on-track mark and 3D vision inspection which are pending patent registration.

## ONG HUI PENG

*33 years of age / Malaysian, Executive Director / Machine Software Department Manager*

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Ms Ong Hui Peng ("Ms Ong") was appointed as the Executive Director on 14 January 2005. She is one (1) of the founder members of VRSB. Presently, she manages our Machine Software section and is responsible for all our machine software development projects. She contributes actively in R&D activities undertaken by us under the leadership of the CTO. Other than that, Ms Ong participates in the formulation and implementation of R&D strategies. She graduated from University of Malaya with a Bachelor's Degree (Honours) in Computer Science in 1999.

Ms Ong started her career in the semiconductor industry in 1999 as a Software Engineer in STISB, a subsidiary of ASTI, specializing in machine software development, and later as a Section Head of Machine Software.

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

# Board of Directors' Profile (cont'd)

## **DATO' NORDIN BIN BAHARUDDIN**

*59 years of age / Malaysian, Non-Executive Independent Director*

Dato' Nordin Bin Baharuddin ("Dato' Nordin") was appointed as the Non-Executive Independent Director on 9 February 2006. He is the Chairman of the Audit Committee and a member of the Nomination Committee.

Dato' Nordin graduated from University of London, United Kingdom with a Bachelor of Science (Econs) (Hons) Degree in 1973.

He joined Deloitte Haskins & Sells in London in 1973 upon graduation to pursue Chartered Accountancy. Following that, Dato' Nordin joined Petronas in 1979 as Manager in the Production Sharing Audit & Accounts Department.

Dato' Nordin joined Ernst & Young Malaysia in 1980 as Manager and was soon promoted to Principal and Partner. Subsequently in 1984, he was reassigned to the Sarawak office of Ernst & Young to assist the Partner-in-Charge to develop the Ernst & Young offices in Sarawak. In 1990, he was appointed the Partner-in-Charge of Sarawak. In 2004, he retired as Executive Chairman of Ernst & Young Malaysia after 35 years in the accounting and auditing sector in Malaysia and overseas.

Dato' Nordin is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Chartered Institute of Taxation, London. Presently, he is serving as President of the Malaysian Institute of Certified Public Accountants, Council Member and Chairman of the Accounting and Auditing Committee and Practice Review Committee in the Malaysian Institute of Accountants and member of the Malaysian Financial Reporting Foundation. He is also a Member of the Mongolian Institute of Certified Public Accountants and has helped to develop the profession in Mongolia as well as provided professional advice to the corporate sector through his tenure as Partner-in-Charge of Ernst & Young Mongolia.

Currently, he sits on the boards of KUB Malaysia Berhad, Syarikat Prasarana Negara Berhad and Sarawak Enterprise Corporation Berhad.

## **DATUK AZZAT BIN KAMALUDIN**

*63 years of age / Malaysian, Non-Executive Independent Director*

Datuk Azzat Bin Kamaludin ("Datuk Azzat") was appointed as the Non-Executive Independent Director on 9 February 2006. He is the Chairman of the Remuneration Committee and Nomination Committee. He is also a member of the Audit Committee.

A lawyer by profession, Datuk Azzat graduated from Queen's College, University of Cambridge, with a degree of Bachelor of Arts in 1968 and a Degree of Bachelor of Law in International Law in 1969. He was admitted to the Honourable Society of the Middle Temple, London in 1970.

From 1970 to 1979, Datuk Azzat was an Administrative and Diplomatic Officer with the Ministry of Foreign Affairs, during which time, he was also Assistant Secretary of Association of Southeast Asian Nation (ASEAN) and Zone of Peace, Freedom and Neutrality (ZOPFAN) Divisions, Second Secretary at the Permanent Mission of Malaysia to the United Nations, Head of Chancery at the Malaysian Commission in Hong Kong and finally, Principal Assistant Secretary, Law of the Sea Division. He has been a partner of the legal firm, Messrs Azzat & Izzat ever since 1979.

He has served as a member of the Securities Commission and the Board of MESDAQ before its merger with the then Kuala Lumpur Stock Exchange.

Currently, Datuk Azzat serves on the boards of Boustead Holdings Berhad, Affin Holdings Berhad, KPJ Healthcare Berhad, Pulai Springs Berhad, Boustead Heavy Industries Berhad and TM International Berhad.

### **Notes:**

1. None of the Directors has any family relationship with any Directors and/or major shareholders of the Company.
2. None of the Directors has any business arrangement with the Company in which he has a personal interest or has any conflict of interest with the Company.
3. None of the Directors has any conviction for offences within the past 10 years, other than traffic offences, if any.
4. The details of directors' attendance of board meetings in the financial year ended 31 October 2008 are disclosed in page 14 of this Annual Report.

Corporate

# Information

## BOARD OF DIRECTORS

**Khairil Anuar Bin Abdullah**

*Chairman / Non-Executive Non-Independent Director*

**Choy Ngee Hoe**

*Executive Director / CEO*

**Lee Chong Leng**

*Executive Director / CTO*

**Ong Hui Peng**

*Executive Director / Machine Software Department Manager*

**Dato' Nordin Bin Baharuddin**

*Non-Executive Independent Director*

**Datuk Azzat Bin Kamaludin**

*Non-Executive Independent Director*

## COMPANY SECRETARIES

Mah Li Chen (MAICSA 7022751)

Lee Wai Kim (MAICSA 7036446)

Peggy Chek Hong Kim (MIA 23475)

## REGISTERED OFFICE

10th Floor, Menara Hap Seng  
No. 1 & 3 Jalan P. Ramlee  
50250 Kuala Lumpur, Malaysia  
Tel : 03-2382 4288  
Fax : 03-2382 4170

## CORPORATE HEAD OFFICE

Lot 3844, Jalan TU 52  
Kawasan Perindustrian Tasik Utama  
Ayer Keroh, 75450 Melaka, Malaysia  
Tel : 06-2323 023  
Fax : 06-2323 600

## PRINCIPAL BANKERS

Public Bank Berhad  
HSBC Bank Malaysia Berhad  
United Overseas Bank Malaysia Berhad

## AUDITORS

Horwath (AF 1018)  
Melaka Office  
Chartered Accountants  
535 Jalan Merdeka, Melaka Raya  
75000 Melaka, Malaysia  
Tel : 06-2825 995  
Fax : 06-2836 449

## SHARE REGISTRAR

Symphony Share Registrars Sdn Bhd  
Level 26, Menara Multi-Purpose,  
Capital Square  
No. 8, Jalan Munshi Abdullah  
50100 Kuala Lumpur, Malaysia  
Tel : 03-2721 2222  
Fax : 03-2721 2530

## SPONSOR

Kenanga Investment Bank Berhad  
Company No. 15678-4  
15th Floor, Suite 15.06, Kenanga International  
Jalan Sultan Ismail  
50250 Kuala Lumpur, Malaysia  
Tel : 03-2164 6689  
Fax : 03-2164 6690

## STOCK EXCHANGE LISTING

Mesdaq Market of Bursa Securities  
Stock Name : VIS  
Stock Code : 0120

