

THIS ABRIDGED PROSPECTUS (“AP”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY. If you have sold or transferred all your Rights Shares with Warrants-C (as defined herein), you are not required to deliver any document to your stockbroker. You are however advised to ensure that you have sufficient number of provisionally allotted Rights Shares (as defined herein) standing to the credit of your Central Depository System (“CDS”) account available for settlement of the sale or transfer. You should address all enquiries concerning the Rights Issue with Warrants (as defined herein) to our share registrar, ShareWorks Sdn Bhd (“Share Registrar”) at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL).

This AP together with the Notice of Provisional Allotment (“NPA”) and the Rights Subscription Form (“RSF”) (collectively referred to as “Documents”) are only despatched to our shareholders (“Entitled Shareholders”) whose name appear in our Record of Depositors at 5.00 p.m. on 27 December 2016 (“Entitlement Date”) at their registered addresses in Malaysia. The Documents are not intended to be (and will not be) issued, circulated or distributed in any countries or jurisdictions other than the laws of Malaysia. No action has been or will be taken to ensure that the Rights Issue with Warrants or the Documents comply with the laws of any countries or jurisdictions other than the laws of Malaysia. The Documents do not constitute an offer, solicitation or invitation to subscribe for the Rights Issue with Warrants in any jurisdiction other than Malaysia or to any person to whom it may be unlawful to make such an offer, solicitation or invitation. It shall be the sole responsibility of the Entitled Shareholders and/or their renounees (if applicable) who are residents in countries or jurisdictions other than Malaysia to consult their legal and/or other professional adviser as to whether their acceptance or renunciation (as the case may be) of his/her entitlement to the Rights Issue with Warrants would result in the contravention to any laws of such countries or jurisdictions. Such Entitled Shareholders and/or the renounees (if applicable) should note the additional terms and restrictions as set out in Section 4.11 of this AP. Neither our Company, TA Securities Holdings Berhad (“TA Securities”) or the Share Registrar shall accept any responsibility or liability whatsoever to any party in the event that any acceptance or sale/renunciation made by the Entitled Shareholders, and/or their renounees (if applicable) is or shall become illegal, unenforceable, voidable or void in any countries or jurisdictions in which the Entitled Shareholders and/or his renounee (if applicable) is a resident.

A copy of this AP has been registered with the Securities Commission Malaysia (“SC”). The registration of this AP should not be taken to indicate that the SC recommends the Rights Issue with Warrants or assumes responsibility for the correctness or any statement made or opinion or report expressed in this AP. The SC has not in any way considered the merits of the securities being offered for investment. A copy of this AP, together with the NPA and RSF, has also been lodged with the Registrar of Companies who takes no responsibility for the contents of these documents.

Our shareholders have approved the Rights Issue with Warrants at the Extraordinary General Meeting held on 9 September 2016. Bursa Malaysia Securities Berhad (“Bursa Securities”) had vide its letter dated 26 May 2016 approved the admission to the Official List of the Main Market of Bursa Securities and the listing of and quotation for the Warrants-C, the listing of and quotation for the Rights Shares, Adjustment Warrants-B (as defined herein) and the new Vizione Shares (as defined herein) to be issued upon the exercise of the Warrants-C and the Adjustment Warrants-B on the Main Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue with Warrants. Admission of the Warrants-C to the Official List, listing of and quotation for the Rights Shares, Warrants-C, Adjustment Warrants-B and new Vizione Shares to be issued upon exercise of the Warrants-C and Adjustment Warrants-B on the Main Market of Bursa Securities are in no way reflective of the merits of the Rights Issue with Warrants. Neither Bursa Securities nor the SC takes any responsibility for the correctness of any statement made or opinion expressed in the Documents. The listing of and quotation for the Rights Shares and Warrants-C will commence after, amongst others, receipt of confirmation from Bursa Malaysia Depository Sdn Bhd that all the CDS accounts of the successful applicants to the Rights Shares with Warrants-C have been duly credited and notices of allotment have been despatched to them.

Our Board of Directors (“Board”) have seen and approved all the documentation relating to this Rights Issue with Warrants. Our Board, collectively and individually, accept full responsibility for the accuracy of the information given and confirms that, after having made all reasonable inquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in these documents false or misleading.

TA Securities, being the Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of its knowledge and belief, this AP constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, PLEASE REFER TO “RISK FACTORS” SECTION HEREIN.



VIZIONE

VIZIONE HOLDINGS BERHAD
(FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)

(Company No. 442371-A)
(Incorporated in Malaysia under the Companies Act, 1965)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 731,626,800 NEW ORDINARY SHARES OF RM0.10 EACH IN VIZIONE (“VIZIONE SHARES”) (“RIGHTS SHARES”) ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING VIZIONE SHARE HELD AS AT 5.00 P.M. ON 9 JANUARY 2017 AT AN ISSUE PRICE OF RM0.10 PER RIGHTS SHARE, TOGETHER WITH UP TO 365,813,400 FREE DETACHABLE NEW WARRANTS (“WARRANTS-C”) ON THE BASIS OF ONE (1) WARRANT-C FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED BY THE ENTITLED SHAREHOLDERS (“RIGHTS ISSUE WITH WARRANTS”)

Adviser



A MEMBER OF THE TA GROUP

TA SECURITIES HOLDINGS BERHAD (14948-M)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME

Entitlement date	:	Monday, 9 January 2017 at 5.00 p.m.
Last date and time for:		
Sale of provisional allotment of rights	:	Monday, 16 January 2017 at 5.00 p.m.
Transfer of provisional allotment of rights	:	Thursday, 19 January 2017 at 4.00 p.m.
Acceptance and payment	:	Tuesday, 24 January 2017 at 5.00 p.m.
Excess application and payment	:	Tuesday, 24 January 2017 at 5.00 p.m.

This Abridged Prospectus is dated 9 January 2017

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this AP, unless stated otherwise.

BURSA SECURITIES HAS APPROVED THE ADMISSION TO THE OFFICIAL LIST OF THE MAIN MARKET OF BURSA SECURITIES AND THE LISTING OF AND QUOTATION FOR THE WARRANTS-C, THE LISTING OF AND QUOTATION FOR THE RIGHTS SHARES, ADJUSTMENT WARRANTS-B AND THE NEW VIZIONE SHARES TO BE ISSUED UPON THE EXERCISE OF THE WARRANTS-C AND THE ADJUSTMENT WARRANTS-B ON THE MAIN MARKET OF BURSA SECURITIES AND THE APPROVAL SHALL NOT BE TAKEN TO INDICATE THAT BURSA SECURITIES RECOMMENDS THE RIGHTS ISSUE WITH WARRANTS.

THE SC AND BURSA SECURITIES ARE NOT LIABLE FOR ANY NON-DISCLOSURE ON OUR PART AND TAKE NO RESPONSIBILITY FOR THE CONTENTS OF THIS AP, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS AP.

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

YOU ARE ADVISED TO NOTE THAT RECOURSE FOR FALSE OR MISLEADING STATEMENTS OR ACTS MADE IN CONNECTION WITH THIS AP ARE DIRECTLY AVAILABLE THROUGH SECTIONS 248, 249 AND 357 OF THE CMSA.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC PREMISED ON FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE ISSUE FOR WHICH ANY OF THE PERSONS SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, ARE RESPONSIBLE.

WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THIS AP.

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DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this AP and the accompanying appendices:

“5D-VWAP”	:	Five (5)-day volume weighted average market price
“Act”	:	The Companies Act, 1965 as amended from time to time and any re-enactment thereof
“Adjustment”	:	Adjustment to the number of outstanding Warrants-B from 70,401,960 to up to 75,743,055 following the issuance of up to 5,341,095 Warrants-B pursuant to the existing deed poll dated 15 May 2013 constituting Warrants-B and subject to the certification by our auditors
“Adjustment Warrants-B”	:	Up to 5,341,095 additional Warrants-B to be issued pursuant to the Adjustment
“Amendment to the Memorandum of Association”	:	Amendment to the Memorandum of Association of our Company to facilitate the implementation of the Capital Reorganisation which took effect on 7 November 2016
“AP”	:	This Abridged Prospectus issued by our Company dated 9 January 2017
“ATM”	:	Automated teller machine within Malaysia
“Baling PPR Project”	:	The construction of 1,000 units of single-storey medium low cost terrace houses at Daerah Baling, Kedah under Inspirasi Perkasa
“BFD”	:	Blue Forest Development
“Board”	:	Board of Directors of Vizione
“Bursa Depository”	:	Bursa Malaysia Depository Sdn Bhd
“Bursa Securities”	:	Bursa Malaysia Securities Berhad
“By-Laws”	:	The By-Laws governing the SIS set forth, as may be amended from time to time and to be adopted
“Capital Reorganisation”	:	Par Value Reduction, Capital Reserve Reduction and Share Premium Reduction, collectively
“Capital Reserve Reduction”	:	Reduction of RM5,527,459 from the capital reserve account of Vizione which was completed on 7 November 2016

DEFINITIONS (CONT'D)

“CDS”	:	Central Depository System
“CDS Account”	:	A securities account established by Bursa Depository for a depositor to record the deposits or withdrawals of securities or for dealings in such securities by the depositor
“CHI”	:	CH International Advisory Sdn Bhd
“CHI Report”	:	CHI Investigative Review Report dated 27 November 2014 and updated CHI Investigative Review Report dated 24 June 2015
“CIDB”	:	Construction Industry Development Board
“CMSA”	:	Capital Market Services Act, 2007, as amended from time to time and any reenactment thereof
“Code”	:	Malaysian Code on Take-overs and Mergers 2010 (before the implementation of the Malaysian Code on Take-overs and Mergers 2016 which comes into operation on 15 August 2016) and includes any amendment made thereto from time to time
“Corporate Exercises”	:	Capital Reorganisation, Rights Issue with Warrants, SIS and Amendment to the Memorandum of Association, collectively
“Deed Poll”	:	The document constituting the Warrants-C dated 9 December 2016
“Director”	:	A natural person who holds a directorship in our Company, whether in an executive or non-executive capacity, and shall have the meaning given in Section 4 of the Act and Section 2(1) of the CMSA
“Disposal”	:	The disposal of 18,000,000 Singatronics Shares, representing the entire issued and paid-up share capital of Singatronics held by Vizione to Mohd. Azmi Bin Mustapha and Wan Fazmy Muzaffar Bin Mohammed (the “Purchasers”) for cash consideration of RM3.60 million. The disposal was completed on 29 January 2016
“DLP”	:	Defect liability period
“E&E”	:	Electronic and electrical
“EBITDA”	:	Earnings before interest, taxation, depreciation and amortisation
“EGM”	:	Extraordinary general meeting of our Company held on 9 September 2016
“Eligible Employee”	:	Any Director or employee of our Group (except dormant subsidiaries) who meets the criteria of eligibility for participation in the SIS as stipulated by the By-Laws
“Elite Appeal”	:	Elite Appeal Sdn Bhd
“EMS”	:	Electronic manufacturing services

DEFINITIONS (CONT'D)

“Entitlement Date”	:	9 January 2017, 5.00 p.m., being the date and time on which our shareholders must be registered on Record on Depositors in order to be entitled to the Rights Issue with Warrants
“Entitled Shareholders”	:	Our shareholders, whose name appear in the Record of Depositors on the Entitlement Date
“EPS”	:	Earnings per Share
“Excess Rights Shares”	:	Rights Shares which are not taken up or not validly taken up by our Entitled Shareholders and/or their renouncee(s) and/or transferee(s) (if applicable) prior to the closing date as set out in Section 4.3 of this AP.
“Existing Warrants-B”	:	Existing Warrants-B issued but remained unexercised as at the LPD
“Extended Stage 2 Investigative Review”	:	An extended investigative review, requested by Bursa Securities, conducted by CHI on the Stage 2 Investigative Review
“FPE”	:	Financial period ended/ ending, as the case may be
“FYE”	:	Financial year ended/ ending, as the case may be
“GDC”	:	Gross development cost
“GDV”	:	Gross development value
“Government”	:	Government of Malaysia
“GP”	:	Gross profit
“Grantee”	:	An Eligible Employee who has accepted the Offer or any part thereof of an Option in accordance with the By-Laws
“HCT”	:	Hitech Contracting Trading
“HOA”	:	Heads of Agreement dated 1 July 2016 between Vizione Development and Paragon Residencia to express the parties’ intentions to enter into a Joint Venture to develop the Sri Kembangan Project
“HRD”	:	Hoe Renovation Design
“ICULS”	:	Being 120,000,000 units of 10-years 3% irredeemable convertible unsecured loan stocks at the nominal value of RM0.10 each constituted by the trust deed dated 30 June 2011 were issued on 12 August 2011. As at the LPD, an aggregate of 3,458,800 ICULS remained unconverted and the ICULS will expire on 8 August 2021
“Inspirasi Perkasa”	:	Inspirasi Perkasa Sdn Bhd

DEFINITIONS (CONT'D)

“Investigative Reviews”	:	Stage 1 Investigative Review, Stage 2 Investigative Review and Extended Stage 2 Investigative Review, collectively
“Issue Price”	:	The issue price pursuant to the Rights Issue with Warrants of RM0.10 per Rights Share
“Joint Venture”	:	The proposed joint venture between Vizione Development and Paragon Residencia in relation to the Sri Kembangan Project, pursuant to the Letter of Intent, the HOA, and Supplemental HOA.
“JPN”	:	Jabatan Perumahan Negara (National Housing Department) under KPKT, being the project owner for the PPR Projects
“Kota Belud PPR Project”	:	The project for PPR Kota Belud, Ulu Perasan, Kota Belud, Sabah undertaken by Vizione Construction, pursuant to the LOA from Kuasa Lumpadang (being the main contractor) to Vizione Construction dated 3 November 2015, of which further details are set out in Appendix XVI of this AP
“KPT Manufacturing”	:	KPT Manufacturing Sdn Bhd (formerly known as Kenplus Technology Sdn Bhd), one of Singatronics’ customer
“KPKT”	:	Kementerian Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan (Ministry of Urban Wellbeing, Housing and Local Government), the government ministry that is tasked with managing the PPR
“Kuasa Lumpadang”	:	Kuasa Lumpadang Sdn Bhd
“Kuala Nerus PPR Project”	:	The project for PPR Bukit Berangan, Kuala Nerus, Terengganu proposed to be undertaken by Vizione Construction, pursuant to the proposal submitted to Tulangis Maju (being the main contractor) on 16 October 2016, of which further details are set out in Appendix XIII of this AP
“L7”	:	L Seven Technology
“LAD”	:	Liquidated and ascertained damages
“Lahad Datu PPR Project”	:	The project for PPR Lahad Datu, Sabah proposed to be undertaken by Vizione Construction, pursuant to the proposal submitted to PRSB (being the main contractor) on 21 July 2015, of which further details are set out in Appendix XIII of this AP
“LAT”	:	Loss after tax
“LBT”	:	Loss before tax
“LCL”	:	LCL M&E Engineering Sdn Bhd
“Letter of Intent”	:	Letter of Intent dated 16 June 2016 issued by Vizione Development to Paragon Residencia to commence discussion and negotiation for participation in the proposed development of the Sri Kembangan Project
“Listing Requirements”	:	Main Market Listing Requirements of Bursa Securities

DEFINITIONS (CONT'D)

“LOA”	:	Letter of Award
“LPD”	:	21 December 2016, being the latest practicable date prior to the printing of this AP
“LPS”	:	Loss per Share
“MAAC” or “External Auditors”	:	Messrs Morison Anuarul Azizan Chew
“Machang PPR Project”	:	The project for PPR Mukim Dewan, Machang, Kelantan proposed to be undertaken by Vizione Construction, pursuant to the proposal submitted to Elite Appeal (being the main contractor) on 18 December 2015, of which further details are set out in Appendix XIII of this AP
“Main Market”	:	Main Market of Bursa Securities
“Market Day”	:	A day on which Bursa Securities is open for the trading of securities
“Maximum Scenario”	:	A scenario assuming all the Existing Warrants-B and ICULS are exercised and converted into new Vizione Shares prior to the Entitlement Date and all Entitled Shareholders fully subscribe for their entitlements pursuant to the Rights Issue with Warrants
“Melaka PPR Projects”	:	These refer to the PPR Projects undertaken by Vizione Construction (as the sub-contractor) in relation to: <ul style="list-style-type: none"> (a) The project for PPR Paya Rumput, Melaka Tengah, Melaka (“PPR Paya Rumput”) under Gemawan Bina Sdn Bhd, being the main contractor, for a contract value of RM57.0 million pursuant to the LOA to Vizione Construction dated 11 March 2014. The PPR Paya Rumput entails the construction of 4 blocks of 10-storey, 600 units low cost apartments with average size of 700 sq. ft. per unit. The PPR Paya Rumput was completed in March 2016; (b) The project for PPR Ayer Panas, Melaka (“PPR Ayer Panas”) under PRSB, being the main contractor, for a contract value of RM48.0 million pursuant to the LOA to Vizione Construction dated 11 March 2014. The PPR Ayer Panas entails the construction of 2 blocks of 12-storey, 500 units low cost apartments with average size of 700 sq. ft. per unit. The PPR Ayer Panas was completed in March 2016. <p>Vizione Construction’s scope for the above PPR Projects includes to supply labour and necessary tools and equipment to carry out the design, build and deliver the projects and other related works, which includes structure, architecture, mechanical and electrical works complete with ancillary building, landscaping and infrastructure works.</p>
“Minimum Scenario”	:	A scenario assuming none of the Existing Warrants-B and ICULS are exercised and converted into new Vizione Shares prior to the Entitlement Date pursuant to the Rights Issue with Warrants and is based on the Minimum Subscription Level

DEFINITIONS (CONT'D)

“Minimum Subscription Level”	:	A minimum subscription level of 90,000,000 Rights Shares together with up to 45,000,000 free Warrants-C pursuant to the Undertakings
“MOF”	:	Ministry of Finance, Malaysia
“MRSB”	:	Megaweb Resources Sdn Bhd, one of Singatronics’ customers
“NA”	:	Net assets
“Nakareg”	:	Nakareg Sdn Bhd
“NAM”	:	Najem al-Mina, one of Singatronics’ trade debtors
“NAV”	:	Net assets valuation method
“NL”	:	Net liabilities
“NPA”	:	Notice of Provisional Allotment in relation to the Rights Issue with Warrants
“NTA”	:	Net tangible assets
“Offer”	:	Written offer by the SIS Committee to an Eligible Employee to participate in the Scheme as indicated in the By-Laws
“Official List”	:	A list specifying all securities listed on the Main Market of Bursa Securities
“OMSB”	:	Ocean Milestone Sdn Bhd
“Options”	:	The right of a Grantee to subscribe for new Vizione Shares under the Scheme at the Option Price pursuant to the contract constituted by the acceptance of an Offer by an Eligible Employee in the manner indicated in the By-Laws
“Option Price”	:	The price at which a Grantee shall be entitled to subscribe for one (1) new Vizione Share under the Scheme pursuant to the exercise of the Options as set out in the By-Laws
“P&M”	:	Plant and machinery
“Par Value Reduction”	:	Reduction of the issued and paid-up share capital of Vizione pursuant to Section 64 of the Act involving the cancellation of RM0.10 of the par value of each ordinary share of RM0.20 each in Vizione which was completed on 7 November 2016
“Paragon Residencia”	:	Paragon Residencia Sdn Bhd
“PAT”	:	Profit after taxation
“PBT”	:	Profit before taxation
“PCB”	:	Printed circuit board
“PKFA”	:	PKF Advisory Sdn Bhd

DEFINITIONS (CONT'D)

“PKFA Report”	:	PKFA Investigative Report dated 30 May 2014
“PPE”	:	Property, plant and equipment
“PPR”	:	People’s Housing Program or Program Perumahan Rakyat
“PPR Projects”	:	The PPR construction projects undertaken or to be undertaken by our Group
“Price-Fixing Date”	:	9 December 2016, being the date on which the Issue Price and the exercise price of the Warrants-C were determined as announced
“PRSB”	:	Permata Rebana Sdn Bhd
“R&D”	:	Research and development
“Record of Depositors”	:	A record of securities holders provided by Bursa Depository
“Rights Issue with Warrants”	:	Renounceable rights issue of up to 731,626,800 Rights Shares on the basis of two (2) Rights Shares for every one (1) existing Vizione Share held on an Entitlement Date, together with up to 365,813,400 free Warrants-C on the basis of one (1) Warrants-C for every two (2) Rights Shares subscribed by the Entitled Shareholders
“Rights Shares”	:	Up to 731,626,800 new Vizione Shares to be issued pursuant to the Rights Issue with Warrants
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“Rules of the Bursa Depository”	:	The rules of Bursa Depository as issued pursuant to the SICDA and as amended from time to time
“Rules”	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC pursuant to Section 377 of the CMSA
“RSF”	:	Rights Subscription Form in relation to the Rights Issue with Warrants
“Sale Consideration”	:	Representing RM3,600,000 cash consideration for the Disposal
“Sphairon Sales Order”	:	Purchase order from Sphairon amounting to Euro 10.17 million (equivalent to approximately RM40.31 million at the time of the purchase order) dated 26 September 2012 which was accepted by Singatronics, whereby Singatronics was supposed to produce a type of telecommunication product i.e. EASYBOX modem for Sphairon
“SC”	:	Securities Commission Malaysia
“Semporna PPR Project”	:	The project for PPR Daerah Semporna, Sabah proposed to be undertaken by Vizione Construction, pursuant to the proposal submitted to Kuasa Lumpadang (being the main contractor) on 5 January 2016, of which further details are set out in Appendix XIII of this AP

DEFINITIONS (CONT'D)

“SG Cambodia”	:	Sing Guan Silk Screen (Cambodia) Co Ltd, a 37.60% associate company of Vizione
“Share Premium Reduction”	:	Reduction of up to RM11,411,553 from the share premium account of Vizione pursuant to Sections 60(2) and 64(1) of the Act which was completed on 7 November 2016
“SICDA”	:	Security Industry (Central Depositories) Act 1991, as amended, modified or re-enacted from time to time
“Singatronics”	:	Singatronics (M) Sdn Bhd, formerly a wholly-owned subsidiary of Vizione
“Singatronics Shares”	:	Ordinary shares of RM 1.00 each in Singatronics
“SIS” or “Scheme”	:	Establishment of a share issuance scheme of up to fifteen percent (15%) of the issued and paid-up share capital of Vizione (excluding treasury shares, if any) at any one time during the duration of the Scheme
“SIS Committee”	:	The committee to be duly appointed and authorised by the Board to implement and administer the Scheme
“SIS Shares”	:	New Vizione Shares to be issued upon the exercise of the Options
“Sphairon”	:	Sphairon Technologies GbmH
“sq. ft.”	:	Square feet
“Sri Kembangan Land”	:	Approximately 3.2 acres on P.T. 50606, Mukim Petaling, Daerah Petaling, Selangor Darul Ehsan
“Sri Kembangan Project”	:	Proposed development of 256 units of 28 storey apartments consisting of, 21 storeys of apartments, 1 storey of facility (comprising amongst others gym facilities, children playground, facilities for sports activities) and 6 storeys of lobby and podium car parks (comprising of 1 storey for lobby and 5 storeys of podium car parks), on the Sri Kembangan Land
“SSA”	:	Share sale agreement dated 26 January 2016 between Vizione and the Purchasers in relation to the Disposal
“SSW”	:	SSW Engineering Services
“Stage 1 Investigative Review”	:	Investigative review conducted by PKFA on certain transactions and balances of our Group in respect of the audit for FYE 31 December 2013 as raised by MAAC
“Stage 2 Investigative Review”	:	Investigative review conducted by CHI on the financial statements of our Group on the past three (3) FYE 31 December 2011, FYE 31 December 2012 and FYE 31 December 2013, collectively
“Supplemental HOA”	:	The supplemental HOA dated 25 November 2016 between Paragon Residencia and Vizione Development to extend the time period for the negotiation and finalisation of the terms and conditions of the Joint Venture by 23 March 2017

DEFINITIONS (CONT'D)

“SVM”	:	S&V Management
“TA Securities” or “Adviser”	:	TA Securities Holdings Berhad
“Tawau PPR Project”	:	The PPR project at Jalan Merotai, Tawau, Sabah, under WSSB, being the main contractor (building), for a contract value of RM38.50 million undertaken by Vizione Construction, pursuant to the LOA to Vizione Construction dated 28 August 2015, of which further details are set out in Appendix XV of this AP
“TERP”	:	Theoretical ex-rights price
“TMSB”	:	Techno Master Sdn Bhd, one of Singatronics’ suppliers
“Tulangis Maju”	:	Tulangis Maju Sdn Bhd
“Undertakings”	:	Irrevocable and unconditional written undertakings dated 8 November 2016 from the Undertaking Shareholders that they will amongst others: <ul style="list-style-type: none"> (i) not sell and dispose any of their Vizione Shares from 8 November 2016 up to the completion of the Rights Issue with Warrants and that as at the Entitlement Date, the Vizione Shares shall not be less than 3,201,000 Shares, 300,000 Shares and 2,000,000 Shares held by Dato’ Ng Aun Hooi, Datuk Chai Woon Chet and Wong Kwai Wah, respectively. (ii) subscribe in full for their entitlements to the Rights Shares with Warrants-C in full, in proportion to their shareholdings in Vizione as at the Entitlement; and (iii) subscribe for up to a total of RM3,000,000 worth of Rights Shares with Warrants-C pursuant to their entitlement via share excess application. For avoidance of doubt, the total RM3,000,000 worth of Rights Shares with Warrants-C is inclusive of such Rights Shares with Warrants-C that they are entitled to subscribe pursuant to the Minimum Subscription Level.
“Undertaking Shareholders”	:	Dato’ Ng Aun Hooi, Datuk Chai Woon Chet and Wong Kwai Wah, collectively
“VESSB”	:	Vista Eletronics Solution Sdn Bhd, one of Singatronics’ customers
“Vizione” or “Company”	:	Vizione Holdings Berhad (<i>formerly known as Astral Supreme Berhad</i>)
“Vizione Construction”	:	Vizione Construction Sdn Bhd (<i>formerly known as Astral Supreme Construction Sdn Bhd</i>), a wholly-owned subsidiary of Vizione
“Vizione Development”	:	Vizione Development Sdn Bhd (<i>formerly known as Astral Supreme Development Sdn Bhd</i>), a wholly-owned subsidiary of Vizione
“Vizione Group” or “Group”	:	Vizione and its subsidiaries, collectively

DEFINITIONS (CONT'D)

“Vizione Shares” or “Shares”	:	Ordinary shares of RM0.10 each in our Company
“Warrants-A”	:	Being 39,857,200 warrants 2011/2016 constituted by the deed poll dated 30 June 2011, which were issued On 12 August. As at its’ date of expiry on 8 August 2016, an aggregate of 38,722,400 Warrants-A remained unexercised. In view that the exercise period of Warrants-A has expired, all unexercised Warrants-A has ceased to have any effect and therefore is excluded from the Corporate Exercises
“Warrants-B”	:	Being 70,401,960 warrants 2013/2018 constituted by the deed poll dated 15 May 2013, which were issued on 28 June 2013. As at the LPD, an aggregate of 70,401,960 Warrants-B remained unexercised and the Warrants-B will expire on 20 June 2018
“Warrants-C”	:	Up to 365,813,400 new free detachable warrants 2017/2022 as constituted by the Deed Poll
“WSSB”	:	Wira Syukur (M) Sdn Bhd
“ZyXEL”	:	ZyXEL Communications

All references to “you” and/or “your” in this AP are references to the Entitled Shareholders and/or where the context otherwise requires, their renounce(s).

All references to “our Company” and/or “Vizione” in this AP are to Vizione Holdings Berhad. References to “our Group” and/or “Vizione Group” are to Vizione and its subsidiaries and references to “we”, “us” “our” and “ourselves” are to Vizione and where the context does require, shall include our subsidiaries.

Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this AP to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this AP shall be reference to Malaysian time, unless otherwise specified.

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CORPORATE DIRECTORY**BOARD OF DIRECTORS**

Name	Address	Age	Nationality	Profession
Datuk Dr. Raman Bin Ismail <i>(Independent Non-Executive Chairman)</i>	31, Jalan Desa 7/1, Bandar Country Homes 48000 Rawang, Selangor Darul Ehsan	57	Malaysian	Medical Specialist
Dato' Ng Aun Hooi <i>(Managing Director)</i>	1, Lorong PJU 7/17B, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan	54	Malaysian	Company Director
Dato' Ir. Mohamad Shokri bin Abdullah <i>(Independent Non-Executive Director)</i>	No. 3, Jalan SS7/3, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan	63	Malaysian	Professional Engineer
Datuk Chai Woon Chet <i>(Executive Director)</i>	Lot 116, Jalan Timah 3, Mines Resort City, 43300 Seri Kembangan, Selangor Darul Ehsan	38	Malaysian	Company Director
Wong Kwai Wah <i>(Executive Director)</i>	No. 74, Jalan 12/62, Bandar Manjalara, 52200 Kuala Lumpur Wilayah Persekutuan (KL)	59	Malaysian	Chartered Accountant
Andrew Lim Piow Tiang <i>(Independent Non-Executive Director)</i>	65, Jalan USJ 11/1K, UEP Subang Jaya, 47600 Petaling Jaya, Selangor Darul Ehsan	56	Malaysian	Chartered Accountant

AUDIT COMMITTEE

Name	Designation	Directorship
Andrew Lim Piow Tiang	Chairman	Independent Non-Executive Director
Dato' Ir. Mohamad Shokri bin Abdullah	Member	Independent Non-Executive Director
Datuk Dr Raman bin Ismail	Member	Independent Non-Executive Director

COMPANY SECRETARIES : Lee Wee Hee (MAICSA 0773340)
Wong Yuet Chyn (MAICSA 7047163)
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-6201 1120

REGISTERED OFFICE : No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-6201 1120

CORPORATE DIRECTORY (CONT'D)

- HEAD/ MANAGEMENT OFFICE/
PRINCIPAL PLACE OF BUSINESS** : No. C-0-12, Plaza Damas 3
Jalan Sri Hartamas 1
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-6211 9008
Website : www.vizione.com.my
- SHARE REGISTRAR** : ShareWorks Sdn Bhd (229948-U)
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-6201 1120
- AUDITORS AND REPORTING
ACCOUNTANTS** : Messrs Morison Anuarul Azizan Chew (AF 1977)
Chartered Accountants
18, Jalan Pinggir 1/64
Off Jalan Kolam Air
Jalan Sultan Azlan Shah (Jalan Ipoh)
51200 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03- 4048 2888
- SOLICITORS FOR THE RIGHTS
ISSUE WITH WARRANTS** : Messrs David Lai & Tan
Level 8-3 & 8-4
Wisma Miramas
No.1, Jalan 2/109E
Taman Desa, Jalan Klang Lama
58100 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-7972 7968
- PRINCIPAL BANKERS** : Malayan Banking Berhad
2, Lorong Rahim Kajai 14
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-7729 3051
- AmBank (M) Berhad
Level 17, Menara Dion
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-2026 3939
- United Overseas Bank (Malaysia) Bhd
Ground Floor, Uptown 1
1, Jalan SS21/58, Damansara Uptown
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7724 3888

CORPORATE DIRECTORY (CONT'D)

**ADVISER FOR THE RIGHTS ISSUE
WITH WARRANTS** : TA Securities Holdings Berhad
29 Floor, Menara TA One
22, Jalan P. Ramlee
50250 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-2072 1277

STOCK EXCHANGE LISTING : Main Market of Bursa Securities

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VIZIONE

VIZIONE HOLDINGS BERHAD
(FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
(Company No. 442371-A)
(Incorporated in Malaysia under the Companies Act, 1965)

Registered Office:

No 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: 03-6201 1120

9 January 2017

Our Board of Directors:

Datuk Dr Raman bin Ismail (*Independent Non-Executive Chairman*)
Dato' Ng Aun Hooi (*Managing Director*)
Dato' Ir. Mohamad Shokri bin Abdullah (*Independent Non-Executive Director*)
Datuk Chai Woon Chet (*Executive Director*)
Wong Kwai Wah (*Executive Director*)
Andrew Lim Piow Tiang (*Independent Non-Executive Director*)

To: Our Entitled Shareholders

Dear Sir/Madam,

RIGHTS ISSUE WITH WARRANTS

1. INTRODUCTION

On 30 July 2014 and 12 September 2014, TA Securities had, on behalf of the Board, announced that our Company proposed to undertake the Capital Reorganisation, the Rights Issue with Warrants, the SIS and the Amendment to the Memorandum of Association. The additional listing application for the Corporate Exercises was submitted to Bursa Securities on 30 September 2014.

On 17 February 2015, 13 November 2015 and 21 April 2016, TA Securities had, on behalf of the Board, announced certain revisions to the Rights Issue with Warrants. These revisions were mainly on the changes to the undertakings by the undertaking shareholders and revisions to the utilisation of proceeds in view that some PPR Projects then were no longer available to our Group. Following thereto, the revised additional listing applications for the Corporate Exercises were submitted to Bursa Securities on 15 February 2016 and 22 April 2016, respectively.

Subsequently, TA Securities had on 26 May 2016, announced on behalf of the Board that Bursa Securities had, vide its letter dated 26 May 2016, granted its approval for the following:

- (a) admission to the Official List and the listing and quotation of up to 404,535,800 Warrants-C to be issued pursuant to the Rights Issue with Warrants;

- (b) the listing and quotation of up to 809,071,600 new Vizione Shares to be issued pursuant to the Rights Issue with Warrants;
- (c) the listing and quotation of up to 2,938,070 additional Warrants-A to be issued arising from the adjustment arising from the Rights Issue with Warrants ("Adjustment Warrants-A);
- (d) the listing and quotation of up to 5,341,764 Adjustment Warrants-B to be issued arising from the Adjustment;
- (e) the listing and quotation of up to 412,815,634 new Vizione Shares to be issued pursuant to the exercise of the Warrants-C, Adjustment Warrants-A and Adjustment Warrants-B; and
- (f) the listing of such number of new Vizione Shares to be issued pursuant to the SIS, representing up to 15% of the issued and paid-up ordinary share capital of Vizione

on the Main Market of Bursa Securities. The said approval from Bursa Securities is subject to the conditions as set out below.

In relation to (c) above, the exercise period of the Warrants-A has expired on 8 August 2016. All unexercised Warrants-A shall no longer be exercisable into new Vizione Shares and therefore is excluded from the Corporate Exercises. Following thereto, there will not be any Adjustment Warrants-A to be computed. In relation to (d) above, the final numbers of the Adjustment Warrants-B and the new Vizione Shares to be issued pursuant to the exercise of the Warrants-B will depend on, amongst others, the aggregate number of Shares in issue and fully paid-up on the Entitlement Date, the issue price for the Rights Shares, the 5D-VWAP of Vizione Shares up to the Entitlement Date and the number of Rights Shares to be issued.

The abovementioned approval of Bursa Securities is subject to, amongst others, the following conditions:

No.	Conditions	Compliance
1.	Vizione and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue with Warrants;	To be complied
2.	Vizione and TA Securities to inform Bursa Securities upon the completion of the Rights Issue with Warrants;	To be complied
3.	Vizione to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed;	To be complied
4.	Vizione to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants-C as at the end of each quarter together with a detailed computation of listing fees payable;	To be complied
5.	Vizione and TA Securities to furnish a copy of the court order sanctioning the Par Value Reduction, Capital Reserve Reduction and Share Premium Reduction; and	Complied
6.	Vizione is required to incorporate the comments made in the draft circular to shareholders in relation to the Corporate Exercises.	Complied

On 16 June 2016, TA Securities had, on behalf of the Board announced that our Company had, on 13 June 2016 received a letter from S Wira Development Sdn Bhd (“SWD”) terminating the letter of expression of interest dated 18 December 2014 issued by Vizione Development to SWD for the proposed development joint venture to develop 70 units of intermediate double-storey shoplots and 9 units of corner double-storey shoplots on 6.7 acres of freehold land at PT 1078, Mukim Setul, Bandar Nilai Utama, Daerah Seremban, Negeri Sembilan (“Nilai Project”). SWD has proceeded to undertake negotiations with another third party and have reached an arrangement with the said third party on the collaboration for the Nilai Project, as there was a delay on the part of our Company to complete the Rights Issue with Warrants.

On 1 July 2016, TA Securities had, on behalf of the Board announced that on the same date, Vizione Development and Paragon Residencia had entered into the HOA to express the parties’ intentions to enter into a Joint Venture to undertake the Sri Kembangan Project, subject to the terms and conditions of the HOA. The Sri Kembangan Project entails the proposed development of the 256 units of 28 storey apartments consisting of, 21 storeys of apartments, 1 storey of facility (comprising gym facilities, children playground and facilities for sports activities) and 6 storey of lobby and podium card parks, located on approximately 3.2 acres of land on P.T. 50606, Mukim Petaling, Daerah Petaling, Selangor Darul Ehsan. On the same date, TA Securities had on behalf of our Board announced the revised utilisation of the proceeds from the Rights Issue with Warrants (under the Maximum Scenario) for future development activities. Further details of the proposed utilisation of proceeds from the Rights Issue with Warrants and details in relation to the Sri Kembangan Project are set out in Section 5 and **Appendix XIV** of this AP.

On 12 August 2016, TA Securities had on behalf of the Board announced the revisions to the number of Rights Shares and Warrants-C to be issued under the Maximum Scenario of the Rights Issue with Warrants. Under the Maximum Scenario, the Rights Shares and Warrants-C shall be revised from 809,071,600 Rights Shares and 404,535,800 Warrants-C to 731,626,800 Rights Shares and 365,813,400 Warrants-C, respectively. The adjustment are necessary in view of the expiry of Warrants-A on 8 August 2016 and shall not be taken into consideration for the Corporate Exercises. Accordingly, the gross proceeds to be raised under the Maximum Scenario pursuant to the Rights Issue with Warrants shall be up to RM73,162,680 instead of RM80,907,160. The difference of RM7,744,480 shall be reduced from the allocation of proceeds for future property development activities from RM32,602,160 to RM24,857,680 under the Maximum Scenario.

On 25 November 2016, TA Securities had, on behalf of our Board announced that Vizione Development and Paragon Residencia had entered into a Supplemental HOA where both parties have mutually agreed to extend the time period for the negotiation and finalisation of the terms and conditions of the Joint Venture by 23 March 2017. The extension of time was necessary to facilitate the finalisation of the terms and conditions of the Joint Venture.

On 9 December 2016, TA Securities had on our behalf announced that our Board has fixed the issue price of the Rights Shares at RM0.10 each and the exercise price of the Warrants-C at RM0.10 each. Further, on the same date, TA Securities had on our behalf announced that the Entitlement Date and the other relevant dates pertaining to the Rights Issue with Warrants.

Subsequently on 20 December 2016, TA Securities had on our behalf announced that our Board had resolved to defer the Entitlement Date of the Rights Issue with Warrants from 27 December 2016 to 9 January 2017 in order to provide all shareholders with fair opportunity to consider the subscription of the Rights Issue with Warrants, after taking into consideration the views of various parties and the long festive period. Accordingly, on the same date, TA Securities had on our behalf also announced the revised important dates to the Rights Issue with Warrants pursuant to the deferment of the Entitlement Date.

No person is authorised to give any information or to make any representation not contained in this AP in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us or by TA Securities in connection with the Rights Issue with Warrants.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

2. OVERVIEW OF OUR GROUP'S PAST IMPORTANT DEVELOPMENTS

The following section is intended to provide you with an overview of our Group's past important developments apart from the Corporate Exercises for your information when considering your investment in our Company.

(i) Previous rights issue exercise and utilisation of proceeds

During the FYE 31 December 2013, our Company raised a gross proceeds of approximately RM23.47 million from a rights issue exercise which was completed on 28 June 2013. The previous rights issue exercise entails the renounceable rights issue of up to 217,039,750 new ordinary shares of RM0.20 each in our Company on the basis of one (1) rights share for every one (1) existing share held together with up to 130,223,850 free detachable new Warrants-B on the basis of three (3) new Warrants-B for every five (5) rights shares subscribed for by the entitled shareholders.

The proceeds were fully utilised by 30 September 2014 for the purposes of working capital (RM16.24 million) for our Group's EMS division (which among others for advance payment to creditors, purchase of manufacturing components and tools, placement of deposits for construction projects, rental, salaries and other expenses), repayment of bank borrowings (RM2.75 million), factory renovation and acquisition of new equipment (RM1.42 million), R&D expenditure (RM2.36 million) and to defray expenses in relation to the rights issue exercise (RM0.70 million). Kindly refer to **Appendix XI** for further details of the utilisation of the rights issue exercise which was completed on 28 June 2013.

(ii) Changes in composition of the Board

Vizione had experienced gradual changes in the Board since March 2014, which all past Directors namely, Cherg Chin Guan, Yap Chi Keong, Lee Heng Khen, Ong Tai Chin @ Wong Tai Chin, Edlin Bin Ghazaly, Chong Loon Men and Datuk Nur Jazlan Bin Mohamed have been replaced with the present Board members. For further information of the changes to the composition of the Board and the existing Board's shareholdings in Vizione, kindly refer to **Appendix VIII** of this AP.

(iii) Investigative reviews on certain transactions and balances of our Group's audit for the past 3 FYEs 31 December 2011, 31 December 2012 and 31 December 2013

During our Group's audit for the FYE 31 December 2013, our auditors, namely MAAC highlighted certain transactions and balances undertaken by our Group during the said financial year. These transactions and balances were unusual sales transactions, outstanding trade receivables, unusual large payments, deposit without supporting documentation and unresolved company debts of SG Cambodia ("Issues"). Following thereto, on 2 May 2014, our Board announced that PKFA had been appointed on 30 April 2014 to conduct an investigative review on the Issues as raised by MAAC referred to as the Stage 1 Investigative Review. In this regards, on 29 May 2014, our Board announced that PKFA had completed the Stage 1 Investigative Review.

Following the conclusion of the Stage 1 Investigative Review, on 30 May 2014, our Board announced that the audited financial statements of our Company for FYE 31 December 2013 contained the following:

(a) Qualified Opinion

Our Group had entered into a sales contract with Sphairon during the FYE 31 December 2012 amounting to RM41.08 million. The contract was subsequently terminated by Sphairon during the FYE 31 December 2013. Pursuant to the sales contract, PPE and inventory were acquired with carrying amount of RM2.73 million and RM2.41 million respectively as at 31 December 2013. In view of the uncertainty over the continued usage of the PPE and the subsequent sale of the inventories, MAAC was unable to obtain sufficient evidence to ascertain the recoverability of the PPE and inventory as at 31 December 2013.

(b) Emphasis of Matter

MAAC has highlighted the following emphasis of matter:

- (i) our Group had reversed revenue amounting to approximately RM4.88 million during the FYE 31 December 2013 due to certain unusual sales; and
- (ii) there were unauthorised unusual large payments amounting to approximately RM12.84 million alleged to be made by former Managing Director of Vizione, namely, Ong Tai Chin @ Wong Tai Chin during the FYE 31 December 2013.

In view of the findings of the Stage 1 Investigative Review, the Audit Committee was of the view that it was necessary for the extension of the scope of work covered by PKFA as well as the period reviewed. As a result, our Board had on 8 August 2014 announced the appointment of CHI to conduct an investigative review on the financial statements of Vizione Group for the FYE 31 December 2011, FYE 31 December 2012 and FYE 31 December 2013, referred to as Stage 2 Investigative Review. Kindly refer to **Appendix IX** of this AP for the scope of work by CHI in respect of the Stage 2 Investigative Review.

On 28 November 2014, our Board announced that CHI had completed the Stage 2 Investigative Review. However, on 2 March 2015, the Audit Committee had a meeting with Bursa Securities, wherein Bursa Securities requested CHI to extend the scope of the Stage 2 Investigative Review and ensure the findings are included in an updated CHI report. On 24 June 2015, our Board announced that CHI had completed the Extended Stage 2 Investigative Review.

For your information, some of the key findings from the Investigative Reviews are as follows:

- (i) Unusual sales transactions of RM4.82 million recorded in FYE 31 December 2013 whereby these sales transactions are questionable and could not be reasonably determined. Following this key finding, our Group had reversed the revenue recognised from these transactions that reduces our Group's revenue and trade receivables by RM4.82 million for FYE 31 December 2013;
- (ii) Unusual large payments made in FYE 31 December 2013 totalling to RM7.62 million. Payments of RM4.42 million, collectively, were made to 2 parties who were purportedly engaged to carry out R&D works by Singatronics but it was noted by PKFA that there were no actual R&D works being carried out.

Payments made by Singatronics of RM3.20 million, collectively, to 2 other parties for purchase orders to manufacture moulding and plastic components for a telecommunication product to be produced by Singatronics for Sphairon i.e. EASYBOX modem. Since the purchase order for the EASYBOX modem have been withheld by Sphairon, Singatronics has directed the 2 parties to refund the monies directly to Sphairon. The refund to Sphairon instead of Singatronics is illogical. Following the above key findings, our Group has impaired the total amount of RM7.62 million;

- (iii) Payments of deposits made without supporting documents totalling RM2.89 million, comprising of mainly a sum of RM2.0 million which has been paid to one (1) individual, purportedly as a deposit tender for a project related to the "Link Project from Mainland to Penang Island", pursuant to an agreement dated in December 2012. The RM2.0 million was effectively a "down-payment" in advance of the 3% commission arising from the construction contracts worth at least RM150.0 million. The agreement also mentioned that the individual will undertake to refund the amount in the event he is unable to deliver the contract within one (1) year and that our former Managing Director, Ong Tai Chin @ Wong Tai Chin has the right to extend or demand for the full refund.

Following this key finding, our Company had filed a legal suit against Ong Tai Chin @ Wong Tai Chin, in his capacity as the former Managing Director, for potentially breach of statutory duty under Section 132 of the Act, breach of fiduciary duty and breach of duty of care that caused our Group to suffer losses of RM15.51 million. The RM2.0 million as a deposit tender paid to the individual has been impaired in our books for the FYE 31 December 2013, as recommended by PKFA;

- (iv) Substantial amount owing by SG Cambodia since 2011 of RM9.99 million and payment via contra of 8 land titles. Following this key finding, Vizione had received RM0.50 million in January 2014, while the remaining RM9.49 million due from SG Cambodia has been impaired in our books for the FYE 31 December 2013 as there is insufficient evidence to substantiate further settlement since SG Cambodia has ceased operation in 2011. Further, the solicitors in charge for the transfer of the 8 land titles (which are valued at RM0.80 million based on the valuation conducted on 12 August 2015) are in the midst of executing the transfer in favour of our Company to be utilised as partial settlement to the outstanding sum due to our Company.
- (v) Based on the interview with senior management of Singatronics, CHI noted that (a) all agreements, purchasing contracts and sales contract entered with third parties were executed by the former Managing Director, Ong Tai Chin @ Wong Tai Chin, whom might have overridden the proper accounting procedures and requirements for proper documentations when transacting with external parties; and (b) no proper resolutions or documents substantiated the advances extended by the ex-Directors of Vizione and Singatronics, hence the repayment of advances is questionable. CHI noted that there are weaknesses in internal control of Singatronics. Following the above findings, our Group has undertaken measures to improve our internal control weaknesses.

Kindly refer to **Appendix X** of this AP, for further details of the key findings from the Investigative Reviews, measures taken and outcome as well as summary of measures undertaken by our Group to strengthen our Group's internal controls and corporate governance. In view of the measures to strengthen our Group's internal controls and corporate governance including the change in the composition of the Board (as stated in Section 2(ii) of this AP) as well as that the Disposal has been completed, our Board is of the view that the key findings from the Investigative Reviews will not have an impact to the Rights Issue with Warrants. In addition, our Audit Committee after considering the Investigative Reviews were of the opinion that measures taken and adopted by our Company were adequate to ensure such issues will not recur.

(iv) Public reprimand for our Company's breaches of the relevant provisions of the Listing Requirements

Pursuant to Bursa Securities' letter dated 2 November 2016 and the announcement dated 23 December 2016, Bursa Securities publicly reprimands our Company and nine (9) former directors for breaches of the Listing Requirements. In addition, eight (8) out of (9) former directors are fined a total of RM1.12 million. The breaches were committed between the years of 2011 to 2013 and are as follows:

- (a) Internal audit function, internal controls and related obligations ("IA Breaches")

No.	Breach	Company's actions to date
1.	Paragraph 15.27(1) of the Listing Requirements which requires a listed issuer to establish an internal audit function which is independent of the activities it audits. Our Company had failed to establish an internal audit function during the FYE 31 December 2011 and 31 December 2012 until the appointment of a new internal auditor, Preston Advisory Sdn Bhd ("Preston") on 15 March 2013 [^]	In 2014, our Company had engaged Total Advisors Sdn Bhd ("TASB") to provide an independent evaluation on the effectiveness of our Group's internal control system and to carry out internal audit works on our Group.

No.	Breach	Company's actions to date
2.	<p>Paragraphs 15.12(1)(e) and (f) of the Listing Requirements which state that a listed issuer must ensure an audit committee review the following and report the same to the board of directors of the listed issuer:</p> <ul style="list-style-type: none"> • the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work; and • the internal audit program, processes, the results of the internal audit program, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function. <p>The former Audit Committee of our Company had failed to review the adequacy of the internal audit function and internal audit plan and/or report during the FYE 31 December 2011 and FYE 31 December 2012[^]</p>	<p>Our present Audit Committee comprising of Andrew Lim Piow Tiang, Dato' Ir Mohamad Shokri bin Abdullah and Datuk Dr. Raman bin Ismail had on 27 January 2016 reviewed the adequacy of the internal audit function and the revised internal audit plan for 2015/2016.</p> <p>The internal audit plan for 2015/2016, the internal audit findings and the internal audit reports were presented by TASB to our present Audit Committee for deliberation which were approved by the Audit Committee.</p> <p>Our present Audit Committee had on 9 September 2016 reviewed and approved the internal audit plan for 2017 as presented by TASB.</p>

Note:

[^] With reference to the Section 2(iv)(a)(1) and Section 2(iv)(a)(2) above, and based on the facts and circumstances procured during Bursa Securities' investigation, Bursa Securities noted that:

- Since the last internal audit report that was tabled at both the Audit Committee and our Board meetings on 23 November 2010, there was no internal audit report tabled thereafter until 28 May 2013; and
- At every Audit Committee and Board meetings, the item / area of internal audit was always raised/highlighted including information that there was no audit / activities and report from the internal auditors indicating the absence of any internal audit function during the FYE 31 December 2011 and FYE 31 December 2012; and
- The various audit activities / monitoring carried out by our Company during the FYE 31 December 2011 and FYE 31 December 2012 including by Sirim QAS International Sdn. Bhd. and internally by our subsidiary's Chief Operating Officer were inadequate and did not fulfil the obligations under Paragraphs 15.12(1)(e) and (f) and 15.27(1) of the Listing Requirements.

Despite our former Directors' awareness of the state of affairs of the internal audit function, our former Directors had failed to demonstrate reasonable steps / efforts taken to ensure that our Company complied with Paragraphs 15.12(1)(e) and (f) and 15.27 (1) of the Listing Requirements including to undertake reasonable enquiries, supervise / monitor / follow-up on the progress and actions taken as well as undertake other proactive steps towards addressing the issue on the internal audit function expeditiously. Our former Directors' conduct of merely reminding the management and total / mere reliance on the management / external auditors tantamount to abdication of their responsibilities.

No.	Breach	Company's actions to date
3.	<p>Paragraphs 2.18(1) (a) and (c) of the Listing Requirements in respect of the representations in the Statement of Risk Management & Internal Control and the Audit Committee Statement contained in our Company's annual reports for FYE 31 December 2011 ("AR 2011") and FYE 31 December 2012 ("AR 2012") submitted to Bursa Securities on 6 June 2012 and 4 June 2013 respectively which were inaccurate and particularly misleading with regard to the internal audit function / activities carried out during the FYE 31 December 2011 and FYE 31 December 2012.</p> <p>Our former Directors had proceeded to approve the following statements reported in our AR 2011 and AR 2012:</p> <p>(a) In the Statement of Internal Control (AR 2011) and Statement on Risk Management and Internal Control (AR 2012):</p> <p>(i) <i>The Board has engaged an independent firm of consultants to assist in reviewing and appraising the internal control system within the Group so as to ensure that the Group's system of internal control is effective and adequate;</i></p> <p>(ii) <i>Based on an internal audit plan approved by the Audit Committee, scheduled internal audits were carried out during the financial year; and</i></p> <p>(iii) <i>Accordingly the findings of the internal audit, including the recommended corrective actions were presented directly to the Audit Committee.</i></p> <p>(b) In the Audit Committee Statement (AR 2011 and AR 2012)</p> <p>(i) <i>The internal audit function has been outsourced to an independent professional firm which reports directly to the Audit Committee;</i></p> <p>(ii) <i>During the financial year, the internal auditors reviewed the following processes of the subsidiaries:</i></p> <ul style="list-style-type: none"> • <i>Risk evaluation;</i> • <i>Review the adequacy, integrity and effectiveness of system of internal controls;</i> 	<p>The Statement on Risk Management and Internal Control ("SORMIC") for the 17-month FPE 31 May 2015 and the FYE 31 May 2016 were reviewed by MAAC and the comments were presented to the our present Audit Committee for deliberation and consideration. Our present Audit Committee had resolved and have recommended to our Board for the inclusion of the SORMIC in our Company's annual reports for the 17-month FPE 31 May 2015 and FYE May 2016, respectively.</p>

No.	Breach	Company's actions to date
	<ul style="list-style-type: none"> • <i>Review the extent of compliance with the Group's policies and procedures and regulatory requirements;</i> • <i>Review key business process and areas covering procurement and inventory and update on action plans in response to the significant audit findings raised in the past internal audit reports with the objective of improving the Group's operations; and</i> <p>(iii) <i>The Audit Committee had during the financial year reviewed and discussed the major issues raised in the internal audit reports, audit recommendations, management response and actions taken to strengthen the status of internal controls of the Group.</i></p> <p>(referred to as "the AR 2011 Statement" and "AR 2012 Statement" respectively and collectively as "the AR 2011 & 2012 Statements").</p> <p>The AR 2011 & 2012 Statements were inaccurate and particularly misleading with regards to our Company's internal audit function/ activities carried out during the FYE 31 December 2011 and FYE 31 December 2012.</p>	
4.	Paragraph 15.23 of the Listing Requirements for failing to ensure that the external auditors reviewed the Statement of Risk Management & Internal Control in the AR 2011 and AR 2012.	The SORMIC for the 17-month FPE 31 May 2015 and the FYE 31 May 2016 were reviewed by MAAC and the comments were presented to our present Audit Committee for deliberation and consideration. The Audit Committee had resolved and have recommended to our Board for the inclusion of the SORMIC in our Company's annual reports for the 17-month FPE 31 May 2015 and FYE 31 May 2016, respectively.

(b) Financial reporting obligations (“Financial Reporting Breaches”)

No.	Breach	Management’s actions to date
5.	<p>Paragraph 9.23 (2) of the Listing Requirements for failing to submit the annual audited financial statements for the FYE 31 December 2013 (“AFS 2013”) on or before 30 April 2014. The AFS 2013 was only submitted on 30 May 2014, after a delay of 20 market days^</p>	<p>There has been no delay in the issuance of our Company’s annual audited statements for the 17-month FPE 31 May 2015 and for the FYE 31 May 2016 which were issued on 9 September 2015 and 30 September 2016, respectively.</p> <p>Our Board has empowered our Chief Financial Officer who is assisted by the finance department to ensure that these financial statements are prepared, announced and issued to the public on a timely manner.</p> <p>In addition, our finance team also works closely with our Company Secretaries to prepare and update our corporate calendar so as to ensure that the relevant announcements were issued on a timely manner.</p>
6.	<p>Paragraph 9.16(1)(a) of the Listing Requirements for failing to ensure that the unaudited results in our Company’s quarterly report for the FYE 31 December 2013 (“QR December 2013”) announced on 28 February 2014 was, amongst others, accurate and contained sufficient information to enable investors to make informed investment decisions. In this respect, our Company had reported an unaudited loss after tax and minority interest of RM10.08 million in the QR December 2013 as compared to an audited loss after tax and minority interest of RM25.58 million in the AFS 2013 issued on 30 May 2014 which represented a deviation of 154% or RM15.50 million^</p> <p>Our Company is also required to review and ensure the adequacy and effectiveness of its financial reporting function and carry out a limited review on its quarterly report submissions. The limited review must be performed by our Company’s external auditors for four (4) quarterly reports commencing no later from the quarterly report for the financial period ended 31 December 2016. In addition, our Company must ensure all its directors and the relevant personnel attend a training programme in relation to compliance with the Listing Requirements particularly pertaining to financial statements.</p>	<p>In regards to limited review which is to be performed by our Company’s external auditors for four (4) quarterly reports commencing no later from the quarterly report for the financial period ended 31 December 2016, our Company shall commence the required first limited review after finalising our Group’s quarterly results for the 6-months FPE 30 November 2016. Further, our Company will also ensure that MAAC will conduct the limited reviews for the three (3) subsequent quarters accordingly.</p> <p>In addition, on 19 December 2016, our Directors and the relevant personnel had attended the training programmes in relation to compliance with the Listing Requirements particularly pertaining to the financial statements..</p>

Note:

^ *With reference to the Section 2(iv)(b)(5) and Section 2(iv)(b)(6) above, and based on the facts and circumstances procured during Bursa Securities' investigation, Bursa Securities noted that the delay in the announcement of AFS 2013 and issuance of inaccurate QR December 2013 were essentially due to the inability/failure of our Company to provide the relevant information and supporting documents to substantiate the transactions as requested by the external auditors. The inability/failure to provide and hence, resolve the audit issues had led to the inability of the external auditors to finalize the audit and the AFS 2013 as well as appointment of a special auditor to carry out an investigative audit on 30 April 2014. Upon completion of the investigative audit on 29 May 2014, our Company had on 30 May 2014 submitted the AFS 2013 which took into account the adjustments resulting in the AFS 2013 being subjected to a qualified opinion by the external auditors.*

The directors had failed to take reasonable steps including undertake reasonable enquiries, monitoring and supervision of the management towards addressing and resolving the issues / concerns raised by the external auditors expeditiously and comprehensively which had resulted in the issuance of the inaccurate QR December 2013 to the market and the delay in submission of the AFS 2013.

Nine (9) former directors of Vizione (i.e. directors at the material time of the breaches) are publicly reprimanded and/or imposed with the relevant fines for committing the breaches of Paragraphs 2.18(1)(a) and (c) and/or Paragraph 16.13(b) of the Listing Requirements for permitting Vizione to commit the IA Breaches (i.e., the breaches stated in Section 2 (iv) (a) (1) to (3) of this AP above) and/or the Financial Reporting Breaches (i.e. the breaches stated in Section 2 (iv) (b) (5) and (6) of this AP above). Kindly refer to **Appendix XII** of this AP for further details of the public reprimand on the former directors of our Company.

The finding of breach and imposition of the above penalties on our Company and the former directors are made pursuant to paragraph 16.19 of the Listing Requirements upon completion of due process and after taking into consideration all the facts and circumstances of the matter including:

- the specific function and responsibilities of the former directors (i.e. in executive capacity or as an audit committee member) vis-à-vis our Company's compliance and operation of the internal audit function and financial reporting under the Listing Requirements;
- the knowledge and conduct of the former directors; and
- the materiality of the breaches i.e. the timely as well as accurate disclosure of information is of paramount importance in ensuring a fair and orderly market for securities traded on Bursa Securities and necessary to aid informed investment decisions while the requirement for listed companies to establish and maintain an internal audit function is crucial as it plays an important part in the effective governance and risk and control framework of a listed company.

Bursa Securities views the contraventions seriously and reminds our Company and our Board of Directors of our responsibility to maintain the appropriate standards of corporate responsibility and accountability to its shareholders and the investing public. In addition, our Audit Committee after considering the public reprimand issued by Bursa Securities via its letter dated 2 November 2016 and the announcement dated 23 December 2016 for breaches of the relevant provisions of the Listing Requirements was of the opinion that measures taken and adopted were adequate to ensure such issues will not recur.

(v) Changes in principal activities of our Group

Our Group has been accumulating substantial losses in our balance sheet over the past few financial years. As at 31 May 2016, our Group's audited shareholders' equity of approximately RM16.21 million represents approximately 27.77% of our issued and paid-up share capital of approximately RM58.37 million. Under criterion 2.1(a) of Practice Note 17 ("PN17") of the Listing Requirements, if the listed issuer's shareholders' equity on a consolidated basis is 25% or less of its issued and paid-up capital and such shareholders' equity is less than RM40 million, the listed issuer will be classified as a PN17 company. As such, the financial position of our Company renders our Company close to being classified as a PN17 company.

These losses were mainly due the weak financial performance of our Group's previous core business, namely the EMS division which was operated by Singatronics, being our Group's wholly-owned subsidiary. In order to improve our Group's financial performance and strengthen our Group's financial position, we have undertaken the following:

- (a) In 2014, our Group diversified our principal activities to include construction activities. This was in conjunction with our Group undertaking sub-contract works via *Vizione Construction*, our wholly-owned subsidiary, for the Melaka PPR Projects, Tawau PPR Project and Kota Belud PPR Project which were secured via LOAs dated 11 March 2014, 28 August 2015 and 3 November 2015 respectively.

The Melaka PPR Projects, Tawau PPR Project and Kota Belud PPR Project are essentially projects under the PPR, which is in line with the Government's initiative to relocate squatters and to meet the needs of low income groups for affordable housing; and

- (b) In 2016, our Group had disposed-off Singatronics. The Disposal was completed on 29 January 2016 whereby Singatronics ceased to be a wholly-owned subsidiary of our Company and our Group's EMS division has been discontinued.

For your further information, in December 2011, Singatronics had obtained a term loan of RM1.33 million for working capital purposes from Hong Leong Bank Berhad which is repayable over a tenure of five (5) years. Our Company was the corporate guarantor for the term loan and has assumed responsibility for full settlement of the term loan. As the LPD, the balance of the amount outstanding in *Vizione* is approximately RM738,000.

Following the commencement of the construction projects namely the Melaka PPR Projects, the Tawau PPR Project and the Kota Belud PPR Projects, our Group has recorded revenues of approximately RM96.36 million for the 17-month FPE 31 May 2015 (FYE 31 December 2013: RM4.17 million) and RM36.71 million for FYE 31 May 2016, of which RM89.47 million (or 92.8%) for the 17-month FPE 31 May 2015 and RM36.44 million (or 99.26%) for FYE 31 May 2016 were contributed by *Vizione Construction*.

In view of this result as well as the favourable outlook of PPR Projects as set out in Section 8.3 of this AP, our Group views the venture into PPR Projects as encouraging and intends to raise funds from the Rights Issue with Warrants to secure more sub-contract works for PPR Projects. As at the LPD, our Group has already submitted proposals and in direct negotiations with the main contractors of five (5) identified PPR Projects, whereby KPKT has awarded two (2) of the PPR Projects to the respective main contractors whilst the main contractors for the remaining three (3) PPR Projects are in various stages of negotiations with KPKT. Please refer to **Appendices XIII, XV and XVI** of this AP for further details of the PPR Projects. This strategy forms part of our Group's plan to improve our Group's financial performance.

3. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

3.1 Particulars of the Rights Issue with Warrants

The Rights Issue with Warrants entails the renounceable rights issue of two (2) Rights Shares for every one (1) Vizione Share held by the Entitled Shareholders, together with one (1) Warrant-C for every two (2) Rights Shares subscribed by the Entitled Shareholders at an issue price of RM0.10 per Rights Share.

As at the LPD, the issued and paid-up share capital of our Company is RM29,190,815 comprising 291,908,150 Vizione Shares. Assuming all Existing Warrants-B and outstanding ICULS are exercised and converted into Vizione Shares prior to the Entitlement Date, a maximum of 731,626,800 Rights Shares may be issued. The actual number of Rights Shares to be issued will depend on the issued and paid-up share capital of Vizione as at the Entitlement Date.

As the Rights Issue with Warrants is on a renounceable basis, the Entitled Shareholders can subscribe for and/or renounce their entitlements for the Rights Shares with Warrants-C in full or in part. However, the Rights Shares and Warrants-C cannot be renounced separately. Should the Entitled Shareholders accept only part of their Rights Shares entitlements under the Rights Issue with Warrants, they shall be entitled to Warrants-C in proportion of their acceptances of the Rights Shares entitlements.

In determining shareholders' entitlements to the Rights Shares with Warrants-C under the Rights Issue with Warrants, fractional entitlements, if any, shall be disregarded and will be dealt with in such a manner as the Board deems fit or expedient or in the best interests of our Company so as to minimize the incidence of odd lots.

The Warrants-C are attached to the Rights Shares without any cost and will be issued only to the Entitled Shareholders and/or their renounees who successfully subscribe for the Rights Shares. The Warrants-C will be immediately detached from the Rights Shares upon issuance and separately traded on the Main Market of Bursa Securities. The Warrants-C will be issued in registered form and constituted by the Deed Poll. The salient terms of Warrants-C are set out in **Section 3.4** of this AP.

Any unsubscribed Rights Shares with Warrants-C will be made available to the other Entitled Shareholders and/or their renounees (if applicable) under the excess Rights Shares application. It is the intention of the Board to allocate the excess Rights Shares, if any, in a fair and equitable manner on a basis as set out in **Section 4.8** of this AP.

As you are an Entitled Shareholder, your CDS Account will be duly credited with the number of provisional Rights Shares with Warrants which you are entitled to subscribe for in full or in part, under the terms of the Rights Issue with Warrants. You will find enclosed with this AP, the NPA notifying you of the crediting of such provisional Rights Shares with Warrants-C into your CDS Account and the RSF to enable you to subscribe for the provisional Rights Shares with Warrants-C, as well as to apply for excess Rights Shares with Warrants-C if you choose to do so.

Any dealing in our securities will be subject to the SICDA and the Rules of Bursa Depository. Accordingly, the Rights Shares with Warrants-C and new Shares to be issued arising from the exercise of the Warrants-C will be credited directly to the respective CDS Accounts of the successful applicants and exercising Warrant holders (as the case may be). No physical share certificates and warrant certificates will be issued to the Entitled Shareholders and/or their renounees/transferees, if applicable. A notice of allotment will be despatched to the successful applicants within eight (8) Market Days from the last date of acceptance and payment for the Rights Issue with Warrants-C and a notice of allotment will be despatched to the exercising Warrants-C holders within (8) Market Days after the date of the receipt of the valid subscription form together with the requisite payment.

3.2 Basis of determining the Issue Price for the Rights Shares and the exercise price of the Warrants-C

(i) Rights Shares

Our Board has fixed the issue price at RM0.10 per Rights Share, after taking into consideration the following:

- (a) the TERP⁽¹⁾ of Vizione Shares of RM 0.1158, based on the 5D-VWAP of Vizione Shares with a discount up to and including 8 December 2016 (being the last trading date immediately preceding the Price Fixing Date) of RM0.1475 per Share ;
- (b) a discount to the TERP of Vizione Shares (based on the 5D-VWAP of Vizione Shares immediately preceding the Price Fixing Date) of RM0.0158 or 13.64%;
- (c) the minimum issue price allowable under the Act which is not less than par value of Vizione Shares of RM0.10 each; and
- (d) the funding requirements of our Group, details of which are set out in Section 5 of this AP.

Note:

(1) TERP is computed as follows:

$$TERP = \frac{(A \times X) + (B \times Y)}{X + Y}$$

where;

A = Number of existing Vizione Shares

B = Number of Rights Shares

X = 5D-VWAP of Vizione Shares up to and including the Price-Fixing Date

Y = Issue price of the Rights Shares

And the ratio of A:B is 1:2, in accordance with the entitlement basis of 2 Rights Shares for every one (1) existing Vizione Share held.

(ii) Warrants-C

The Warrants-C are attached to the Rights Shares without any cost and will be issued only to the Entitled Shareholders and/or their renounees who successfully subscribe for the Rights Shares, and are exercisable into new Vizione Shares.

Our Board has fixed the exercise price at RM0.10 per Warrants-C after taking into consideration the following:

- (a) the 5D-VWAP of Vizione Shares preceding the price fixing date;
- (b) the TERP of Vizione Shares; and
- (c) the par value of Vizione Shares of RM0.10 each.

The salient terms of the Warrants-C are set out in Section 3.4 of this AP.

3.3 Ranking of the Rights Shares as well as the new Vizione Shares arising from the exercise of the Warrants-C and the Adjustment Warrants-B

The Rights Shares will, upon issuance and allotment, rank pari passu in all respects with the existing Vizione Shares except that the Rights Shares will not be entitled to any dividends, rights, allotment and/or distributions, the entitlement date of which is prior to the date of allotment and issuance of the Rights Shares.

The new Vizione Shares to be issued arising from the exercise of Warrants-C and Adjustment Warrants-B will, upon issuance and allotment, rank pari passu in all respects with the existing Vizione Shares except that the New Vizione Shares will not be entitled to any dividends, rights, allotment and/or distributions, the entitlement date of which is prior to the date of allotment and issuance of the new Vizione Shares arising from the exercise of Warrants-C and Adjustment Warrants-B.

The holders of Warrants-C and the Adjustment Warrants-B will not be entitled to any voting rights or participation in any form of distribution and/or offer of further securities of our Company until and unless such holders of Warrants-C and Adjustment Warrants-B exercise their Warrants-C and Adjustment Warrants-B into new Vizione Shares.

3.4 Salient terms of the Warrants-C

The salient terms of the Warrants-C are set out below:

Terms	Details
Issue size	: Up to 365,813,400 Warrants-C.
Number of new Vizione Shares to be issued upon exercise of the Warrants-C	: Up to 365,813,400 new Vizione Shares to be issued pursuant to the exercise of up to 365,813,400 Warrants-C on the basis of one (1) new Vizione Share for every one (1) Warrant-C.
Form and denomination	: The Warrants-C will be issued in registered form and will be constituted by the Deed Poll.
Issue price	: The Warrants-C are to be issued free to all the Entitled Shareholders and/or their renounees who subscribe to the Rights Shares.
Status of new Vizione Shares arising from the exercise of the Warrants-C	: The new Vizione Shares to be issued arising from the exercise of Warrants-C will, upon issuance and allotment, rank pari passu in all respects with the existing Vizione Shares except that the new Vizione Shares will not be entitled to any dividends, rights, allotment and/or distributions, the entitlement date of which is prior to the date of allotment and issuance of the new Vizione Shares arising from the exercise of Warrants-C.
Board lot	: For the purpose of trading on Bursa Securities, a board lot for the Warrants-C shall be one hundred (100) Warrants-C carrying the right to subscribe for one hundred (100) new Vizione Shares at any time during the exercise period, or such other denomination as determined by Bursa Securities.
Commencement date	: The day of issuance of the Warrants-C

Terms	Details
Expiry date	: The day falling immediately before the fifth (5 th) anniversary of the date of issuance of the Warrants-C.
Exercise rights	: Each Warrants-C entitles the registered holder to subscribe for one (1) new Vizione Share at any time during the exercise period at the exercise price (subject to adjustments in accordance with the provisions of the Deed Poll).
Exercise period	: The Warrants-C may be exercised at any time within five (5) years commencing on and including the date of issuance of the Warrants-C. Any Warrants-C not exercised during the exercise period will thereafter lapse and cease to be valid.
Exercise price	: The exercise price for the Warrants-C has been fixed at RM0.10, subject to the adjustment in accordance with the Deed Poll.
Mode of exercise	: The registered holder of the Warrants-C is required to lodge an exercise form, as set out in the Deed Poll, with the Company's registrar, duly completed and signed together with payment of the exercise price for the new Vizione Shares subscribed for by banker's draft/cashier's order/money order/postal order in Ringgit Malaysia drawn on a bank or post office operating in Malaysia.
Rights of the New Warrants-C	: The registered holder of the Warrants-C are not entitled to any dividends, rights, allotments and/or other distributions that may be declared, made or paid where the Entitlement Date precedes the date of allotment and issuance of the new Vizione Shares upon the exercise of the Warrants-C. The Warrants-C holders are not entitled to any voting rights or participation in any form of distribution and/or offer of securities in our Company until and unless such Warrants-C holders exercise their Warrants-C into new Vizione Shares.
Adjustments to the exercise price and/or number of the New Warrants-C	: The exercise price and/or number of unexercised Warrants-C shall be adjusted in the event of alteration to the share capital, capital distribution or issue of Vizione Shares in accordance with the provisions of the Deed Poll.
Rights of the holders of the New Warrants-C in the event of winding-up, compromise and/or arrangement	: If whilst any Warrants-C remain capable of being exercised, a resolution has been passed for a member's voluntary winding up of our Company or where there is a compromise or scheme of arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with one or more companies, then: <p>(i) for the purpose of such winding-up, compromise or scheme of arrangement to which the Warrants-C holders (or some person designated by them for such purposes by special resolution) shall be a party, the terms of such winding-up, compromise or scheme of arrangement shall be binding on all the Warrants-C holders; and</p>

Terms	Details
	<p>(ii) in any other case, every Warrants-C holder shall be entitled upon and subject to the conditions of the Deed Poll at any time within six (6) weeks after the passing of such resolution for a members' voluntary winding-up of our Company or within six (6) weeks after the granting of the court order approving the compromise or scheme of arrangement, by irrevocable surrender of his Warrants-C to our Company by submitting the duly completed exercise form authorising the debiting of his Warrants-C, together with payment of the relevant exercise monies, to elect to be treated as if he had immediately prior to the commencement of the winding up, compromise or scheme of arrangement exercised the exercise rights represented by such new Warrants-C to the extent specified in the exercise form and be entitled to receive out of the assets of our Company which would be available in liquidation as if he had on such date been the holder of the new Vizione Shares to which he would have become entitled pursuant to such exercise and the liquidator of our Company shall give effect to such election accordingly.</p>
Listing status	: The Warrants-C will be listed and traded on the Main Market of Bursa Securities. Bursa Securities had on 26 May 2016 approved the admission of the Warrants-C to the Official List of the Main Market of Bursa Securities as well as for the listing of and quotation for the New Warrants-C and the new Vizione Shares to be issued pursuant to the exercise of the Warrants-C on the Main Market of Bursa Securities.
Governing law	: The laws of Malaysia.

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3.5 Minimum Subscription Level and Undertakings

Our Company intends to raise a minimum of RM9.0 million from the Rights Issue with Warrants after taking into consideration the funding requirements of our Group, details of which are set out in Section 5 of this AP.

In view of the above, our Board has determined to undertake the Rights Issue with Warrants on the Minimum Subscription Level.

To meet the Minimum Subscription Level, our Company had procured the Undertakings from the Undertaking Shareholders that they will among others:

- (i) not sell and dispose any of their Vizione Shares from 8 November 2016 up to the completion of the Rights Issue with Warrants and that as at the Entitlement Date, the Vizione Shares shall not be less than 3,201,000 Shares, 300,000 Shares and 2,000,000 Shares held by Dato' Ng Aun Hooi, Datuk Chai Woon Chet and Wong Kwai Wah, respectively;
- (ii) subscribe in full for their entitlements to the Rights Shares with Warrants-C in full, in proportion to their shareholdings in Vizione as at the Entitlement; and
- (iii) subscribe for up to a total of RM3,000,000 worth of Rights Shares with Warrants-C pursuant to their entitlement via share excess application. For avoidance of doubt, the total RM3,000,000 worth of Rights Shares with Warrants-C is inclusive of such Rights Shares with Warrants-C that they are entitled to subscribe pursuant to the Minimum Subscription Level.

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Details of the Undertakings are as follows:

Undertaking Shareholders	Existing direct shareholdings as at the LPD		Minimum Rights Shares to be subscribed for pursuant to the Undertakings			Assuming none of the other Entitled Shareholders subscribe for their Rights Shares	
	Existing no. of Vizione Shares held	% of existing issued and paid-up share capital ⁽¹⁾	Subscription based on entitlement	Subscription based on excess shares application ⁽³⁾	Total	No. of Vizione Shares held after the Rights Issue With Warrants	% of enlarged issued and paid-up share capital ⁽⁴⁾
Dato' Ng Aun Hooi	7,201,000 ⁽²⁾	2.47	14,402,000	15,598,000	30,000,000	37,201,000	9.74
Datuk Chai Woon Chet	300,000 ⁽²⁾	0.10	600,000	29,400,000	30,000,000	30,300,000	7.93
Wong Kwai Wah	12,000,000 ⁽²⁾	4.11	24,000,000	6,000,000	30,000,000	42,000,000	11.00
Total	19,501,000	6.68	39,002,000	50,998,000	90,000,000	109,501,000	28.67

Notes:

- (1) Based on the issued and paid-up share capital of 291,908,150 Vizione Shares as at LPD. For your information, as at 26 May 2016 (being date of Bursa Securities' approval for the Corporate Exercises), our Company's issued and paid-up share capital was 291,863,650 Shares. The increase in our issued and paid-up share capital from 26 May 2016 up to the LPD was due to the conversion of 89,000 ICULS into 44,500 new Vizione Shares.
- (2) The changes in the Undertaking Shareholders shareholdings from 26 May 2016 (being the date of Bursa Securities' approval for the Corporate Exercises) up to 30 December 2016 are as follow:

Undertaking Shareholders	As at 26 May 2016		Acquired		Disposed		As at 30 December 2016	
	No. of Vizione Shares	%	No. of Vizione Shares	%	No. of Vizione Shares	%	No. of Vizione Shares	%
Direct interests:								
Dato' Ng Aun Hooi	3,201,000	1.10	4,000,000	-	-	-	7,201,000	2.47
Datuk Chai Woon Chet	300,000	0.10	-	-	-	-	300,000	0.10
Wong Kwai Wah	1,000,000	0.34	11,000,000	-	-	-	12,000,000	4.11
Indirect interests:								
Dato' Ng Aun Hooi	385,900 ^A	0.14	25,000	-	-	-	410,900 ^A	0.14
Datuk Chai Woon Chet	100,000 [#]	0.03	-	-	-	-	100,000 [#]	0.03
Wong Kwai Wah	-	-	-	-	-	-	-	-

Save for the shareholdings of Dato' Ng Aun Hooi, Datuk Chai Woon Chet and Wong Kwai Wah in our Company as stated above, none of our Company's Directors have shareholdings, whether directly or indirectly in our Company. Please refer to Section 4 of Appendix II and Appendix VIII of this AP for further details.

- ^ *Deemed interested through direct holding of his spouse.*
- # *Deemed interested by virtue of his shareholding in OMSB pursuant to Section 6A of the Act.*
- (3) *Based on issue price of RM0.10 per Rights Share.*
- (4) *Based on the enlarged issued and paid-up share capital of 381,908,150 Vizione Shares after the Rights Issue with Warrants, pursuant to the Minimum Subscription Level.*

The Undertaking Shareholders have each confirmed that they have sufficient financial resources for the Undertakings. In addition, TA Securities has verified that each of the Undertaking Shareholders have the financial resources to fulfil their respective commitment pursuant to the Undertakings. As the Rights Issue with Warrants will be implemented based on the Minimum Subscription Level, no underwriting arrangements will be made for the Rights Issue with Warrants.

Our Company confirms that the Undertakings will not give rise to any consequences of mandatory general offer obligation in accordance with the Code and Rules pursuant to their Undertakings after the Rights Issue with Warrants. However, if either one of the Undertaking Shareholders exercises their Warrants-C resulting in his and/or persons acting in concert's shareholdings in Vizione increasing above 33% or increasing by more than 2% in any 6 months period and in the event his and or persons acting in concert's shareholdings in Vizione is above 33% but not more than 50%, they will be obliged to undertake a mandatory general offer after the exercise of Warrants-C, as required under the Code and the Rules.

In the event that the Undertaking Shareholders trigger an obligation to undertake a mandatory offer under the Code and Rules pursuant to the Undertakings, a separate announcement will be made. Nonetheless, the Undertaking Shareholders have confirmed that they do not intend to undertake any mandatory general offer and will at all times observe and ensure compliance with the provisions of the Code and Rules and will seek from the SC the necessary exemptions from undertaking such mandatory offer, if required.

Notwithstanding the above, in the event that the Minimum Subscription Level is not achieved due to reasons beyond the control of our Company, the Rights Issue with Warrants will not be implemented.

Further, where the Undertaking Shareholders subscribe to their Undertakings with no other Entitled Shareholder subscribing for their entitlements under the Rights Issue with Warrants, the public shareholding spread of our Company will not fall below the minimum shareholding spread requirement of 25.00% as required pursuant to Rule 8.02(1) of the Listing Requirements.

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3.6 Details of other corporate exercises

As at the LPD, save for the Rights Issue with Warrants and SIS (which would only be implemented after the completion of the Rights Issue with Warrants), there is no other outstanding corporate exercise which has been announced but pending completion.

4. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/TRANSFER AND EXCESS APPLICATION FOR THE RIGHTS ISSUE WITH WARRANTS

4.1 General

As you are an Entitled Shareholder, your CDS Account will be duly credited with the number of provisional Rights Shares with Warrants-C which you are entitled to subscribe for in full or in part, under the terms of the Rights Issue with Warrants. You will find enclosed with this AP, the NPA notifying you of the crediting of such provisional Rights Shares with Warrants into your CDS Account and the RSF to enable you to subscribe for the provisional Rights Shares with Warrants-C, as well as to apply for excess Rights Shares with Warrants-C if you choose to do so.

4.2 NPA

The provisional allotted Rights Shares with Warrants-C are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the provisional Rights Shares with Warrants will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. You and/or your renounees (if applicable) are required to have valid and subsisting CDS Accounts when making your applications.

4.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the provisional Rights Shares with Warrants-C is at **5.00 p.m. on 24 January 2017**. Proof of time of postage shall not constitute proof of time of receipt by our Share Registrar.

4.4 Procedures for full acceptance and payment by Entitled Shareholders

If you wish to accept your entitlement to the provisional Rights Shares with Warrants-C, the acceptance of and payment for the provisional Rights Shares with Warrants must be made on the respective RSF enclosed with this AP and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances which do not conform to the terms of this AP, the NPA or the RSF or the notes and instructions contained in these documents or which are illegible may not be accepted at the absolute discretion of our Board.

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS-C, EXCESS APPLICATION FOR THE RIGHTS SHARES WITH WARRANTS-C AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU OR YOUR RENOUNCEES WISH TO SELL/TRANSFER ALL OR ANY PART OF YOUR/THEIR ENTITLEMENT ARE SET OUT IN THIS AP AND THE ACCOMPANYING RSF.

YOU AND/OR YOUR RENOUNCEES (IF APPLICABLE) ARE ADVISED TO READ THIS AP, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN CAREFULLY.

If you wish to accept your entitlement, please complete Parts I and III of the RSF in accordance with the notes and instructions provided in the RSF. Thereafter, please send each completed and signed RSF together with the relevant payment by using the envelope provided (at your own risk) to our Share Registrar by **ORDINARY POST, COURIER or DELIVERED BY HAND** at the following address:

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8,
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)
Tel: (603) 6201 1120
Fax: (603) 6201 3121

so as to arrive **not later than 5.00 p.m. on 24 January 2017**, being the last time and date for acceptance of and payment.

One (1) RSF can only be used for acceptance of provisional Rights Shares with Warrants-C standing to the credit of one (1) CDS Account. Separate RSF must be used for separate CDS Account. If successful, the Rights Shares with Warrants-C subscribed for will be credited into your CDS Account where the provisional Rights Shares with Warrants-C are standing to the credit.

A reply envelope is enclosed in this AP. In order to facilitate the processing of the RSF by our Share Registrar for the Rights Shares with Warrants-C, you are advised to use one (1) reply envelope for each completed RSF.

You and/or your renounees (if applicable) should take note that a trading board lot for the Rights Shares and Warrants comprises one hundred (100) Rights Shares and one hundred (100) Warrants-C, respectively. Successful applicants of the Rights Shares will be given the free attached Warrants-C on the basis of one (1) Warrant for every two (2) Rights Share successfully subscribed for. The minimum number of Rights Shares that can be subscribed for or accepted is two (2) Rights Shares with one (1) Warrant-C.

Fractions of a Rights Share and Warrant-C arising from the Rights Issue with Warrants will be disregarded and shall be dealt with by our Board as it may deem fit, expedient and in the best interest of our Company.

If acceptance of and payment for the provisional Rights Shares with Warrants-C is not received by our Share Registrar by **5.00 p.m. on 24 January 2017**, being the last time and date for acceptance of and payment for the provisional Rights Shares with Warrants-C, you will be deemed to have declined the provisional entitlement made to you and it will be cancelled.

If you lose, misplace or for any other reasons require another copy of the RSF, you may obtain additional copies from your stockbrokers, Bursa Securities' website at <http://www.bursamalaysia.com>, our Share Registrar at the address stated above or our Registered Office.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY APPROPRIATE REMITTANCE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE RIGHTS SHARES WITH WARRANTS-C ACCEPTED IN THE FORM OF BANKER'S DRAFT/ CASHIER'S ORDER/ MONEY ORDER OR POSTAL ORDER DRAWN ON A BANK OR POST OFFICE IN MALAYSIA AND MUST BE MADE PAYABLE TO "VIZIONE RIGHTS ISSUE ACCOUNT", CROSSED "ACCOUNT PAYEE ONLY" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME AND ADDRESS IN BLOCK LETTERS, YOUR CONTACT NUMBER AND CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN 5.00 P.M. ON 24 JANUARY 2017, BEING THE LAST TIME AND DATE FOR ACCEPTANCE AND PAYMENT.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS ISSUE WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS-C, AND NOTICES OF ALLOTMENT WILL BE ISSUED AND DESPACHED BY ORDINARY POST TO THEM OR THEIR RENOUNCEES (IF APPLICABLE) AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE AND TIME FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS.

APPLICANTS SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

WHERE AN APPLICATION IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST AND SHALL BE DESPACHED TO THE APPLICANT WITHIN FIFTEEN (15) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS ISSUE WITH WARRANTS BY ORDINARY POST TO THE ADDRESS SHOWN ON THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT THE APPLICANTS' OWN RISK.

APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

4.5 Procedures for part acceptance by Entitled Shareholders

You are entitled to accept part of your provisional Rights Shares with Warrants-C. Entitled Shareholders of the Rights Shares will be given the free attached Warrants-C on the basis of one (1) Warrant-C for every two (2) Rights Shares successfully subscribed for. The minimum number of security that can be subscribed for or accepted is two (2) Rights Shares for every one (1) existing Vizione Shares held. The minimum number of Warrant-C that can be issued and allotted with the accepted Rights Shares is one (1) Warrant-C.

Fractions of a Rights Share and Warrant arising from the Rights Issue with Warrants will be disregarded and shall be dealt with by our Board as it may deem fit, expedient and in the best interest of our Company.

You must complete both Part I of the RSF by specifying the number of the Rights Shares with Warrants-C which you are accepting and Part III of the RSF and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the manner set out in Section 4.4 of this AP.

YOU ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS AP AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS AP AND THE RSF.

The portion of the provisional Rights Shares with Warrants-C that have not been accepted shall be allotted to any other persons allowed under the law, regulations or rules to accept the transfer of the provisional Rights Shares with Warrants-C.

4.6 Procedures for sale/transfer of provisional Rights Shares with Warrants

As the provisional Rights Shares with Warrants-C are prescribed securities, you may dispose of or transfer all or part of your entitlement to the Rights Shares with Warrants-C to one (1) or more person(s) through your stockbrokers without first having to request for a split of the provisional Rights Shares with Warrants standing to the credit of your CDS Accounts. To dispose or transfer all or part of your entitlement to the provisional Rights Shares with Warrants, you may sell such entitlement in the open market or transfer such entitlement to such persons as may be allowed pursuant to the Rules of Bursa Depository. If you have sold or transferred only part of the provisional Rights Shares with Warrants, you may still accept the balance of the provisional Rights Shares with Warrants-C by completing Parts I and III of the RSF. Please refer to Section 4.4 of this AP for the procedure for acceptance and payment.

In disposing/transferring all or part of your provisionally Rights Shares with Warrants-C, you need not deliver any document including the RSF, to any stockbroker. However, you must ensure that there is sufficient provisional Rights Shares with Warrants-C standing to the credit of your CDS Accounts that are available for settlement of the sale or transfer.

Purchaser(s) or transferee(s) of the provisional Rights Shares with Warrants-C may obtain a copy of this AP and the RSF from their stockbrokers or from our Share Registrar or at our Registered Office. This AP and the RSF are also available on Bursa Securities' website at <http://www.bursamalaysia.com>.

4.7 Procedures for acceptances by renounees

Renounees who wish to accept the provisional Rights Shares with Warrants-C must obtain a copy of the RSF from their stockbrokers or our Share Registrar or at our Registered Office or from the Bursa Securities' website at <http://www.bursamalaysia.com> and complete the RSF and submit the same together with the remittance to our Share Registrar in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Shareholders as set out in Section 4.4 of this AP also applies to renounees who wish to accept the provisional Rights Shares with Warrants-C.

RENOONEES ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS AP AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS AP AND THE RSF.

4.8 Procedures for application for excess Rights Shares with Warrants

You and/or your renounees (if applicable) who accepted the provisional Rights Shares with Warrants-C may apply for excess Rights Shares with Warrants-C by completing Part II of the RSF (in addition to Parts I and III) and forward it (together with a **separate remittance** for the full amount payable in respect of the excess Rights Shares with Warrants-C applied for) to our Share Registrar **not later than 5.00 p.m. on 24 January 2017**, being the last time and date for acceptance and payment, or such extended time and date as may be determined and announced by our Board.

PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS-C APPLIED FOR SHOULD BE MADE IN THE SAME MANNER AS DESCRIBED IN SECTION 4.4 OF THIS AP, WHERE THE BANKER'S DRAFT(S)/CASHIER'S ORDER(S)/MONEY ORDER(S) OR POSTAL ORDER(S) DRAWN ON A BANK OR POST OFFICE IN MALAYSIA CROSSED "ACCOUNT PAYEE ONLY" AND MADE PAYABLE TO "VIZIONE EXCESS RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME, CONTACT NUMBER AND CDS ACCOUNT NUMBER IN BLOCK LETTERS SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR NOT LATER THAN 5.00 P.M. ON 24 JANUARY 2017, BEING THE LAST TIME AND DATE FOR ACCEPTANCE AND PAYMENT, OR SUCH EXTENDED TIME AND DATE AS MAY BE DETERMINED AND ANNOUNCED BY OUR BOARD.

It is the intention of our Board to allot the excess Rights Shares with Warrants-C, if any, on a fair and equitable basis and in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, on the pro-rata basis and in board lot, to our Entitled Shareholders who have applied for the excess Rights Shares with Warrants-C, taking into consideration their respective shareholdings in our Company as at the Entitlement Date;
- (iii) thirdly, on a pro-rata basis and in board lot, to our Entitled Shareholders who have applied for excess Rights Shares with Warrants-C, taking into consideration the quantum their respective excess application;
- (iv) fourthly, on a pro-rata basis and in board lot, to our transferees and/or renounees who have applied for excess Rights Shares with Warrants-C, taking into consideration the quantum of their respective excess application; and
- (v) lastly, in the event there are still unsubscribed Rights Shares with Warrants after allocating all the excess Rights Shares with Warrants-C, the remaining unsubscribed Rights Shares with Warrants-C will be subscribed by the Undertaking Shareholders, pursuant to their Undertakings.

Nevertheless, our Board reserves the right to allot any excess Rights Shares with Warrants applied for under Part II of the RSF in such manner as it deems fit and expedient and in the best interest of our Company subject always to such allocation being made on a fair and equitable basis and that the intention of our Board as set out in Section 4.8 (i) to (v) above are achieved. Our Board also reserves the right to accept any excess Rights Shares with Warrants-C application, in full or in part, without assigning any reason.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE ISSUED BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE EXCESS RIGHTS SHARES WITH WARRANTS. HOWEVER, SUCCESSFUL APPLICANTS WILL BE ALLOTTED THEIR RIGHTS SHARES WITH WARRANTS-C, AND A NOTICE OF ALLOTMENT WILL BE ISSUED AND DESPATCHED BY ORDINARY POST TO THE APPLICANTS AT THEIR OWN RISK TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY WITHIN EIGHT (8) MARKET DAYS FROM THE LAST DATE FOR ACCEPTANCE AND PAYMENT FOR THE EXCESS RIGHTS SHARES WITH WARRANTS-C.

4.9 Notice of allotment and refund

Upon allotment of the Rights Shares with Warrants in respect of your acceptance and/or your renounee's acceptance (if applicable) and excess Rights Shares with Warrants-C application (if any), the Rights Shares with Warrants-C shall be credited directly into the respective CDS account. No physical share certificates and warrant certificates will be issued in respect of the Rights Shares with Warrants. However, a notice of allotment will be despatched to you and/or your renounees (if applicable), by ordinary post within eight (8) Market Days from the last date of acceptance and payment for the Rights Shares with Warrants-C and excess Rights Shares with Warrants-C application, or such other period as may be prescribed or allowed by Bursa Securities, at the address shown on the Record of Depositors at your own risk.

Where any application for the Rights Shares with Warrants-C is not accepted due to non-compliance with the terms of the Rights Issue with Warrants or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded without interest to you within fifteen (15) Market Days from the last date and time for acceptance and payment of the Rights Shares with Warrants-C by ordinary post to the address shown on the Record of Depositors at your own risk.

Please note that a completed RSF and the payment thereof once lodged with our Share Registrar for the Rights Issue with Warrants-C is irrevocable and cannot be withdrawn subsequently.

4.10 Form of issuance

Bursa Securities has prescribed that Vision Shares listed on the Main Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares with Warrants-C and the new Shares to be issued arising from the exercise of Warrants-C are prescribed securities and as such the SICDA and the Rules of Bursa Depository shall apply in respect of the dealings in the Rights Shares with Warrants-C.

Failure to comply with the specific instructions for applications or inaccuracy in the CDS account number may result in the application being rejected. Your subscription for the Rights Shares with Warrants-C shall mean your consent to receiving such Rights Shares with Warrants as deposited securities which will be credited directly into your CDS account. No physical share certificate or warrant certificate will be issued to you under the Rights Issue with Warrants.

Instead, the Rights Shares with Warrants-C will be credited directly into your CDS accounts, and notices of allotment will be sent to you in the manner as stated in Section 4.9 of this AP.

Any person who has purchased the provisional Rights Shares with Warrants-C or to whom provisional Rights Shares with Warrants has been transferred and intends to subscribe for the Rights Shares with Warrants-C must state his/her CDS account number where the provisional Rights Shares with Warrants-C are standing to the credit in the space provided in the RSF. The Rights Shares with Warrants-C will be credited directly as prescribed securities into his/her CDS account upon listing.

The excess Rights Shares with Warrants, if allotted to the successful applicant who applies for excess Rights Shares with Warrants, will be credited directly as prescribed securities into the CDS account of the successful applicant. The allocation of the excess Rights Shares with Warrants-C will be made on a fair and equitable basis as disclosed in Section 4.8 of this AP.

4.11 Laws of foreign jurisdictions

This AP and the accompanying NPA and RSF have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign jurisdiction. The Rights Issue with Warrants will not be made or offered for subscription in any foreign jurisdiction.

Accordingly, this AP together with the accompanying documents will not be sent to the foreign Entitled Shareholders and/or their renounees (if applicable) who do not have a registered address in Malaysia. However, such foreign Entitled Shareholders and/or their renounees (if applicable) may collect this AP including the accompanying documents from our Share Registrar, in which event our Share Registrar shall be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the documents relating to the Rights Issue with Warrants.

Foreign Entitled Shareholders and/or their renounees (if applicable) may only accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so.

TA Securities, our Company and our Board and officers would not, in connection with the Rights Issue with Warrants, be in breach of, responsible or liable under the laws of any jurisdiction to which that foreign Entitled Shareholders and/or their renounees (if applicable) are or may be subject to. He shall solely be responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject to. TA Securities, our Company and our Board and officers and other professional advisers shall not accept any responsibility or liability in the event that any acceptance or renunciation made by any foreign Entitled Shareholders and/or their renounees (if applicable), is or shall become unlawful, unenforceable, voidable or void in any such jurisdiction.

The foreign Entitled Shareholders and/or their renounees (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and our Company shall be entitled to be fully indemnified and held harmless by such foreign Entitled Shareholders and/or their renounees (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. They will have no claims whatsoever against our Company and/or TA Securities and/or other professional advisers in respect of their rights and entitlements under the Rights Issue with Warrants. Such foreign Entitled Shareholders and/or their renounees (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

In accepting the provisional Rights Shares with Warrants-C by completing and signing the RSF accompanying this AP, the foreign Entitled Shareholders and/or their renounees (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) TA Securities, our Company and our Board and officers that:

- (i) our Company would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which that foreign Entitled Shareholders or renounees (if applicable) is or may be subject to;
- (ii) the foreign Entitled Shareholders and/or their renounees (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation of the provisional Rights Shares with Warrants-C;
- (iii) the foreign Entitled Shareholders and/or their renounees (if applicable) are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation of the provisional Rights Shares with Warrants-C, be in breach of the laws of any jurisdiction to which that person is or may be subject to;

- (iv) the foreign Entitled Shareholders and/or their renounees (if applicable) are aware that the Rights Shares with Warrants-C can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- (v) the foreign Entitled Shareholders and/or their renounees (if applicable) have received a copy of this AP and have been provided the opportunity to pose such questions to the representatives and receive answers thereto as the foreign Entitled Shareholders and/or their renounees (if applicable) deem necessary in connection with the foreign Entitled Shareholders and/or their renounees (if applicable) decision to subscribe for or purchase the Rights Shares with Warrants-C. However, any information relevant to an investment shall be contained in this AP; and
- (vi) the foreign Entitled Shareholders and/or their renounees (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants-C, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Warrants-C.

Persons receiving this AP, the NPA and the RSF (including without limitation custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations. If this AP, the NPA and the RSF are received by any persons in such jurisdiction, or by the agent or nominee of such a person, he must not seek to accept the offer unless he has complied with and observed the laws of the relevant jurisdiction in connection herewith.

Any person who does forward this AP, the NPA and the RSF to any such jurisdiction, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this section and we reserve the right to reject a purported acceptance of the Rights Shares with Warrants-C from any such application by foreign Entitled Shareholders and/or their renounees (if applicable) in any jurisdiction other than Malaysia.

Our Company reserves the right, in our absolute discretion, to treat any acceptance of the Rights Shares with Warrants-C as invalid if it believes that such acceptance may violate any applicable legal or regulatory requirements in Malaysia.

5. UTILISATION OF PROCEEDS

Based on the Issue Price of RM0.10 per Rights Share, the Rights Issue with Warrants is expected to raise gross proceeds of up to RM73,162,680 which will be utilised as follows:

Details of utilisation	Note	Minimum Scenario ^(a) RM'000	Maximum Scenario ^(a) RM'000	Expected timeframe for the utilisation of proceeds (from the date of listing of the Rights Shares)
Funding for future construction activities	(1)	6,000	40,000	Within 36 months
Funding for future property development activities	(2)	-	24,858	Within 36 months
Working capital	(3)	1,800	7,105	Within 36 months
Estimated expenses in relation to the Corporate Exercises	(4)	1,200	1,200	Within one (1) month
Total		9,000	73,163	

Notes:

(a) **Minimum and Maximum Scenario**

The Minimum Scenario is undertaken based on the Minimum Subscription Level, where our Company intends to raise a minimum of RM9.0 million from the Rights Issue with Warrants. However, any additional proceeds raised in excess of the RM9.0 million under the Minimum Scenario will be allocated up to its respective maximum allocation in the following order:

- (i) funding for future construction activities;
- (ii) working capital; and
- (iii) funding for future property development activities.

Under the Minimum Scenario where only RM9.0 million is raised, there is no allocation made for funding for future property development activities as it is our Group's priority to undertake construction projects and that the funds under the Minimum Scenario is only sufficient to carry out the identified construction projects, namely Machang PPR Project and Lahad Datu PPR Project as per Section 5(1) below.

The Maximum Scenario is based on the assumption that all the Existing Warrants-B and ICULS are converted into new Vizione Shares prior to the Entitlement Date, which shall raise gross proceeds of up to RM73.16 million.

(1) **Funding for future construction activities**

Following our shareholders' approval in January 2016, our Group diversified our principal activities to include construction, property development and property investment activities, following our shareholders' approval. For the period from March 2014 up to date, our Group had been involved in several construction projects such as the Melaka PPR Projects (completed in March 2016), Tawau PPR Project (on-going) and the Kota Belud PPR Project (on-going). Our Group's involvement in these projects had enabled us to build our credentials in the property construction sector.

Our Group, via Vizione Construction, will continue to undertake construction activities by submitting sub-contract proposals to main contractors of PPR Projects. Such sub-contract works will include structure, architecture, mechanical and electrical works, ancillary building landscaping and infrastructural works. As at the LPD, no agreement has been entered into by Vizione Construction with all the main contractors stated below. It is the industry's practice for the main contractor and sub-contractors to jointly submit their bids to tender for new construction projects to ensure fulfilment of certain technical specification of the contracts and to ensure reliable supply of raw materials and labour once the projects are secured.

As at the LPD, our Group has already submitted proposals and in direct negotiations with the main contractors of five (5) identified PPR Projects which are as follow:

PPR Project	Main contractors	Description	Estimated contract sum	Status
Machang PPR Project	Elite Appeal	500 units of 5-storey medium low cost apartments at Machang, Kelantan	RM58.0 million	Pending final price negotiation between Vizione Construction and Elite Appeal since the LOA has been secured by Elite Appeal from KPKT on 22 April 2016.

PPR Project	Main contractors	Description	Estimated contract sum	Status
Lahad Datu PPR Project	PRSB	500 units of 5-storey medium low cost apartments at Lahad Datu, Sabah	RM60.0 million	Pending final price negotiation between Vizione Construction and PRSB since the LOA has been secured by PRSB from KPKT on 15 April 2016.
Semporna PPR Project	Kuasa Lumpadang	1,000 units of medium low cost townhouse at Daerah Semporna, Sabah	RM100.0 million	Pending of LOA by KPKT to Kuasa Lumpadang and subsequently the final price negotiation between Vizione Construction and Kuasa Lumpadang.
Kuala Nerus PPR Project	Tulangis Maju	1,000 units of single-storey medium low cost terrace houses at Kuala Nerus, Terengganu	RM90.0 million	Pending of LOA by KPKT to Tulangis Maju and subsequently the final price negotiation between Vizione Construction and Tulangis Maju.
Baling PPR Project	Inspirasi Perkasa	1,000 units of single-storey medium low cost terrace houses at Daerah Baling, Kedah	RM120.0 million	Pending of LOA by KPKT to Inspirasi Perkasa and subsequently the final price negotiation between Vizione Construction and Inspirasi Perkasa.

The estimated contract sums stated above were arrived at based on the bills of quantities prepared by the quantity surveyor of the main contractor for the respective PPR Projects.

The PPR Projects are awarded via direct negotiation between the main contractors and KPKT, the government ministry tasked with managing the PPR. Typically, the stages towards securing the PPR Projects via direct negotiation include:

- (i) the main contractor submits a proposal to KPKT;
- (ii) KPKT conducts a site visit at the proposed site;
- (iii) KPKT issues a letter of intent;
- (iv) KPKT invites the main contractor for final price negotiation; and
- (v) KPKT awards the PPR Projects to the main contractor and assigns JPN to be the project owner.

Under the abovementioned PPR Projects, our Group will undertake the main building works (except for piling work and earthwork) which includes structure, architecture and mechanical and electrical works complete with ancillary building, landscaping and infrastructural works.

As at the LPD, the LOA between the respective main contractors and KPKT in relation to the Machang PPR Project and the Lahad Datu PPR Project have been issued and the awards were accepted by Elite Appeal and PRSB on 22 April 2016 and 15 April 2016, respectively. As for the remaining 3 projects namely, Semporna PPR Project, Kuala Nerus PPR Project and the Baling PPR Project. As at the LPD, these projects are pending the issuance of letter of intent and/or invitation by KPKT to the main contractors for final price negotiation. Kindly refer to **Appendix XIII** of this AP for further details of the PPR Projects and the status as at the LPD.

Given the foregoing, our Group intends to utilise proceeds of up to RM40.0 million from the Rights Issue with Warrants for the PPR Projects in the following order of priority:

PPR Project	Minimum Scenario ^(a) RM'000	Maximum Scenario ^(b) RM'000
(i) Machang PPR Project	3,500	9,000
(ii) Lahad Datu PPR Project	2,500	6,000
(iii) Semporna PPR Project	-	9,000
(iv) Kuala Nerus PPR Project	-	5,000
(v) Baling PPR Project	-	11,000
Total	6,000	40,000

Notwithstanding the above, the actual utilisation will be subjected to the actual progress of the PPR Projects, whereby the proceeds will first be allocated to those PPR Projects that have commenced first.

Notes:

(a) **Minimum Scenario**

Subject to our Group successfully securing the PPR Projects, our Group intends to allocate up to RM6.0 million from the proceeds as follows:

Details	Machang PPR Project RM'000	Lahad Datu PPR Project RM'000	Total RM'000
<i>Building materials</i>	1,750	1,500	3,250
<i>Rental of equipment</i>	750	500	1,250
<i>Salaries and wages</i>	1,000	500	1,500
Total	3,500	2,500	6,000

Under the Minimum Scenario, further to the proceeds of RM6.0 million to be allocated for the abovementioned PPR Projects, the balance funding of up to RM34.0 million required to kick start the PPR Projects is expected to be sourced via bank borrowings and internally generated funds. We may also enter into sub-contract with external parties to commence the PPR Projects.

Subsequent operational cost to undertake the abovementioned PPR Projects shall be funded from the billings and collections which will be made on progressive basis as well as supplier's credit terms.

(b) Maximum Scenario

Subject to our Group successfully securing the PPR Projects, our Group intends to allocate up to RM40.0 million from the proceeds as follows:

<i>Details</i>	<i>Machang PPR Project RM'000</i>	<i>Lahad Datu PPR Project RM'000</i>	<i>Semporna PPR Project RM'000</i>	<i>Kuala Nerus PPR Project RM'000</i>	<i>Baling PPR Project RM'000</i>	<i>Total RM'000</i>
• <i>Building materials</i>	5,000	3,000	5,000	2,000	6,000	21,000
• <i>Purchase of scaffolding and mobile cranes</i>	500	300	500	500	500	2,300
• <i>Rental of equipment</i>	1,000	900	1,000	800	1,500	5,200
• <i>Salaries and wages</i>	2,500	1,800	2,500	1,700	3,000	11,500
Total	9,000	6,000	9,000	5,000	11,000	40,000

Subsequent operational cost to undertake the abovementioned PPR Projects shall be funded from the billings and collections which will be made on progressive basis as well as supplier's credit terms.

If our Group fails to secure any of these PPR Projects, the proceeds earmarked for this category would be allocated to other future prospective projects which our Group would be tendering. Pending the identification and finalisation of such projects, our Company will place the unutilised cash proceeds in interest-bearing bank deposits and/or money market financial instruments. Upon identification and finalisation of the construction projects to be undertaken, our Group will make the necessary announcements on Bursa Securities. In the event that the utilisation of proceeds for the construction activities as stated in this AP are to be allocated for other purposes, apart from construction activities, shareholders' approval and/or regulatory approvals (if any) are required and the necessary approvals will be sought as per the provisions in the Listing Requirements or such other regulatory bodies.

If our Group is unable to identify other suitable construction projects within 36 months from completion of the Rights Issue with Warrants, the timeframe for utilisation of proceeds that has been allocated for this purpose will be extended and announced as well as disclosed in our Group's quarterly results announcements until our Group has successfully identified suitable construction projects to undertake.

Please refer to Section 8.3 of this AP for details on the overview of PPR Projects in Malaysia.

(2) Funding for future property development activities

With the PPR Projects providing a stepping stone for our Group to further venture into the construction sector, it is our Group's intention to also undertake property development projects as part of its long term growth strategy.

Our Group has identified a Sri Kembangan Project to be undertaken by Vizione Development. In this regard, on 1 July 2016, TA Securities had, on behalf of the Board announced that on the same date, Vizione Development and Paragon Residencia had entered into the HOA to express the parties' intentions to enter into a joint venture to undertake the Sri Kembangan Project, subject to the terms and conditions of the HOA.

Paragon Residencia was incorporated in Malaysia as a private limited company under the Act on 18 December 2013. The authorised share capital of Paragon Residencia as at 27 June 2016 is 400,000 ordinary shares of RM1.00 each ("Paragon Residencia Shares"). The issued and paid-up share capital of Paragon Residencia is RM2 comprising of two (2) Paragon Residencia Shares. The company is presently dormant and the intended business activity is property development. Paragon Residencia is also the land owner for the identified Sri Kembangan Project.

Vizione Development is to finance the Joint Venture and Vizione Development will be entitled to an estimated GP of approximately RM28.23 million arising from the Sri Kembangan Project. The breakdown of the estimated GP to be derived from the Sri Kembangan Project is set out below:

Details	RM'000	% of GDV
Revenue	152,224	
<u>Cost of Land:</u>		
Land and related cost	(30,445)	20.00
<u>Other costs:</u>		
Consultant fees	(4,545)	
Authority fee and contribution	(2,000)	
Construction cost	(76,000)	
Marketing and administrative cost	(9,000)	
Contingency cost	(2,000)	
	(93,545)	61.45
Total cost	(123,990)	
GP	28,234	18.55

Both Vizione Development and Paragon Residencia had mutually agreed to finalise the terms and conditions of the Joint Venture and sign the final agreement within ninety (90) days from the date of the HOA.

Further on 25 November 2016, Vizione Development and Paragon Residencia had entered into a Supplemental HOA where both parties have mutually agreed to extend the time period for negotiation and finalisation of the terms and conditions of the Joint Venture within 180 days from the date of the Supplemental HOA by 23 May 2017. Prior to the signing of the Joint Venture agreement, the parties are in negotiation on the mode of payment (i.e. the proportion of cash and/or properties for the parties' entitlements to the Joint Venture) for the Joint Venture, as well as preparing development programmes and finalisation of the joint venture structure to be agreed upon by the Parties. Further, our Group shall also conduct an updated due diligence of the Joint Venture which includes updated land searches on details of ownership and encumbrances, if any, and shall be procuring confirmation for latest development zoning on the Sri Kembangan Land from the relevant authorities. In this regard, the extension of time between the Parties is necessary to facilitate finalisation of the terms and conditions of the Joint Venture.

Kindly refer to **Appendix XIV** of the AP for further details of the Sri Kembangan Project.

Our Group expects to utilise up to approximately RM24.86 million of the proceeds raised from the Rights Issue with Warrants for this Joint Venture. In the event the actual proceeds raised from the Rights Issue with Warrants for the Joint Venture is lower than RM24.86 million, the shortfall will be funded by our Group from either internally generated funds and/or bank borrowings for the purpose of undertaking the Joint Venture.

Notwithstanding the foregoing, our Group will not take up the Sri Kembangan Project if the proceeds raised and allocated for this purpose is less than RM18.0 million. In such event, the proceeds will then be utilised for other property development projects to be identified by our Group.

Pending the identification of such property development projects, our Group will place the unutilised cash proceeds in interest-bearing bank deposits and/or money market financial instruments. Upon identification and finalisation of the property development projects to be undertaken, our Group will make the necessary announcements on Bursa Securities. In the event the proceeds for property development activities to be identified as stated in this AP are to be allocated for other purposes, apart from property development activities, shareholders' approval and/or regulatory approvals (if any) are required and the necessary approvals will be sought as per the provisions in the Listing Requirements or such other regulatory bodies.

If our Group is unable to identify suitable property development projects within 36 months from completion of the Rights Issue with Warrants, the timeframe for utilisation of proceeds that has been allocated for this purpose will be extended and announced as well as disclosed in our Group's quarterly results announcements until our Group has successfully identified suitable property development projects to undertake.

(3) Working capital

The proceeds have been earmarked to supplement the working capital requirements of our Group. The cash proceeds will be used to fund the day-to-day operations of our Group and is estimated to be utilised in the following manner:

Details	Notes	Minimum scenario (RM'000)	Maximum scenario (RM'000)
Salaries and fees to directors, management staff and operational staff	(a)	1,200	5,400
Rental of office	(b)	144	432
Utilities		120	360
Upkeep and maintenance		240	720
Other expenses	(c)	96	193
Total		1,800	7,105

Under the Minimum Scenario, the utilisation period for working capital is over a period of twelve (12) months whereas under the Maximum Scenario, the utilisation period for working capital is over a period of thirty six (36) months.

Notes:

(a) *This relates to salaries and fees for eight (8) Directors (including subsidiaries), seven (7) management staff and ten (10) operational staff for twelve (12) to thirty six (36) months, as the case may be, from the date of listing of the Rights Shares.*

(b) *This relates to rental of Vizione's office at Plaza Damas as follows:*

Address	Size of office (sq. ft.)	Monthly rental (RM)
<i>C-0-12, Plaza Damas 3, Jalan Sri Hartamas, 50480 Kuala Lumpur</i>	<i>2,000</i>	<i>6,050</i>
<i>C-0-09, Plaza Damas 3, Jalan Sri Hartamas, 50480 Kuala Lumpur</i>	<i>2,000</i>	<i>4,500</i>
<i>C-02-3a, Plaza Damas 3, Jalan Sri Hartamas, 50480 Kuala Lumpur</i>	<i>2,500</i>	<i>4,300</i>

(c) *This relates to expenses such as training fees, travelling costs, and professional fees.*

(4) Estimated expenses in relation to the Corporate Exercises

The estimated expenses of approximately RM1.20 million consist of the following:

Details	RM'000
Professional fees ⁽¹⁾	800
Authority fees	150
Printing of circular to shareholders and the AP, expenses in relation to EGM, disbursements and miscellaneous expenses	250
Total	1,200

Note:

- (i) *Includes fees for Adviser, Reporting Accountants, Solicitors for Rights Issue with Warrants and other professionals*

In the event there is any excess/ deficit in the actual quantum of expenses in relation to the Corporate Exercises, such amount will be adjusted against the amount allocated for working capital purposes accordingly.

The actual proceeds to be raised from the Rights Issue with Warrants is dependent on the final issue price for the Rights Shares and the subscription level of the Rights Issue with Warrants. Any variation in the actual proceeds raised will be adjusted against the amount allocated for the working capital purposes of our Group.

Pending utilisation of the proceeds from the Rights Issue with Warrants for the abovementioned purposes, the proceeds will be placed in deposits with financial institution or short-term money market instruments as the Board may deem fit. The interest derived from the deposits with financial institution or any gain arising from short-term money market instruments will be used as the additional working capital of our Group.

The exact quantum of gross proceeds to be raised from the exercise of the Warrants-C is dependent on the total number of Warrants-C exercised during the tenure of Warrants-C as well as the exercise price which will be determined at a later date. The proceeds to be raised from the exercise of Warrants-C shall be utilised for working capital and/or repayment of bank borrowings of the Vizione Group of which the exact timeframe and the breakdown for utilization are not determinable at this juncture.

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6. RATIONALE FOR THE RIGHTS ISSUE WITH WARRANTS

As stated in Sections 1.1 and 5 of this AP, our Group intends to raise funds from the Rights Issue with Warrants to, amongst others, secure more sub-contract works for PPR Projects as part of its turnaround plan. The Board is of the view that the PPR Projects would contribute positively to the future earnings of our Group due to the favourable outlook of PPR Projects.

The Board is of the opinion that the Rights Issue with Warrants is an appropriate avenue of fund raising for our Group after taking into consideration the following factors:

- (a) it will enable our Company to raise funds for our Group without incurring interest costs as compared to other means of financing such as bank borrowings or issuance of debt instruments. This will allow our Company to preserve cash flow for re-investment and/or operational purpose;
- (b) it enhances the cash flow of our Group without having to increase our Group's gearing ratio position;
- (c) it will enhance Vizione's share capital base especially after the Capital Reorganisation;
- (d) it will provide the shareholders of Vizione with an opportunity to further increase their equity participation in our Company, via the issuance of new Vizione Shares without diluting the existing shareholders' shareholdings, assuming that all the Entitled Shareholders fully subscribe for their entitlements pursuant to the Rights Issue with Warrants and
- (e) it will provide our Group with funds that are readily available in securing more construction and/or property development projects. As at the LPD, our Group has been in direct negotiations with all the main contractors of the five (5) PPR Projects as per Section 5(1) of this AP. Furthermore, for both the Machang PPR Project and Lahad Datu PPR Project, the LOAs have already been issued by KPKT to the respective main contractors. Therefore, the proceeds from the Rights Issue with Warrants will provide the necessary funding for our Group to undertake these PPR Projects.

The Warrants-C are intended to provide an incentive to the shareholders of Vizione to subscribe for their entitlements. Further, the Warrants-C will enable Vizione to raise proceeds for working capital purposes as and when the Warrants-C are exercised in the future.

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7. RISK FACTORS

7.1 Risks relating to our existing business and industry

(i) Business and operational risks

Our Group's principal activities are subject to certain risks that are inherent in the property development and construction industry which may include timely commencement and/or completion of projects, cancellation, deferral or rescheduling of projects, non-performance or unsatisfactory performance of subcontractors, increases in cost of energy, labour and building materials, shortage of skilled workforce, adverse weather conditions, natural disasters, accidents and changes in general economic, business and credit conditions. As such, any occurrences of any of the above situations may adversely impact our business and financial performance.

(ii) Delay in completion of projects

Timely completion and hand-over of our construction projects are critical in ensuring costs are contained and our Group's reputation is safeguarded. However, delays in completion could result from unforeseen circumstances such as natural disasters, acute shortage of construction materials and workers, adverse weather conditions, delays in obtaining the necessary approvals from various regulatory authorities as scheduled and unsatisfactory performance of our subcontractors appointed for the construction projects.

If any of the abovementioned circumstances happen or occur for a prolonged period, our Group may incur substantial additional costs such as liquidated and ascertained damages payable to our customers, rectification cost to repair defects or higher material and/or labour costs and potential claims which may result in our financial performance being materially impacted. As at the LPD, we have not encountered any material delay in the completion of our construction projects that have a material adverse impact to our business and to our Group's financial performance.

(iii) Inability or delay in securing construction projects

Our Group's revenue for the construction segment is largely dependent our ability to secure the construction projects so as we are able to ensure the sustainability of our order book. Depending on the business and economic environment, customers may cancel or delay their projects, which in turn, could adversely affect our Group's revenue and future financial performance. As stated in Section 6 of this AP, our Group is the midst of pursuing the 5 PPR Projects which are pending the issuance of the LOA by the respective main contractors to our Group.

There can be no assurance that project delays and/or cancellations will not adversely affect our Group's business and financial performance and that we will be able to replenish our order book by securing other construction projects on a timely basis.

(iv) Costs overrun

Our Group carry out internal cost and budgeting estimates of raw material, sub-contracting costs and overheads based on the indicative pricings given by our suppliers and subcontractors, as well as our own estimates of costs for tender for construction and property development projects.

However, in the event of incorrect estimations of costs during the budgeting or costing stage, unforeseen circumstances such as adverse soil conditions, unfavourable weather conditions or unanticipated construction constraints at the worksite or fluctuations in prices of raw materials and subcontractors services, additional costs which are not previously factored into the costing may arise.

There is no assurance that unforeseeable circumstances as mentioned above in our projects will not have a material adverse impact on our Group's business and financial performance.

(v) Availability and cost of raw materials and skilled labour

Our profitability may be affected by an increase in fluctuation of construction costs which are inherent risks in our industry. Higher cost of materials (including sand, steel, cement and tiles) and labour will reduce our profit margin in the event that we are unable to fully pass on these increased costs to our customers.

The construction industry in Malaysia also faces a shortage of skilled labour. The shortage is due to the low participations of Malaysians within the sector and restrictions on foreign workers, which has been exacerbated in recent years by the increased demand for construction workers for other large infrastructure projects. As such, any occurrences of any of the above situations may adversely impact our business and financial performance.

(vi) Dependence on subcontractors

Our Group engaged subcontractors in some of our projects and as such, we may experience delay due to failure of our subcontractors to complete their work based on an agreed time schedule and to the specifications required. There is no assurance that working relationships with our subcontractors are perpetual and that there will be no lapse in the quality of services to be provided by our subcontractors in the future. In turn, the above factors may adversely impact our Group's business and financial performance.

(vii) Risks associated with joint ventures that may adversely affect the business of our Group

As at this todate, our Group have not entered into any joint ventures arrangement with external parties in connection with our construction or property development business, save for the HOA and Supplemental HOA for the Sri Kembangan Project which is pending finalization of the terms of the Joint Venture.

If there are disagreements between our Group and our joint venture partners regarding the operations of the joint venture or any other joint ventures subsequently entered into by our Group, there is no assurance that our Group will be able to resolve these disagreements in the manner favourable to our Group. Although the terms and conditions of joint venture or any other joint ventures are regulated by the joint venture agreements, there is also no assurance that our joint venture partners are able to fulfil their obligations, have disputes with our Group as to their obligations or take actions contrary to our Group's instructions and request. Any of these may materially and adversely affect our Group's business and financial performance as well as may result in existing or planned projects may not be completed in a timely manner.

(viii) Dependence on licensing/approval from authorities

Our Group's operations are affected by a variety of regulatory approvals particularly in respect of approvals for development plans. There is no assurance that any delay in obtaining these approvals may not have an adverse impact on the timing of launching our projects and thereby affecting future financial performance of our Group.

(ix) Dependence on key personnel

Our Group believes that our continuing success will depend to a certain extent upon the abilities and continued efforts of our Directors and key management personnel, who have in-depth knowledge and experience in the industry we currently operate in. The loss of any of our Directors and/or key members of the senior management without suitable and timely replacement and inability to attract or retain qualified and suitable personnel may have an unfavourable and material impact on the business and operating results of our Group.

(x) Risks relating to our financial position

Our Group has been accumulating substantial losses in our balance sheet over the past few financial years. As at 31 May 2016, our Group's audited shareholders' equity of approximately RM16.21 million represents approximately 27.77% of our issued and paid-up share capital of approximately RM58.37 million. Under criterion 2.1(a) of PN17 of the Listing Requirements, if the listed issuer's shareholders' equity on a consolidated basis is 25% or less of its issued and paid-up capital and such shareholders' equity is less than RM40 million, the listed issuer will be classified as a PN17 company. As such, the financial position of our Company renders our Company close to being classified as a PN17 company.

Pursuant to Paragraph 8.04(2) of the Listing Requirements, where a listed corporation triggers any of the prescribed criteria as stated in PN17 of the Listing Requirements (which include, inter-alia, the criteria that the shareholders' equity of twenty-five (25%) or less of the issued and paid-up share capital of the listed corporation), the listed corporation will be required to submit a regularization plan to Bursa Securities and obtain Bursa Securities' approval to implement the plan within twelve (12) months from the date the listed corporation announces that it is a PN17 company. Failure to comply with this obligation may result in the suspension of the trading of listed securities of such listed corporation or de-listing of the listed corporation or both.

Should the future financial performance of our Group deteriorates, we may risk triggering the said prescribed criteria which can result in our Group being classified as an affected listed corporation pursuant to the PN17 of the Listing Requirements.

(xi) Risks relating to our PPR Projects GP margin

Our group has completed the Melaka PPR Projects in March 2016 and the GP margins for the Melaka PPR Projects were both recorded at approximately 7.5% respectively. Further, for the on-going PPR Projects such as Kota Belud PPR Project and Tawau PPR Project, the GP margins are estimated to be 6.80% and 8.39% respectively. In this regard, based on the historical record of the completed Melaka PPR Projects and estimated GP margin of the on-going PPR Projects (i.e. Kota Belud PPR Project and Tawau PPR Project), our Group derives a low GP margin from the above PPR Projects.

Considering the low GP margin from the PPR Projects, there is no assurance that our Company will be able to achieve profitability, as it would depend on our Company's ability to manage the construction cost for the PPR Projects effectively. Therefore, there can be no assurance that historical or current levels of PPR Projects GP margin can be sustained for our future PPR Projects. Any decline in the GP margin may adversely affect our Group's future financial performance.

7.2 Risks relating to the Rights Issue with Warrants

(i) Investment risk and capital market risk

The market price of the Rights Shares is influenced by, amongst others, the prevailing market sentiments, the volatility of equity markets, the liquidity of Vizione Shares, the outlook for the construction industry, changes in regulatory requirements or market conditions, the financial performance and fluctuations in our Group's operating results. In view of this, there can be no assurance that the Rights Shares will trade above the Issue Price for the Rights Shares or TERP upon or subsequent to the listing of and quotation for the Rights Shares on the Main Market of Bursa Securities.

The market price of the Warrants-C may be influenced by, amongst others, the market price of Vizione Shares, and the remaining exercise period of the Warrants-C and the volatility of Vizione Shares. There can be no assurance that the Warrants-C will be "in-the-money" during their exercise period. In the event the Warrants-C are not exercised during the exercise period, the unexercised Warrants-C will lapse and cease thereafter to be valid for any purpose.

(ii) Delay in or abortion of the Rights Issue with Warrants

The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of force majeure events or circumstances which are beyond the control of our Company arising prior to the implementation of the Rights Issue with Warrants. Such events or circumstances include inter-alia, natural disasters, adverse developments in political, economic and government policies in Malaysia, including changes in inflation and interest rates, global economic downturn and changes in political leadership; or

In this respect, all proceeds arising from the Rights Issue with Warrants will be refunded without interest to the Entitled Shareholders and/or their renounees (if applicable) in the event the Rights Issue with Warrants is aborted and if such monies are not repaid within fourteen (14) days after it becomes liable, we will repay such monies with interest at the rate of ten percent (10%) per annum or such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA. Notwithstanding the above, our Company will exercise its best endeavor to ensure the successful implementation of the Rights Issue with Warrants. However, there can be no assurance that the abovementioned factors/events will not cause a delay in or abortion of the Rights Issue with Warrants.

(iii) Forward-looking statements

Certain statements in this AP are based on historical information, which may not be reflective of the future results, and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements contained in this AP are based on forecasts and assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable, the statements are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. Such factors include, among others, the risk factors as set out in this section. In view of the above, the inclusion of any forward-looking statements in this AP should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

(iv) Potential dilution

Entitled Shareholders who do not or are not able to accept their entitlement in respect of the Rights Issue with Warrants will have their ownership and voting interests in our Company being reduced, and the percentage of the enlarged and paid-up share capital of Vizione represented by their shareholding in our Company will also be diluted accordingly.

Further, their entitlement to any dividends, rights, allotment, and/or other distribution that we may declare, make or pay will correspondingly be reduced.

8. INDUSTRY OUTLOOK AND PROSPECTS OF OUR GROUP

8.1 Prospects and outlook of the Malaysian economy

The Malaysian economy registered a growth of 4.0% in the second quarter of 2016 (1Q 2016: 4.2%). Despite the stronger expansion in domestic demand, growth was weighed down by the continued decline in net exports and a significant drawdown in stocks. On the supply side, growth continued to be driven by the major economic sectors. On a quarter-on-quarter seasonally adjusted basis, the economy recorded a growth of 0.7% (1Q 2016: 1.0%).

Private sector activity remained the key driver of growth, expanding at a faster pace of 6.1% in the second quarter (1Q 2016: 4.5%). Private consumption grew by 6.3% (1Q 2016: 5.3%), supported by continued wage and employment growth as well as the additional disposable income from Government measures. Private investment grew at a faster pace of 5.6% (1Q 2016: 2.2%), driven mainly by continued capital spending in the services and manufacturing sectors. Public investment growth turned around to register a positive growth of 7.5% (1Q 2016: -4.5%), on account of higher spending on fixed assets by both the Federal Government and public corporations. Growth of public consumption also improved in the second quarter to 6.5% (1Q 2016: 3.8%), due mainly to higher spending on supplies and services.

On the supply side, all economic sectors continued to expand, with the exception of the agriculture sector. The higher growth in the services sector was underpinned primarily by stronger household spending while the manufacturing sector was supported by the electronics and electrical cluster. Growth in the construction sector was stronger, dominated by the civil engineering sub-sector. The performance of the mining sector improved, due mainly to higher crude oil and natural gas production during the quarter. Growth in the agriculture sector declined, due to the lagged impact of El Niño on crude palm oil production.

(Source: Economic and Financial Developments in the Malaysian Economy in 1st Second (2nd) Quarter of 2016, Bank Negara Malaysia)

Overall, the Malaysian economy in 2016 is expected to grow by 4 – 4.5% (2015: 5.0%).

(Source: Bank Negara Malaysia Annual Report 2015).

Based on the above, the Board is of the view that the outlook of the Malaysian economy is expected to be positive for the next twelve (12) months, albeit the fact that growth may be moderate due to external factors.

8.2 Overview of the construction industry and project market in Malaysia

Construction industry in Malaysia

The construction sector is expected to grow significantly on account of acceleration of civil engineering projects and building of residential properties

Value-added of the construction sector recorded a strong growth of 8.4% during the first half of 2016 (January – June 2015: 7.6%). The acceleration of civil engineering works and sustained expansion in residential activities outweighed the tapering growth in the non-residential subsector. Overall, these three (3) property subsectors contributed the highest share (more than 80%) of all construction activities. Total value of construction works completed during the first half of 2016 expanded 11.4% to RM62 billion with 11,881 projects (January – June 2015: 11.6%; RM56 billion; 12,158 projects).

The private sector continued to dominate construction activity with a share of 66.3% in the first half of 2016. For the year, the construction sector is expected to expand by 8.7% (2015: 8.2%). The residential subsector grew 10.4% supported by steady growth in incoming supply at 13.1% to 816,174 units (January – June 2015: 13.5%; 10.3%; 721,730 units). During the first half of 2016, a total of 102,096 residential properties valued at RM32.7 billion were transacted, accounting for 62.4% of total property transactions (January – June 2015: 119,446 transaction; RM36.5 billion; 64.1%).

(Source: Economic Report 2016/2017, Ministry of Finance)

Based on the above, the Board is of the view that the outlook and prospects of the construction industry in Malaysia appear to be favourable.

Property market in Malaysia

The property market in Malaysia moderated in the first half of 2016. There were 163,527 transactions recorded worth RM64.60 billion, indicating a decline of 12.3% in volume and 15.7% in value. On the supply-side, the number of housing approvals for construction (as approved by the Ministry of Urban Wellbeing, Housing and Local Government) declined further by 30.8% on annual basis. As for the demand side, the loan applications for purchase of residential and non-residential continued to shrink in first half of 2016.

The property market would be able to endure this challenging period. Given the resiliency of the economy and the optimistic 2016 economic growth at 4.4%, though property market may see moderation in market activity, the slowdown would be manageable as the market fundamentals remain sound and stable.

Residential market would remain the focus of the industry, particularly the affordable segment. The ongoing incentives to assist the first home buyers namely the First House Deposit Financing Scheme (MyDeposit) launched in April 2016 shows the continuous commitment of the Government in ensuring that each household is given a fair opportunity to own a home. The response towards MyDeposit scheme was overwhelming with more than 13,000 applications till 30 April 2016. The Ministry of Urban Wellbeing, Housing and Local Government has targeted between 6,000 to 7,000 eligible applications for the RM200 million fund.

(Source: Property Market Report First Half 2016, Valuation and Property Services Department, Ministry of Finance)

Premised on the above, our Board is of the view that the outlook of the property market in Malaysia appear to be moderate in the next twelve (12) months.

8.3 Overview of the PPR Projects in Malaysia

Introduction

The PPR is the Government's initiative to relocate squatters and to meet the needs of low income groups for affordable housing. KPKT (Ministry of Urban Wellbeing, Housing and Local Government), through the JPN (National Housing Department), is the implementing agency for PPR projects across the country. The objective of PPR is to improve the nation's economic growth and relocation of squatters. The Government is targeting to provide affordable housing to squatters and low-income groups with total household income below RM2,500 per month.

(Source: Official portal of the Government's Ministry of Urban Wellbeing, Housing and Local Government, People Housing's Program, available at, <http://www.kpkt.gov.my/index.php/pages/view/26>)

Public Housing Project (PPR) programme under Tenth Malaysia Plan

Under the Tenth Malaysia Plan, the Government programme to build 244,000 low-cost houses mainly in urban areas to be offered for sale to those with household income of less than RM2,500 a month. A total of 161,000 units will be constructed by the private sector and a total of 83,000 units will be constructed by the government sector.

(Source: International Federation for Housing and Planning, Social and Behavioural Aspects of (Affordable) Housing and Market Responses - The Malaysian Experience, available at, http://www.ifhp.org/sites/default/files/field/files_other/4.Talha_.pdf)

Types and specifications of PPR

The types of PPR housing comprising multi-storey flats, 5-storey "walk-up flats", and terrace houses. In addition, the PPR housing units will have three bedrooms and two bathrooms, one living room and one kitchen with the minimum area of 700 sq feet.

(Source: Official portal of the Government's Ministry of Urban Wellbeing, Housing and Local Government, People Housing's Program, available at <http://www.kpkt.gov.my/index.php/pages/view/26>)

Latest statistics of PPR

As at 31 March 2016, under the category of "PPR for ownership", a total of 24 projects or 4,109 units have been completed, 13 projects or 6,243 units are still under construction, and 46 projects or 16,476 units are in the planning stage. The selling price of one unit is between RM30,000 to RM35,000.

Under the category of "PPR for rental", a total of 74 projects or 97,967 units have been completed and 14 projects or 7,838 units are still under construction. The rental rate for one unit under PPR project is determined at RM124 per month.

(Source: Official portal of the Government's Ministry of Urban Wellbeing, Housing and Local Government, People Housing's Program, available at, http://www.kpkt.gov.my/resources/index/user_1/GALERI/PDF_PENERBITAN/PERANGKAAN%20TERPILIH/Buku_Perangkaan_31Mac2016_up.pdf)

Government incentives for affordable housing

The Government will continue to build more houses for rent under PPR, especially in major cities and specific locations, to ensure sufficient and continuous availability of affordable housing. Applications and tenancy conditions will be streamlined to minimise mismatch and eliminate renting out to third parties. An exit policy will be imposed on tenants to ensure that more people will benefit from this scheme.

(Source: Eleventh Malaysia Plan Strategy Paper 6: Providing Adequate and Quality Affordable House, available at, <http://rmk11.epu.gov.my/pdf/strategy-paper/Strategy%20Paper%2006.pdf>)

Based on the above, the Board is of the view that the outlook of the PPR Projects in Malaysia appear to be favourable underpinned by the initiatives under the Tenth and Eleventh Malaysia Plan which aims to improve the nation's economic growth and to provide affordable housing to low income groups.

8.4 Overview of the property market in Selangor

The Selangor's property market performance softened in first half of 2016 as indicated by moderating of market activity and construction sector. There were 32,007 transactions recorded worth RM18.20 billion, decreased by 16.4% and 25.1% in volume and value respectively over first half 2015 (38,285 transactions worth RM24.31 billion). Residential sub-sector retained its lion market share, contributed 77.6% of the total transactions, followed by commercial sub-sector with 8.5%, agricultural (6.4%), development land (5.2%) and industrial (2.3%) sub-sectors.

Market activity across all sub-sectors was on downtrend with the exception of development land sub-sector, which grew by a mere 1.5%. The industrial sub-sector led the downtrend with contraction 35.3% followed by commercial (-35.2%), agricultural (-14.5%), and residential (-14.1%) sub-sectors. Value of transactions was on similar downward trend.

Residential sub-sector continued to propel the overall property market, accounting for 77.6% of the total share. Its market activity shrank in first half of 2016 with 32,007 transactions worth RM18.20 billion, a declined by 16.4% and 25.1% in volume and value respectively against first half of 2015. Terraced houses transactions dominated 53.2% of the state residential property transactions.

The primary market recorded a slowdown in new launches with 1,349 units, dropped by 76.5% against 5,750 units launched in first half of 2015. Correspondingly, sales performance softened at 16.1% compared with 28.8% in first half of 2015. Most of these new units were two to three storey terraced houses, accounting for 49.0% (661 units) of the total.

The residential overhang situation took a downturn as more units were recorded. There were 1,440 overhang units worth RM1.26 billion in first half of 2016, up by 95.4% in volume and more than two-fold in value. On similar note, the unsold under construction and not constructed increase by of 37.0% and 26.2% respectively, each recorded 9,124 units (first half of 2015: 6,658 units) and 1,707 units (first half of 2015: 1,353 units).

In tandem with the softening market activity, the construction activity also moderated. Completions recorded a mark decrease of 71.6% to 2,565 units against first half of 2015. Likewise, starts and new planned supply also showed a reduction of 5.1% (12,559 units) and 49.6% (7,911 units) respectively. As at end-June 2016, there were 1,379,790 existing residential units with another 167,104 units in the incoming supply and 83,464 units in the planned supply.

(Source: Property Market Report First Half 2016, Valuation and Property Services Department, Ministry of Finance)

Based on the above, the Board is of the view that the outlook of the construction, property investment, and project development industry in Selangor appear to be soft in the next twelve (12) months.

8.5 Prospects and future plans of our Group

Our Group's principal activities include construction, property development and property investment activities. Following the commencement of the Melaka PPR Projects in March 2014, our Group registered encouraging results for the 17-month FPE 31 May 2015. In addition, the Tawau PPR Project and Kota Belud PPR Project, which have commenced in September 2015 and November 2015 respectively, are expected to contribute positively to the earnings of our Group moving forward. Arising thereof and due to the favourable outlook of PPR Projects as set out in **Section 8.3** of this AP, our Group views the venture into PPR Projects has been encouraging and wishes to continue our venture into the PPR Projects. As at the LPD, our Group has already submitted proposals and in direct negotiations with the main contractors of five (5) identified PPR Projects, whereby KPKT has awarded two (2) of the PPR Projects to the respective main contractors whilst the main contractors for the remaining three (3) PPR Projects are in various stages of negotiations with KPKT. Please refer to Appendices XII, XIV and XV of this AP for further details of the PPR Projects.

Moving forward, our Group will also continue to look for opportunities to secure construction contracts for other property projects with a focus on the development of residential and commercial properties in the Klang Valley. Notwithstanding that, the Board together with the management are of the view that our Group has the capacity to handle its two (2) existing construction projects on hand i.e. the Tawau PPR Project and the Kota Belud PPR Project. On top of that, since the sub-contract works for the Melaka PPR Projects were completed in March 2016, the resources tied to the Melaka PPR Projects can now be allocated to our Group's other existing and incoming projects. Our Group will recruit the appropriate personnel as and when required in line with its business expansion.

In addition to construction activities for PPR Projects, our Group intends to venture into property development projects as part of its long term growth strategy. To this end, our Group has identified the Sri Kembangan Project, as one of the property development projects to be undertaken. Our Group's participation in the Sri Kembangan Project is subject to the finalisation of the Joint Venture agreement and sufficient funds being raised from the Rights Issue with Warrants as set out in Section 5 (2) of this AP. Details of the Sri Kembangan Project are set out in **Appendix XIV** of this AP.

Premised to the above and the Disposal which resulted in the discontinuation of our loss making EMS division, our Group's prospects is expected to be favourable.

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9. EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

9.1 Issued and paid-up share capital

The proforma effects of the Rights Issue with Warrants on the issued and paid-up share capital of Vizione are as follow:

	Par value (RM)	Minimum scenario		Maximum scenario	
		No. of Vizione Shares ('000)	RM'000	No. of Vizione Shares ('000)	RM'000
Issued and paid-up share capital as at LPD	0.10	291,908	29,191	291,908	29,191
To be issued pursuant to the full exercise of Warrants-B	0.10	-	-	70,402 ⁽¹⁾	7,040
To be issued pursuant to the full conversion of ICULS	0.10	-	-	3,459	346
		291,908	29,191	365,769	36,577
To be issued pursuant to the Rights Issue with Warrants	0.10	90,000	9,000	731,538	73,154
		381,908	38,191	1,097,307	109,731
To be issued pursuant to the full exercise of Warrants-B	0.10	75,744 ⁽¹⁾	7,574	-	-
To be issued pursuant to the full exercise of Warrants-C	0.10	45,000	4,500	365,769	36,577
To be issued pursuant to the full conversion of ICULS	0.10	1,820	182	-	-
		504,472	50,447	1,463,076	146,308
To be issued pursuant to the full exercise of Options		75,671	7,567	219,461	21,946
Enlarged issued and paid-up share capital		580,143⁽¹⁾	58,014	1,682,537	168,254

Note:

^ The figure above may be slightly different from the actual whole figure due to rounding up.

(1) Under the Minimum Scenario and based on the:

(i) issue price of RM0.10 per Rights Share;

(ii) the existing issued and paid-up share capital of Vizione as at LPD; and

(iii) the 5D-VWAP of Vizione Shares up to and including the date immediately preceding 30 July 2014, being the date of the first announcement of the Corporate Exercises, of RM0.1427.

the total number of Existing Warrants-B would be adjusted to 75,743,055 Warrants-B and the exercise price of the Adjustment Warrants-B would be adjusted to RM0.19 per Existing Warrants-B, arising from the Rights Issue with Warrants.

The aforementioned adjustments are to be determined by the directors of Vizione in consultation with the approved principal adviser and certified by the auditors pursuant to the deed poll dated 15 May 2013 for Warrants-B. Based on the Maximum Scenario, it is assumed that the Existing Warrants-B will be exercised before the Entitlement Date. Thus, there would be no adjustment in the number and exercise price of the Existing Warrants-B.

The above is provided for illustrative purposes only. The final number of Adjustment Warrants-B and the adjusted exercise price will be determined by the Board on the Entitlement Date, as stated in Section 1 of this AP.

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9.2 NA, NTA and gearing

Minimum Scenario

	Audited as at FYE 31 May 2016 RM'000	Adjusted for subsequent event up to LPD ⁽¹⁾ RM'000	(I) After Par Value Reduction RM'000	(II) After (I) and Capital Reserves Reduction RM'000	(III) After (II) and Share Premium Reduction RM'000	(IV) After (III) and Rights Issue with Warrants-C RM'000	(V) After (IV) and assuming full exercise of Warrants-B RM'000	(VI) After (V) and full exercise of Warrants- C ⁽⁴⁾ RM'000	(VII) After (VI) and assuming conversion of ICULS RM'000	(VIII) After (VII) and assuming full grant and exercise of Options ⁽⁵⁾ RM'000
Share capital	58,373	58,382	29,191	29,191	29,191	38,191	45,765	50,265	50,447	58,014
Share premium	6,994	8,891	8,891	8,891	-	-	9,337	9,337	9,504	9,504
Capital reserve	5,527	5,527	5,527	-	-	-	-	-	-	-
ICULS	331	324	324	324	324	324	324	324	-	-
Warrant reserve	4,418	2,520	2,520	2,520	2,520	5,220 ⁽³⁾	2,700	-	-	-
Accumulated losses	(59,429)	(59,429)	(30,238)	(24,711)	(15,820)	(19,720) ⁽²⁾	(19,720)	(17,020)	(17,029)	(17,029)
Shareholder's equity / NA	16,213 [^]	16,215	16,215	16,215	16,215	24,015	38,406	42,906 [^]	42,922	50,489
No of Vizione Shares in issue ('000)	291,864	291,908	291,908	291,908	291,908	381,908	457,651	502,651	504,472	580,142
NA/NTA per share (RM)	0.06	0.06	0.06	0.06	0.06	0.06	0.08	0.09	0.09	0.09
Total borrowings (RM'000)	516	516	516	516	516	516	516	516	516	516
Gearing (times)	0.03	0.03	0.03	0.03	0.03	0.02	0.01	0.01	0.01	0.01

Notes:

[^] The figure above may be slightly different from the actual whole figure due to rounding up.

(1) After taking into consideration the adjustments for subsequent completed events up to the LPD of the expiration of Warrants-A and conversion of ICULS.

(2) After netting off estimated expenses of approximately RM1.20 million in relation to the Corporate Exercises.

- (3) *Recognition of fair value of Warrants of RM0.06 per Warrant pursuant to the Rights Issue with Warrants, offset against the accumulated losses account amounting to approximately RM2.70 million. For illustration purposes, the fair value of Warrants of RM0.06 per Warrant was derived based on the Binomial Option Pricing Model as disclosed further in **Appendix III** of this AP. The warrants reserve will be transferred to the accumulated losses account upon the full exercise of the Warrants.*
- (4) *Based on an exercise price of RM0.10 per Warrant-C and RM0.19 per Existing Warrants-B. The Rights Issue with Warrants may give rise to adjustments to the exercise price and number of the Existing Warrants-B pursuant to their respective deed polls, the details of which will only be finalized on the Entitlement Date.*
- (5) *Assuming that all 75,670,700 Options (under Minimum Scenario) (being 15% of the then issued and paid up share capital of Vizione) are fully granted in a single tranche under the SIS, and are fully vested and exercised into 75,670,700 Vizione Shares (under Minimum Scenario) at an Option Price of RM0.10 being approximately 30.84% discount to the 5D-YWAP of Vizione Shares up to and including the LPD of RM0.1446. For illustration purposes, the Options are assumed to have a fair value of RM0.09 each which was derived based on Binomial Option Pricing Model. However, it should be noted that the effects of the SIS above are strictly for illustration only on the basis that the entire Options are granted and exercised immediately.*

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Maximum Scenario

	Audited as at FYE 31 May 2016 RM'000	Adjusted for subsequent event up to LPD ⁽¹⁾ RM'000	(I) Assuming full exercise of Warrants-B RM'000	(II) After (I) and assuming full exercise of ICULS RM'000	(III) After (II) and Par Value Reduction RM'000	(IV) After (III) and Capital Reserves Reduction RM'000	(V) After (IV) and Share Premium Reduction RM'000	(VI) After (V) and Rights Issue with Warrants-C RM'000	(VII) After (VI) and assuming full exercise of Warrants- C ⁽⁵⁾ RM'000	(VIII) After (VII) and assuming grant and full exercise of Options ⁽⁶⁾ RM'000
Share capital	58,373	58,382	72,462	73,154	36,577	36,577	36,577	109,731	146,308	168,254
Share premium	6,994	8,891	11,412	11,412	11,412	11,412	-	-	-	-
Capital reserve	5,527	5,527	5,527	5,527	5,527	-	-	-	-	-
ICULS	331	323	323	-	-	-	-	-	-	-
Warrant reserve	4,418	2,520	-	-	-	-	-	21,946 ⁽⁴⁾	-	-
Accumulated losses	(59,429)	(59,429)	(59,429)	(59,435)	(22,859)	(17,331)	(5,920)	(29,066) ⁽²⁾⁽³⁾	(7,120)	(7,120)
Shareholder's equity / NA	16,213[^]	16,215[^]	30,295	30,657[^]	30,657	30,657[^]	30,657	102,611	139,188	161,134
No of Vizione Shares in issue ('000)	291,864	291,908	362,310	365,769	365,769	365,769	365,769	1,097,307	1,463,076	1,682,537
NA/ NTA per share (RM)	0.06	0.06	0.08	0.08	0.08	0.08	0.08	0.09	0.10	0.10
Total borrowings (RM'000)	516	516	516	516	516	516	516	516	516	516
Gearing (times)	0.03	0.03	0.02	0.02	0.02	0.02	0.02	0.01	*	*

Notes:

^ The figures above may be slightly different from the actual whole figure due to rounding up.

* Representing approximately 0.003 times.

(1) After taking into consideration the adjustments for subsequent completed events up to the LPD of the expiration of Warrants-A and conversion of ICULS.

(2) The credit arising from the Share Premium Reduction would be utilised to set off against the accumulated losses of our Company.

- (3) *After netting off estimated expenses of approximately RM1.20 million in relation to the Corporate Exercises.*
- (4) *Recognition of fair value of Warrants of RM0.06 per Warrant pursuant to the Rights Issue with Warrants, offset against the accumulated losses account amounting to RM21.95 million. For illustration purposes, the fair value of Warrants of RM0.06 per Warrant was derived based on the Binomial Option Pricing Model as disclosed further in Appendix III of this AP. The warrants reserve will be transferred to the accumulated losses account upon the full exercise of the Warrants.*
- (5) *Based on an exercise price of RM0.10 per Warrant-C.*
- (6) *Assuming that all 219,461,300 Options (under Maximum Scenario) (being 15% of the then issued and paid up share capital of Vizione) are fully granted in a single tranche under the SIS, and are fully vested and exercised into 219,461,300 Vizione Shares (under Maximum Scenario at an Option Price of RM0.10 being approximately 30.84% discount from the 5-Day VWAP of Vizione Shares up to and including the LPD of RM0.1446. For illustration purposes, the Options are assumed to have a fair value of RM0.09 each which was derived based on Binomial Option Pricing Model. However, it should be noted that the effects of the SIS above are strictly for illustration only on the basis that the entire Options are granted and exercised immediately.*

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9.3 Earnings and EPS

The Rights Issue with Warrants is not expected to have an immediate material effect on the earnings and EPS of our Group for the FYE 31 May 2017 as it is expected to be completed in the first quarter of 2017. However, it is expected to contribute positively to the earnings of our Group for the ensuing financial years when the benefits of the utilization of proceeds are realized.

The EPS of our Group shall be correspondingly diluted as a result of the increase in the number of Vizione Shares in issue pursuant to the Rights Issue with Warrants and new Vizione Shares arising from the exercise of Warrants-C in the future. The effect of any exercise of Warrants-C on Vizione's EPS would be dependent on the returns generated by our Group from the utilization of proceeds arising from the exercise of Warrants-C.

The SIS is not expected to have any immediate material effect on the earnings and EPS of our Group, save for the possible impact of Malaysia Financial Reporting Standard 2 – Share-based Payment (“MFRS-2”). However, any potential effect on the EPS of our Group in the future would depend on the impact of MFRS-2, the number of Options granted. Under the MFRS-2, the potential cost arising from the issuance of the Options, which is measured by the fair value of the Options after taking into account, inter-alia, the number of Options granted and vested and the Option Price will need to be measured at the grant date and to be recognised as an expense over the vesting period, and therefore may affect the future earnings of our Group, the quantum of which can be determined only at the grant date. However, the estimated cost does not represent a cash outflow by our Company as it is merely an accounting treatment.

Our Company has taken note of the potential impact of MFRS-2 on our Group's future earnings and shall take into consideration such impact in the allocation and granting of Options to Eligible Employees.

9.4 Convertible securities

As at LPD, save for the outstanding Existing Warrants-B and ICULS which are exercisable and convertible into new Vizione Shares, Vizione does not have any other existing convertible securities.

The Rights Issue with Warrants may give rise to adjustments to the exercise price and the number of outstanding Existing Warrants-B and ICULS pursuant to the provisions in the respective deed poll and trust deed.

The details of the actual adjustments to the exercise price and the number of the outstanding Existing Warrants-B and ICULS will be announced at a later date and will be set out in a notice of adjustments to the holders of the outstanding Existing Warrants-B and ICULS, if any, which will be despatched within twenty one (21) days from such adjustments.

10. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS**10.1 Working capital**

Our Board is of the opinion that after taking into consideration the proceeds from the Rights Issue with Warrants, cash in hand, funds generated from our operation and banking facilities available, our Group will have adequate working capital to meet our current core business requirements for the next twelve (12) months from the date of this AP.

10.2 Borrowings

As at the LPD, our Group has total outstanding borrowings of approximately RM0.41 million, all of which are hire purchase facilities with interest-bearing and from local financial institutions, details of which are as follows:

	Interest-bearing borrowing RM
Short term borrowing:	
Hire Purchase	205,011
Long term borrowing:	
Hire Purchase	208,234
TOTAL	413,245

All outstanding borrowings are denominated in RM. As at the LPD, our Group does not have any non-interest bearing and/or foreign currency borrowings. There was no default on payment of either interest or principal sums in respect of any borrowing, throughout the past one (1) FYE 31 May 2016 and the subsequent financial period thereof up to the LPD.

10.3 Contingent liabilities

As at LPD, there are no contingent liabilities incurred or known to be incurred by our Company or our Group, which may have material impact on the financial position of our Group.

10.4 Material commitments

As at LPD, there are no material commitment incurred or known to be incurred by our Group which, upon becoming enforceable, may have material impact on our Group's financial position.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares and Warrants pursuant to the Rights Issue with Warrants is governed by the terms and conditions as set out in this AP, the NPA and the RSF enclosed herewith together with the Deed Poll.


12. FURTHER INFORMATION

You are requested to refer to the attached appendices for further information.

Yours faithfully

For and behalf of the Board of

VIZIONE HOLDINGS BERHAD



DATO' NG AUN HOOI
Managing Director

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 9 SEPTEMBER 2016**VIZIONE HOLDINGS BERHAD***(FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)*

(Company No. 442371-A)

(Incorporated in Malaysia under the Companies Act, 1965)

CERTIFIED TRUE EXTRACT OF THE MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) HELD ON 9 SEPTEMBER 2016**ORDINARY RESOLUTION 1**

PROPOSED RENOUNCEABLE RIGHTS ISSUE OF UP TO 731,626,800 NEW ASTRAL SHARES (“RIGHTS SHARES”) ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ASTRAL SHARE HELD ON AN ENTITLEMENT DATE TO BE DETERMINED LATER (“ENTITLEMENT DATE”), TOGETHER WITH UP TO 365,813,400 FREE DETACHABLE NEW WARRANTS (“WARRANTS-C”) ON THE BASIS OF ONE (1) WARRANTS-C FOR EVERY TWO (2) RIGHTS SHARES SUBSCRIBED BY THE ENTITLED SHAREHOLDERS (“PROPOSED RIGHTS ISSUE WITH WARRANTS”)

As proposed by Mr Lim Tan Yeow Kuan and seconded by Mr Gan Ee Chin, the following motion was tabled for the shareholders’ consideration.

RESOLVED THAT subject to the passing of Special Resolutions 1 and 2, the approvals being obtained from the relevant authorities, approval be and is hereby given to the Company to:

- (i) provisionally issue and allot by way of a renounceable rights issue of up to 731,626,800 Rights Shares on the basis of two (2) Rights Share for every one (1) existing Astral Share held on the Entitlement Date, together with up to 365,813,400 Warrants-C on the basis of one (1) Warrants-C for every two (2) Rights Shares subscribed by the shareholders of Astral whose names appear in the Record of Depositors of the Company as at the close of business on an entitlement date to be determined later by the Board;
- (ii) determine the final issue price of the Rights Shares after taking into consideration the following:
 - (a) the theoretical ex-rights price (“TERP”) of Astral Shares, based on the five (5)-day volume weighted average market price (“5D-VWAP”) of Astral Shares with a discount to the TERP if deemed appropriate by the Board prior to the price fixing date to be determined later by the Board;
 - (b) the prevailing market sentiments at the point of price fixing;
 - (c) the par value of Astral Shares of RM0.10 each (after the completion of the Proposed Par Value Reduction); and
 - (d) the funding requirements of Astral and its subsidiaries, details of which are set out in Section 6 of the circular to shareholders of Astral dated 17 August 2016 (“Circular”);
- (iii) determine the exercise price of the Warrants-C after taking into consideration the following:
 - (a) the 5D-VWAP of Astral Shares preceding the price fixing date;
 - (b) the TERP of Astral Shares; and
 - (c) the par value of Astral Shares of RM0.10 each (after the completion of the Proposed Par Value Reduction)
- (iv) constitute the Warrants-C upon the terms and conditions of a deed poll to be executed by Astral (“Deed Poll”), the salient terms of which are as set out in **Appendix IX** of the Circular;
- (v) issue and allot such other additional Warrants-C as may be required or permitted to be issued as a result of any adjustment under the provisions of the Deed Poll;

CERTIFIED TRUE EXTRACT OF THE ORDINARY RESOLUTION IN RELATION TO THE RIGHTS ISSUE WITH WARRANTS PASSED AT OUR EGM HELD ON 9 SEPTEMBER 2016 (CONT'D)

VIZIONE HOLDINGS BERHAD(442371-A)

(FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)

Certified True Extract of the Minutes of the Extraordinary General Meeting of Vizione Holdings Berhad (formerly known as Astral Supreme Berhad) Held on 9 September 2016

Page 2/-

- (vi) issue and allot such number of new Astral Shares arising from the exercise of the Warrants-C during the tenure of the Warrants-C;
- (vii) utilise the proceeds to be derived from the Proposed Rights Issue with Warrants in the manner as set out in Section 6 of the Circular and the Board be and is hereby authorised to revise the utilisation of the proceeds as they may deem fit and in the best interest of the Company; and
- (viii) enter into and execute the Deed Poll constituting the Rights Warrants and to do all acts, deeds and things as they may deem fit or expedient in order to implement, finalise and give effect to the Deed Poll.

THAT the Board be and is hereby authorised to deal with any fractional entitlement of the Rights Shares and Warrants-C that may arise from the Proposed Rights Issue with Warrants, in such manner at their absolute discretion as they may deem fit or expedient or in the best interest of the Company.

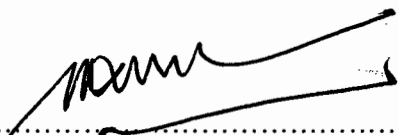
THAT the Rights Shares with Warrants-C which are not taken up or validly taken up shall be made available for excess applications by the entitled shareholders and/or their renouncee(s) (if applicable) and such excess Rights Shares shall be allocated in a fair and equitable manner on a basis to be determined by the Board and announced later by the Company.

THAT the Rights Shares and the new Astral Shares to be issued arising from the exercise of the Warrants-C will, upon issuance and allotment, rank pari passu in all respects with the then existing Astral Shares, save and except that the Rights Shares and the new Astral Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution, the entitlement date of which is prior to the date of issuance and allotment of the Rights Shares and the new Astral Shares arising from the exercise of the Warrants-C.

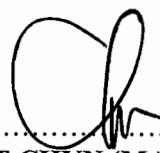
AND THAT the Board be and is hereby authorised to take all such necessary steps to give effect to the Proposed Rights Issue with Warrants with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted by any relevant authorities or deemed necessary by the Board, and to take all steps and to do all such acts and matters as they may consider necessary or expedient to implement, finalise and give full effect to the Proposed Rights Issue with Warrants.

AND THAT the Board be and is hereby authorised to do all such acts and things that they may consider necessary or expedient to give effect to the Proposed Capital Reorganisation with full power to assent to any term, condition, modification, variation and/or amendment as may be imposed or permitted by the High Court of Malaya and/or as a consequence of any such requirement or as may be deemed fit, necessary, expedient and/or appropriate and in the best interest of the Company.

CERTIFIED BY:



.....
WONG KWAI WAH
 Director



.....
WONG YUET CHYN (MAICSA 7047163)
 Secretary

Date: 13 December 2016

INFORMATION ON OUR COMPANY AND GROUP**1. HISTORY AND BUSINESS**

Our Company was incorporated in Malaysia under the Act on 11 August 1997 as a private limited company under the name of Astral Supreme Sdn Bhd and was converted into a public company on 23 October 1997 under the name of Astral Supreme Berhad. It was listed on the Second Board of Bursa Securities on 10 February 1999 (now listed on the Main Market of Bursa Securities). On 9 September 2016, Astral Supreme Berhad changed its name to Vizione Holdings Berhad.

The principal activity of our Company is that of investment holding. The principal activities of our subsidiaries and associated companies are set out in Section 5 of **Appendix II** of this AP.

2. SHARE CAPITAL

Our authorised and issued and paid-up share capitals as at the LPD are as follows:

Type	No. of Shares	Par value RM	Total RM
Authorised share capital	5,000,000,000	0.10	500,000,000
Issued and fully paid-up share capital	291,908,150	0.10	29,190,815

The change in our authorised share capital for the past three (3) years preceding the LPD is set out below:

Date of change	No. of Shares authorised	Par value RM	Description	Cumulative authorised share capital RM
7 November 2016	5,000,000,000	0.10	Par value reduction from RM0.20 each to RM0.10 each	500,000,000

The change in our issued and paid-up share capital for the past three (3) years preceding the LPD is set out below:

Date of allotment	No. of Shares allotted	Par value RM	Description	Cumulative issued and paid-up share capital RM
1 December 2014	35,000	0.20	Conversion of ICULS	58,129,950
15 December 2014	137,500	0.20	Conversion of ICULS	58,157,450
12 February 2015	350,000	0.20	Conversion of ICULS	58,227,450
3 March 2015	621,400	0.20	Conversion of ICULS	58,351,730
19 March 2015	100,000	0.20	Conversion of ICULS	58,371,730
17 March 2016	5,000	0.20	Exercise of Warrants	58,372,730
7 November 2016	-	0.10	Par value reduction from RM0.20 to RM0.10	29,186,365
21 December 2016	44,500	0.10	Conversion of ICULS	29,190,815

3. BOARD OF DIRECTORS

Please refer to Corporate Directory of this AP for details of the age, profession, nationality, designation and address of our Board.

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)**4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDER'S SHAREHOLDINGS**

Until such time when the Options are exercised into new Vizione Shares, the SIS is not expected to have any immediate effect on the shareholdings of Directors and substantial shareholders of our Company. Dilution of the shareholdings of the Directors and substantial shareholders of our Company arising from the SIS will depend on the number of SIS Options granted and exercised by eligible Directors whom are also substantial shareholders of our Company at any point in time throughout the duration of the SIS.

The proforma effects of the Rights Issue with Warrants on the shareholdings of our Directors and substantial shareholder based on their shareholdings in our Company as at the LPD are as follow:

(i) Minimum Scenario

Names	As at LPD				(I) After the Rights Issue with Warrants ⁽³⁾				(II) After (I) and full exercise of Existing Warrants-B				
	Direct		Indirect		Direct		Indirect		Direct		Indirect		
	No. of Vizione Shares ('000)	%	No. of Vizione Shares ('000)	%	No. of Vizione Shares ('000)	%	No. of Vizione Shares ('000)	%	No. of Vizione Shares ('000)	%	No. of Vizione Shares ('000)	%	
Directors:													
Danuk Dr. Raman	-	-	-	-	-	-	-	-	-	-	-	-	-
Bin Ismail													
Dato' Ng Aun Hooi	7,201	2.47	411 ⁽¹⁾	0.14	37,201	9.74	411 ⁽¹⁾	0.11	37,201	8.12	411 ⁽¹⁾	0.09	
Dato' Ir. Mohamad	-	-	-	-	-	-	-	-	-	-	-	-	-
Shokri bin Abdullah													
Danuk Chai Woon	300	0.10	100 ⁽²⁾	0.03	30,300	7.93	300 ⁽²⁾	0.08	30,300	6.62	300 ⁽²⁾	0.07	
Chet													
Wong Kwai Wah	12,000	4.11	-	-	42,000	11.00	-	-	42,000	9.17	-	-	-
Andrew Lim Piow	-	-	-	-	-	-	-	-	-	-	-	-	-
Tiang													
Substantial Shareholders:													
None	-	-	-	-	-	-	-	-	-	-	-	-	-

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)

Names	(III) After (II) and full exercise of Warrants-C			(IV) After (III) and full conversion of ICULS			(V) After (IV) and full exercise of Options ⁽⁴⁾			
	Direct		Indirect	Direct		Indirect	Direct		Indirect	
	No. of Vizione Shares (‘000)	%	No. of Vizione Shares (‘000)	%	No. of Vizione Shares (‘000)	%	No. of Vizione Shares (‘000)	%	No. of Vizione Shares (‘000)	%
Directors:										
Datuk Dr. Raman Bin Ismail	-	-	-	-	-	-	-	-	-	-
Dato’ Ng Aun Hooi	52,201	10.39	411 ⁽¹⁾	0.08	52,201	10.35	411 ⁽¹⁾	0.08	52,201	9.00
Dato’ Ir. Mohamad Shokri bin Abdullah	-	-	-	-	-	-	-	-	-	-
Datuk Chai Woon Chet	45,300	9.01	300 ⁽²⁾	0.06	45,300	8.98	300 ⁽²⁾	0.06	45,300	7.81
Wong Kwai Wah	57,000	11.34	-	-	57,000	11.30	-	-	57,000	9.83
Andrew Lim Piow Tiang	-	-	-	-	-	-	-	-	-	-
Substantial Shareholders:										
None	-	-	-	-	-	-	-	-	-	-

Save for the shareholdings of Dato’ Ng Aun Hooi, Datuk Chai Woon Chet and Wong Kwai Wah in our Company as stated above, none of our Company’s Directors have shareholdings, whether directly or indirectly in our Company. Please refer to Section 3.5 and Appendix VIII of this AP for further details.

Notes:

- (1) Deemed interested through direct holding of his spouse.
- (2) Deemed interested by virtue of his shareholding in OMSB pursuant to Section 6A of the Act.
- (3) Under the Minimum Scenario, assuming that no other shareholders subscribe for their entitlements and only Dato’ Ng Aun Hooi, Datuk Chai Woon Chet and Wong Kwai Wah subscribed to their respective Rights Shares entitlements, pursuant to the Undertakings under the Minimum Subscription Level.
- (4) As the Board has yet to decide on the quantum of the Options to be allotted to Directors, for the purpose of effects on our Directors and substantial shareholders shareholdings, no disclosure has been made for the allotment of Options to the shareholders who are also Directors of our Company.

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)

(ii) Maximum Scenario

	As at LPD		(I) After full exercise of Existing Warrants-B and conversion of ICULS		(II) After (I) and Rights Issue with Warrants	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
	No. of Vizione Shares (‘000)	No. of Vizione Shares (‘000)	No. of Vizione Shares (‘000)	No. of Vizione Shares (‘000)	No. of Vizione Shares (‘000)	No. of Vizione Shares (‘000)
Names	%	%	%	%	%	%
Directors:						
Datuk Dr. Raman	-	-	-	-	-	-
Bin Ismail						
Dato’ Ng Aun	7,201	411 ⁽¹⁾	7,201	411 ⁽¹⁾	21,603	1,233 ⁽¹⁾
Hooi						
Dato’ Ir. Mohamad	-	-	-	-	-	-
Shokri bin						
Abdullah						
Datuk Chai Woon	300	100 ⁽²⁾	300	100 ⁽²⁾	900	300 ⁽²⁾
Chet						
Wong Kwai Wah	12,000	-	12,000	-	36,000	-
Andrew Lim Piow						
Tiang	-	-	-	-	-	-
Substantial Shareholders:						
Nil	-	-	-	-	-	-

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)

Names	(III) After (II) and full exercise of Warrants-C				(IV) After (III) and full exercise of Options ⁽³⁾⁽⁴⁾			
	Direct		Indirect		Direct		Indirect	
	No. of Vizione Shares (‘000)	%	No. of Vizione Shares (‘000)	%	No. of Vizione Shares (‘000)	%	No. of Vizione Shares (‘000)	%
Directors:								
Datuk Dr. Raman Bin Ismail	-	-	-	-	-	-	-	-
Dato’ Ng Aun Hooi	28,804	1.97	1,644 ⁽¹⁾	0.11	28,804	1.71	1,644 ⁽¹⁾	0.10
Dato’ Ir. Mohamad Shokri bin Abdullah	-	-	-	-	-	-	-	-
Datuk Chai Woon Chet	1,200	0.08	400 ⁽²⁾	0.03	1,200	0.07	400 ⁽²⁾	0.02
Wong Kwai Wah	48,000	3.28	-	-	48,000	2.85	-	-
Andrew Lim Piow Tiang	-	-	-	-	-	-	-	-
Substantial Shareholders:								
Nil	-	-	-	-	-	-	-	-

Save for the shareholdings of Dato’ Ng Aun Hooi, Datuk Chai Woon Chet and Wong Kwai Wah in our Company as stated above, none of our Company’s Directors have shareholdings, whether directly or indirectly in our Company. Please refer to Section 3.5 and Appendix VIII of this AP for further details.

Notes:

- (1) Deemed interested through direct holding of his spouse.
- (2) Deemed interested by virtue of his shareholding in OMSB pursuant to Section 6A of the Act.
- (3) As the Board has yet to decide on the quantum of the Options to be allotted to Directors, for the purpose of effects on our Directors and substantial shareholders shareholdings, no disclosure has been made for the allotment of Options to the shareholders who are also Directors of our Company.
- (4) Based on the enlarged issued and paid-up share capital of 1,682,537,000 Vizione Shares under the Maximum Scenario.

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)**5. SUBSIDIARIES AND ASSOCIATED COMPANIES**

The details of our subsidiaries and associated companies as at the LPD are as follows:

Name of company	Date and place of incorporation	Principal activities	Issued and paid-up share capital	Effective equity interest %
Subsidiaries:				
Vizione Construction	6 Jan 2012 / Malaysia	Subcontracting of electrical, building and civil works for the construction projects.	RM1,000,000	100.0
Vizione Development	6 Jan 2012 / Malaysia	Property Development	RM2	100.0
SG Cambodia	18 Feb 2002 / Cambodia	Business of silk screen printing (currently ceased operations)	USD1,000,000	37.6

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INFORMATION ON OUR COMPANY AND GROUP (CONT'D)

6. PROFIT AND DIVIDEND RECORDS

The profit and dividend records based on our Group's audited consolidated financial statements for the FYE 31 December 2013, 17-month FPE 31 May 2015, FYE 31 May 2016 and the unaudited FPE 31 August 2016 are as follows:

	Audited			Unaudited	
	FYE 31 December 2013 RM'000	17-month FPE 31 May 2015 RM'000	FYE 31 May 2016 RM'000	3-month FPE 31 August 2015 RM'000	3-month FPE 31 August 2016 RM'000
Revenue	4,171	96,361	36,708	10,250	8,606
Gross profit ("GP") / (loss)	(6,405)	5,406	2,569	108	1,153
Other income	146	3,205	2,235	107	10
Finance costs	85	194	32	23	15
(LBT) / PBT	(25,584)	(180)	452	(795)	274
Taxation	3	735	340	38	153
(LAT)/ PAT	(25,587)	(916)	112	(833)	121
EBITDA	(24,661)	1,875	721	(703)	355
Shareholders' funds / NA	16,624	16,100	16,213	15,267	16,335
Total borrowings	1,216	785	516	1,176	462
Weighted average no. of Vizione Shares	288,445	291,859	291,864	291,859	291,864
GP margin (%)	(153.6%)	5.6%	7.0%	1.1%	13.4%
PBT margin (%)	(613.4%)	(0.2%)	1.2%	(7.8%)	3.2%
Basic net (loss) / earnings per Share (sen)	(11.06)	(0.32)	0.04	(0.29)	0.04
Diluted net (loss) / earnings per Share (sen)	(7.36)	(0.22)	0.03	(0.21)	0.03
NA per Share (sen)	5.76	5.51	5.55	5.23	5.60
Current ratio (times)	3.26	1.51	2.76	1.36	2.88
Gearing ratio (times)	0.07	0.05	0.03	0.08	0.03
Dividend (sen)	-	-	-	-	-

Commentary on financial performance:**FYE 31 December 2013**

Our Group registered a sharp decrease in revenue by 61.96% from approximately RM10.97 million in FYE 31 December 2012 to approximately RM4.17 million in FYE 31 December 2013 mainly due to the termination of Sphairon Sales Order⁽¹⁾ in May 2013 and reversal of unusual and questionable sales transactions of approximately RM4.82 million.

In addition to the sharp decrease in revenue, our Group had provided for impairment losses of approximately RM3.38 million⁽²⁾ and RM1.04 million, being the total amounts due from SSW and L7 respectively in relation to R&D works which were not carried out despite advance payments being made by Singatronics. Kindly refer to Section (I)(i)(3) of **Appendix X** of this AP for further details.

Our Group suffered a LAT of approximately RM25.58 million as compared to PAT of approximately RM0.38 million in FYE 2012, after taking into consideration the audit adjustments totaling approximately RM15.50 million as proposed by PKFA in consultation with MAAC.

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)

During the year, Vizione had completed a rights issue of Vizione Shares with Warrants-B and raised gross proceeds of approximately RM23.47 million. Notwithstanding the higher number of Vizione Shares in issue after the completion of the rights issue, the NA per Share reduced to RM0.06 and our Group posted a LPS of 8.87 sen (FYE 31 December 2012: EPS of 0.22 sen) due to higher losses during the year. Our current ratio had reduced to 3.26 times (FYE 31 December 2012: 3.85 times) mainly due to lower trade receivables in line with the decrease in revenue during the year, further impairment of trade receivables, other receivables and amount owing from SG Cambodia as mentioned above. Our gearing reduced to 0.07 times (FYE 31 December 2012: 0.10 times) mainly due to decrease in shareholders' fund and partial repayment of borrowings.

Notes:

- (1) *For information purposes, following the acceptance of the Sphairon Sales Order in September 2012, Singatronics had sourced for raw materials from suppliers in December 2012 to meet Sphairon's production requirements. As the Sphairon Sales Order was only terminated in May 2013, Singatronics was compelled to take delivery of the raw materials and paid approximately RM3.50 million for it by using the proceeds raised from our Company's previous rights issue exercise completed on 28 June 2013. Pursuant to the letter of intent dated 14 July 2015, Singatronics is to dispose the raw materials of approximately RM3.50 million purchased for Sphairon Sales Order. Singatronics had received a deposit of RM600,000 for the disposal, however, the disposal transaction was not completed under our Group as Singatronics was disposed of by our Group for a sale consideration of RM3.60 million to the Purchasers on 26 January 2016.*
- (2) *The overall total payment which has been made to SSW amounted to RM3.78 million, out of which RM0.40 million was collected by Vizione Group, after the issuance of the PKFA Report. Kindly refer to Section (1)(i)(3)(a) of Appendix X of this AP for further details.*

17-month FPE 31 May 2015

On 11 March 2014, our Group via Vizione Construction had commenced its construction activities by undertaking two (2) sub-contract works for a total contract value of approximately RM105.00 million for the Melaka PPR Projects. These projects are Vizione Construction's maiden projects.

For 17-month FPE 31 May 2015, our Group registered a significant increase in revenue from approximately RM4.17 million in FYE 2013 to approximately RM96.36 million for 17-month FPE 31 May 2015, of which approximately RM89.47 million was contributed by Vizione Construction following the commencement of the Melaka PPR Projects. In line with the increase in revenue, our Group registered a LAT of approximately RM0.92 million for the 17-month FPE 31 May 2015 against LAT of approximately RM25.59 million in FYE 2013.

The construction segment contributed profit of RM2.87 million, which was off-set by losses of approximately RM2.42 million and approximately RM1.24 million from the E&E segment and Vizione, respectively.

Our Group incurred the following expenses and/or costs during the 17-month FPE 31 May 2015:

- (i) Professional fees of approximately RM0.24 million for the special audit and Investigative Reviews;
- (ii) Legal fees of approximately RM0.23 million to defend on-going litigations filed against our Group;
- (iii) Higher depreciation charges of PPE from approximately RM0.8 million in FYE 31 December 2013 to RM1.8 million for 17-month FPE 31 May 2015 due to the renovation of our Group's new corporate office;

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)

- (iv) Loss of disposal of PPE of approximately RM1.29 million during the 17-month FPE 31 May 2015; and
- (v) Crystallization of approximately RM1.76 million, being part of the corporate guarantee given by Vizione to a foreign bank on 8 August 2006 in consideration of banking facilities granted to SG Cambodia. The outstanding banking facilities of approximately RM7.75 million were defaulted by SG Cambodia on 2 December 2011.

Subsequently, the foreign bank had agreed on a settlement sum of approximately RM4.0 million, instead of approximately RM7.75 million, with accrued interest under an installment scheme to release Vizione from the obligation under the said corporate guarantee. As at 31 March 2015, Vizione had made accumulative settlement payment with interest of RM4.36 million to the foreign bank for loans defaulted by SG Cambodia.

During the period, our Group also recovered written-off trade and other receivables of RM1.95 million which was classified as other income.

FYE 31 May 2016

For the FYE 31 May 2016, our Group registered revenue of RM36.71 million mainly from the construction activities. Our Group's revenue was mainly derived from the completion of the sub-contract works for the Melaka PPR Projects in March 2016.

During the FYE 31 May 2016, our Group via Vizione Construction recorded revenues from the Tawau PPR Project and the Kota Belud PPR Project, whereby the sub-contract works for both projects commenced in the 1st quarter of 2016. As at 31 May 2016, the percentage of completion for the Tawau PPR Project and the Kota Belud PPR Project were 28.1% and 20.6%, respectively.

Further to the revenue contributions derived from its construction activities above, our Group recorded PAT of RM0.11 million during the FYE 31 May 2016. Our Group's PAT was contributed by gross profits of RM2.57 million, other operating income of RM2.05 million (comprising of waiver of Directors' advances) and gain on disposal of a subsidiary, namely, Singatronics of RM0.19 million. However, our Group's profits was offset by operating and administrative expenses of RM4.31 million mainly consist of payroll and staff related cost of RM1.80 million incurred in the ordinary course of operations, impairment of the receivables from companies which were disposed by Vizione i.e. namely, Singatronics and Vizione-GMO Sdn Bhd of RM0.76 million, Directors' fees of RM0.51 million and professional fees of RM0.72 million in relation to the corporate exercise undertaken by Vizione as well as rental and depreciation charges of RM0.46 million. On 29 January 2016, our Group had completed the Disposal and Singatronics ceased to be a subsidiary of our Group. Following thereto, our Group had also ceased the operations of the EMS division and there were no further contributions from the EMS business.

Our Group's NA per Share is sustained at RM0.06 albeit a slight increase in shareholders' funds to RM16.21 million (17-month FPE 31 May 2015: RM16.10 million). Our Group posted EPS of 0.04 sen during the FYE 31 May 2016 (17-month FPE 31 May 2015: LPS 0.31 sen) due to profits recorded during the year. Our Group's current ratio improved to 2.63 times (17-months FPE 31 May 2015: 1.51 times) mainly due to the effect of the disposal of Singatronics and higher trade receivables. Gearing reduced to 0.03 times (17-months FPE 31 May 2015) mainly due to Singatronics' term loan which is no longer accounted for in our Group after the Disposal. However, as Vizione is the corporate guarantor for the term loan, the amount owing to the financier has been included in other payables.

INFORMATION ON OUR COMPANY AND GROUP (CONT'D)**Three (3) months FPE 31 August 2016**

For the three (3) month FPE 31 August 2016, our Group recorded revenue of RM8.61 million, a decrease of 16.41% over the preceding year's corresponding quarter (3-months FPE 31 August 2015: RM 10.3 million), mainly due to the lower billings from the building projects as Melaka PPR Projects were already completed in the fourth quarter of FYE 31 May 2016. The turnover for the current financial quarter was contributed by the construction activities in Tawau PPR Project and Kota Belud PPR Project. Our Group's pre-tax profit for the current quarter was recorded at RM0.27 million, an increase of 133.75% as compared to the preceding year's corresponding quarter (3-months FPE 31 August 2015: pre-tax loss of RM0.80 million), and this is mainly due to the discontinued of our loss making EMS division after the disposal of our subsidiary, Singatronics on 29 January 2016.

Our Group's NA per Share is sustained at RM0.06 albeit the increase in shareholders' funds to RM16.34 million (3-month FPE 31 August 2015: RM15.27 million). Our Group posted EPS of 0.04 sen during the 3-month FPE 31 August 2016 (3-month FPE 31 August 2015: LPS of 0.29 sen) due to the discontinued of our loss making EMS division. Our Group's current ratio improved to 2.88 times (3-month FPE 31 August 2015: 1.36 times) mainly due to the effect of the disposal of Singatronics and lower trade payables. Gearing reduced to 0.03 times (3-month FPE 31 August 2015: 0.08 times) mainly due to Singatronics' term loan which is no longer accounted for in our Group after the Disposal. However, as Vizione is the corporate guarantor for the term loan, the amount owing to the financier has been included in other payables.

7. HISTORICAL PRICES OF VIZIONE SHARES

The monthly highest and lowest transacted prices of Vizione Shares for the past twelve (12) months from December 2015 to November 2016 are as follow:

	High RM	Low RM
2015		
December	0.125	0.115
2016		
January	0.130	0.110
February	0.125	0.115
March	0.090	0.070
April	0.120	0.100
May	0.150	0.100
June	0.150	0.120
July 2016	0.135	0.120
August 2016	0.15	0.125
September 2016	0.14	0.125
October 2016	0.14	0.125
November 2016	0.15	0.125

Last transacted market price of our Shares immediately prior to the announcements for the Corporate Exercises i.e. 29 July 2014 and 11 September 2014 are RM0.140 and RM0.170 respectively.

Last transacted market price of our Shares on 4 January 2017 (being the last day on which our Shares were traded prior to the ex-date of the Rights Issue with Warrants) was RM0.16 per Share and as at the LPD prior to printing of this AP of RM0.15 per Share.

(Source: Bloomberg)

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON

Morison AAC
Your Partners In Success

Morison Anuarul Azizan Chew (AF 001977)
Chartered Accountants

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Off Jalan Sultan Azlan Shah (Jalan Ipoh)
51200 Kuala Lumpur, Malaysia

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E general@morisonaac.com
W www.morisonaac.com

Date: **27 DEC 2016**

The Board of Directors
VIZIONE HOLDINGS BERHAD
(Formerly known as Astral Supreme Berhad)
C-0-12, Plaza Damas 3
Jalan Sri Hartamas 1
50480 Kuala Lumpur

Dear Sirs,

VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
(“VIZIONE” OR THE “COMPANY”)

REPORTING ACCOUNTANTS' LETTER ON THE COMPILATION OF PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016 INCLUDED IN THE ABRIDGED PROSPECTUS

We have completed our assurance engagement to report on the compilation of pro forma consolidated statements of financial position of VIZIONE and its subsidiaries (“VIZIONE Group” or “Group”) as at 31 May 2016, together with the accompanying notes thereto. The pro forma consolidated statements of financial position, as set out in Appendix A of this letter (which we have stamped for the purpose of identification), have been compiled by the Board of Directors for the inclusion in the Abridged Prospectus of VIZIONE in relation to the renounceable rights issue of up to 731,626,800 new Vizione Shares (“Rights Shares”) on the basis of two (2) Rights Shares for every one (1) existing Vizione Share held on an entitlement date to be determined later, together with up to 365,813,400 free detachable new warrants (“Warrants-C”) on the basis of one (1) Warrants-C for every two (2) Rights Shares subscribed by the entitled shareholders (“Rights Issue with Warrants”).

The pro forma consolidated statements of financial position have been compiled by the Board of Directors in connection with the Rights Issue with Warrants, as set out in Note 1 and 2 of the pro forma consolidated statements of financial position of VIZIONE Group as at 31 May 2016.

As part of this process, information about VIZIONE Group’s financial position has been extracted by the Board of Directors from VIZIONE’s audited consolidated financial statements for the financial period ended 31 May 2016, on which the audited report was dated 9 September 2016.

Directors’ responsibilities for the pro forma consolidated statements of financial position

The Board of Directors of VIZIONE is solely responsible for compiling the pro forma consolidated statements of financial position on the basis set out in Note 1 and 2 of the pro forma consolidated statements of financial position.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)**Morison AAC**
Your Partners In Success**VIZIONE HOLDINGS BERHAD**

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Our responsibilities

Our responsibility is to express an opinion, on whether the pro forma consolidated statements of financial position have been compiled, in all material respects, by the Board of Directors on the basis set out in Note 1 and 2 of the pro forma consolidated statements of financial position.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires us to comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Board of Directors have compiled, in all material respects, the pro forma financial information on the basis set out in Note 1 and 2 of the pro forma consolidated statements of financial position.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated statements of financial position, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma consolidated statements of financial position.

The purpose of pro forma consolidated statements of financial position included in the Abridged Prospectus is solely to illustrate the impact as if the events had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Further, such information may not reflect the actual or predict the Group's future financial position. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the pro forma consolidated statements of financial position has been compiled, in all material respects, on the basis set out in Note 1 and 2 of the pro forma consolidated statements of financial position involves performing procedures to assess whether the applicable criteria used by the Board of Directors in the compilation of the pro forma consolidated statements of financial position provides a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma consolidated statements of financial position reflect the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of VIZIONE Group, the event or transaction in respect of which the pro forma consolidated statements of financial position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma consolidated statements of financial position. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

Morison AAC
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VIZIONE HOLDINGS BERHAD

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Opinion

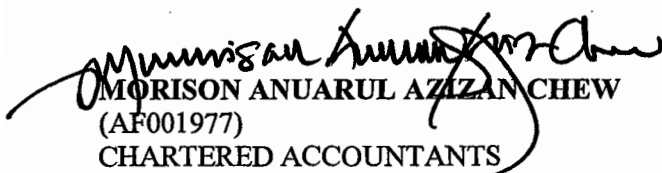
In our opinion,

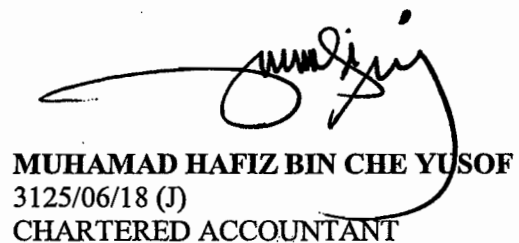
- (a) The pro forma consolidated statements of financial position of VIZIONE Group, which have been prepared by the Directors of VIZIONE, have been prepared on the basis of assumptions as set out in the accompanying notes using financial statements prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards in Malaysia and in a manner consistent with both the format of the financial statements and the accounting policies adopted by VIZIONE Group; and
- (b) each material adjustment made to the information used in the preparation of the pro forma consolidated statements of financial position is appropriate for the purposes of preparing the pro forma consolidated statements of financial position.

OTHER MATTERS

This letter is issued solely for the purpose of inclusion in the Abridged Prospectus in connection with the Rights Issue with Warrants. As such, this letter should not be reproduced, referred to in any other document or used for any other purpose without our prior written consent.

Yours faithfully


MORISON ANUARUL AZIZHAN CHEW
(AF001977)
CHARTERED ACCOUNTANTS


MUHAMAD HAFIZ BIN CHE YUSOF
3125/06/18 (J)
CHARTERED ACCOUNTANT

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016**

(Page 1 of 3)

MINIMUM SCENARIO

Audited statements of financial position of ASTRAL as at 31.5.16	Pro forma (I)		Pro forma (II)		Pro forma (III)		Pro forma (IV)		Pro forma (V)		Pro forma (VI)		Pro forma (VII)		Pro forma (VIII)	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
		Adjusted for Subsequent Event up to LPD	After (I) and Capital Reserves Reduction	After (II) and Share Premium Reduction	After (III) and Rights Issue with Warrants-C	After (IV) and assuming full exercise of Warrants-B	After (V) and assuming full exercise of Warrants-C	After (VI) and assuming full conversion of ICULS	After (VII) and assuming full grant and exercise of the Options							
1,266,904	1,266,904		1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904
813,000	813,000		813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000
2,079,904	2,079,904		2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904

Non-Current Assets

Property, plant and equipment

Investment properties

Current Assets

Trade and other receivables

Cash and bank balances

LIABILITIES

Trade and other payables

Amount owing to Directors

Finance lease liabilities

Tax payable

Net current assets

1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904
813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000
2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904
20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134
1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175	1,828,175
22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309	22,657,309
7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405
593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013
205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011
78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984
8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413
14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896	14,461,896
16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



APPENDIX A

**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016**

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MINIMUM SCENARIO

	Audited statements of financial position of ASTRAL as at 31.5.16	Pro forma (I)		Pro forma (II)		Pro forma (III)		Pro forma (IV)		Pro forma (V)		Pro forma (VI)		Pro forma (VII)		Pro forma (VIII)		
		RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
MINIMUM SCENARIO																		
		Adjusted for Subsequent Event up to LPD ⁽¹⁾	Par Value Reduction	After (I) Reserves Reduction	After (II) and Share Premium Reduction	After (III) and Rights Issue with Warrants-C	After (IV) and assuming full exercise of Warrants-B ⁽⁴⁾	After (V) and assuming full exercise of Warrants-C	After (VI) and assuming full conversion of ICULS	After (VII) and assuming full grant and exercise of the Options ⁽⁵⁾								
	58,372,730	58,381,630	29,190,815	29,190,815	29,190,815	38,190,815	45,765,120	50,265,120	50,447,162	58,014,232								
Share capital	6,993,520	8,891,163	8,891,163	8,891,163	-	-	9,337,265	9,337,265	9,504,193	9,504,193								
Share premium	5,527,459	5,527,459	5,527,459	-	-	-	-	-	-	-								
Capital reserves	330,883	323,490	323,490	323,490	323,490	323,490	323,490	323,490	323,490	323,490								
ICULS	4,418,033	2,520,390	2,520,390	2,520,390	2,520,390	⁽³⁾ 2,720,390	2,700,000	-	-	-								
Warrants reserves	(59,429,449)	(59,429,449)	(30,238,634)	(24,711,175)	(15,820,012)	⁽²⁾ (19,720,012)	(19,720,012)	(17,020,012)	(17,029,114)	(17,029,114)								
Accumulated losses	16,213,176	16,214,683	16,214,683	16,214,683	16,214,683	24,014,683	38,405,863	42,905,863	42,922,241	50,489,311								

Equity attributable to owners of the parent

Share capital	17,885	16,378	16,378	16,378	16,378	16,378	16,378	16,378	16,378	16,378								
Share premium	310,739	310,739	310,739	310,739	310,739	310,739	310,739	310,739	310,739	310,739								
Capital reserves	328,624	327,117	327,117	327,117	327,117	327,117	327,117	327,117	327,117	327,117								
ICULS	16,541,800	16,541,800	16,541,800	16,541,800	16,541,800	24,341,800	38,732,980	43,232,980	43,232,980	50,800,050								
Warrants reserves																		
Accumulated losses																		

Non-current liabilities

ICULS																		
Finance lease liabilities																		

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016
(Page 3 of 3)**

MINIMUM SCENARIO

	Audited statements of financial position of ASTRAL as at 31.5.16 RM	Adjusted for Subsequent Event up to LPD RM	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma
			(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
			After (I) and Capital Reserves Reduction RM	After (II) and Share Premium Reduction RM	After (III) and Rights Issue with Warrants-C RM	After (IV) and assuming full exercise of Warrants-B RM	After (V) and assuming full exercise of Warrants-C RM	After (VI) and assuming full conversion of ICULS RM	After (VII) and assuming full grant and exercise of the Options RM
Number of ASTRAL Share(s)	291,863,650	291,908,150	291,908,150	291,908,150	381,908,150	457,651,205	502,651,205	504,471,626	580,142,326
Par Value per Astral Share (RM)	0.20	0.20	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Net assets per Astral Share (RM)	0.06	0.06	0.06	0.06	0.06	0.08	0.09	0.09	0.09
Borrowings (RM)	515,750	515,750	515,750	515,750	515,750	515,750	515,750	515,750	515,750
Gearing (times)	0.03	0.03	0.03	0.03	0.02	0.01	0.01	0.01	0.01

Notes:

- Being adjusted for subsequent event up to LPD where an aggregate of 38,722,400 Warrants A (warrants 2011/2016 as constituted by the deed poll dated 30 June 2011) remained unexercised was expired on 8 August 2016 and a total number of 89,000 of ICULS which had been converted. 21 December 2016, being the latest practicable date of the Abridged Prospectus ("LPD").
- After netting off estimated expenses of approximately RM1.20 million in relation to the Renounceable rights issue of up to 731,537,800 new Vizione Shares ("Rights Shares") on the basis of two (2) Rights Shares for every one (1) existing Vizione Share held on and entitlement date to be determined later, together with up to 365,768,900 free detachable new warrants ("Warrants-C") on the basis of one (1) Warrants-C for every two (2) Rights Shares subscribed by the entitled shareholders ("Rights Issue with Warrants").
- Recognition of fair value of Warrants-C of RM0.06 per Warrants-C pursuant to the Rights Issue with Warrants, offset against the accumulated losses account amounting to approximately RM2.70 million. For illustration purposes, the fair value of Warrants-C of RM0.06 per Warrant was derived based on the Binomial Option Pricing Model. The warrants reserve will be transferred to the accumulated losses account upon the full exercise of the Warrants.
- Based on the exercise price of RM0.10 per Warrants-C, and RM0.19 per Existing Warrant (as defined at Notes (6) below). The Rights Issue with Warrants may give rise to the adjustment of the exercise price and number of the Existing Warrants pursuant to their respective deed polls, the details of which will only be finalized on the entitlement date for the Rights Issue with Warrants.
- Assuming that all 75,670,700 Options (being 15% of the then issued and paid up share capital of Vizione) are fully granted in a single tranche under the SIS, and are fully vested and exercised into 75,670,700 Vizione Shares at the Option Price of RM0.10 being approximately 30.84% discount to the 5-Day volume weighted average market price ("VWAMP") as at LPD of RM0.1446. For illustration purposes, the Options are assumed to have a fair value of RM0.09 each which was derived based on Binomial Option Pricing Model. However, it should be noted that the effects of the SIS above are strictly for illustration only on the basis that the entire Options are granted and exercised immediately.
- Existing Warrants being an aggregate of 70,401,960 of existing Warrants-B (warrants 2013/2018 as constituted by the deed poll dated 15 May 2013 which have been issued but remained unexercised as at the LPD).

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



APPENDIX A

**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016
(Page 1 of 3) MAXIMUM SCENARIO**

MAXIMUM SCENARIO	Audited financial position of ASTRAL as at 31.5.16	Pro forma (I)	Pro forma (II)	Pro forma (III)	Pro forma (IV)	Pro forma (V)	Pro forma (VI)	Pro forma (VII)	Pro forma (VIII)
	RM	RM	RM	RM	RM	RM	RM	RM	RM
		Adjusted for Subsequent Event up to LPD	After (I) and assuming full exercise of ICULS	After (II) and Par Value Reduction	After (III) and Capital Reserves Reduction	After (VI) and Share Premium Reduction	After (V) and Rights Issue with Warrants-C	After (VI) and assuming full exercise of Warrants-C	After (VII) and assuming full grant and exercise of the Options
	RM	RM	RM	RM	RM	RM	RM	RM	RM
Non-Current Assets									
Property, plant and equipment	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904	1,266,904
Investment properties	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000	813,000
	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904	2,079,904
Current Assets									
Trade and other receivables	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134	20,829,134
Cash and bank balances	1,828,175	1,828,175	16,254,447	16,254,447	16,254,447	16,254,447	88,208,227	124,785,117	146,731,247
	22,657,309	22,657,309	37,083,581	37,083,581	37,083,581	37,083,581	109,037,361	145,614,251	167,560,381
Current Liabilities									
Trade and other payables	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405	7,318,405
Amount owing to Directors	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013	593,013
Term loan	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011	205,011
Tax payable	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984	78,984
	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413	8,195,413
Net Current Assets	14,461,896	14,461,896	28,888,168	28,888,168	28,888,168	28,888,168	100,841,948	137,418,838	159,364,968
	16,541,800	16,541,800	30,622,192	30,968,072	30,968,072	30,968,072	102,921,852	139,498,742	161,444,872

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



APPENDIX A

**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016
(Page 2 of 3)
MAXIMUM SCENARIO**

MAXIMUM SCENARIO	Audited financial position of ASTRAL as at 31.5.16	Pro forma (I)	Pro forma (II)	Pro forma (III)	Pro forma (IV)	Pro forma (V)	Pro forma (VI)	Pro forma (VII) and (VII)	Pro forma (VIII)
	RM	RM	RM	RM	RM	RM	RM	RM	RM
Adjusted for Subsequent Event up to LPD ⁽¹⁾			After (I) and assuming full exercise of ICULS	After (II) and Par Value Reduction	After (III) and Capital Reserves Reduction	After (VI) and Share Premium Reduction	After (V) and Rights Issue with Warrants-C	After (VI) and assuming full exercise of Warrants-C ⁽⁵⁾	After (VII) and assuming full grant and exercise of the Options ⁽⁶⁾
Share capital	58,372,730	72,462,022	73,153,782	36,576,891	36,576,891	36,576,891	109,730,671	146,307,561	168,253,691
Share premium	6,993,520	11,411,553	11,411,553	11,411,553	11,411,553	-	-	-	-
Capital reserves	5,527,459	5,527,459	5,527,459	5,527,459	-	-	-	-	-
ICULS	330,883	323,490	-	-	-	-	-	-	-
Warrants reserves	4,418,033	2,520,390	-	-	-	-	(4)21,946,134	-	-
Accumulated losses	(59,429,449)	(59,429,449)	(59,435,461)	(22,858,570)	(17,331,111)	(2)(5,919,558)	(3)(29,065,692)	(7,119,558)	(7,119,558)
	16,213,176	30,295,075	30,657,333	30,657,333	30,657,333	30,657,333	102,611,113	139,188,003	161,134,133
	16,541,800	30,622,192	30,968,072	30,968,072	30,968,072	30,968,072	102,921,852	139,498,742	161,444,872

Equity attributable to owners of the parent

Share capital
Share premium
Capital reserves
ICULS
Warrants reserves
Accumulated losses

Non-Current Liabilities

ICULS
Borrowings

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)



APPENDIX A

**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016
(Page 3 of 3)**

MAXIMUM SCENARIO

MAXIMUM SCENARIO	Audited statements of financial position of ASTRAL as at 31.5.16 RM	Adjusted for Subsequent Event up to LPD RM	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma	Pro forma
			(I) RM	(II) RM	(III) RM	(IV) RM	(V) RM	(VI) RM	(VII) RM	(VIII) RM
Number of ASTRAL Share(s)	291,863,650	291,908,150	362,310,110	365,768,910	365,768,910	365,768,910	1,097,306,710	1,463,075,610	1,682,536,910	
Par Value per Astral Share (RM)	0.20	0.20	0.20	0.10	0.10	0.10	0.10	0.10	0.10	
Net assets per Astral Share (RM)	0.06	0.06	0.08	0.08	0.08	0.08	0.09	0.10	0.10	
Borrowings (RM)	515,750	515,750	515,750	515,750	515,750	515,750	515,750	515,750	515,750	
Gearing (times)	0.03	0.03	0.02	0.02	0.02	0.02	0.01	0.00	0.00	

Notes:

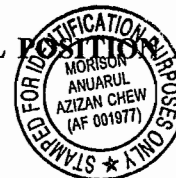
- (1) Being adjusted for subsequent event up to LPD where an aggregate of 38,722,400 Warrants A (warrants 2011/2016 as constituted by the deed poll dated 30 June 2011) remained unexercised was expired on 8 August 2016 and a total number of 89,000 of ICULS which had been converted.
- (2) The credit arising from the Share Premium Reduction would be utilised to set off against the accumulated losses of the Company.
- (3) After netting off estimated expenses of approximately RM1.20 million in relation to the Rights Issue with Warrants.
- (4) Recognition of fair value of Warrants-C of RM0.06 per Warrants-C pursuant to the Rights Issue with Warrants, offset against the accumulated losses account amounting to RM21.95 million. For illustration purposes, the fair value of Warrants-C of RM0.06 per Warrants-C was derived based on the Binomial Option Pricing Model. The warrants reserve will be transferred to the accumulated losses account upon the full exercise of the Warrants.
- (5) Based on the exercise price of RM0.10 per Warrants-C.
- (6) Assuming that all 219,461,300 Options (being 15% of the then issued and paid up share capital of Vizione) are fully granted in a single tranche under the SIS, and are fully vested and exercised into 219,461,300 Vizione Shares at the Option Price of RM0.10 being approximately 30.84% discount to the 5-Day VWAMP as at LPD of RM0.1446. For illustration purposes, the Options are assumed to have a fair value of RM0.09 each which was derived based on Binomial Option Pricing Model. However, it should be noted that the effects of the SIS above are strictly for illustration only on the basis that the entire Options are granted and exercised immediately.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

APPENDIX A

VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) ("VIZIONE" OR "THE COMPANY")

NOTES TO PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016



1. Basis of preparation

The pro forma consolidated statements of financial position of VIZIONE Group have been prepared based on the audited consolidated statements of financial position of VIZIONE as at 31 May 2016 after subsequent completed event up to 21 December 2016 had the Rights Issue of Shares with Warrants, the full exercise of the Warrants issued pursuant to the Rights Issue with Warrants and SIS as described in Note (1) and (2) below, been effected on that date. The pro forma consolidated statements of financial position have been properly compiled on the basis stated using financial statements prepared in accordance with Malaysia Financial Reporting Standards, International Financial Reporting Standards in Malaysia, and in a manner consistent with both the format of the financial statements and the accounting policies of VIZIONE Group.

1.1 The pro forma consolidated statements of financial position which the Directors of VIZIONE as solely responsible, have been prepared solely for illustrative purposes, to show the effects of the following:-

a) **Minimum Scenario**

Assuming none of the Existing Warrants (an aggregate of existing Warrants-B issued by remained unexercised as at the LPD) and ICULS (aggregate of 3,547,800 10-years 3% irredeemable convertible unsecured loan stocks issued by Vizione on 9 August 2011 but remained unconverted as at the LPD) are exercised and converted into new Vizione Shares prior to the entitlement date and the Rights Issue with Warrants is subscribed based on the minimum subscription level of 90,000,000 Rights Shares together with up to 45,000,000 Warrants-C.

b) **Maximum Scenario**

Assuming all the Existing Warrants and the outstanding ICULS are exercised and converted into new Vizione Shares prior to the entitlement date and all entitled shareholders fully subscribe for the entitlements of the Rights Shares with Warrants-C.

2. The Pro forma Consolidated Statements of Financial Position

2.1 Minimum Scenario

2.1.1 Adjustments for subsequent completed event and up to the period of 21 December 2016

The audited consolidated statement of financial position as at 31 May 2016 is adjusted with the following effects :

- (a) An aggregate of 38,722,400 Warrants A (warrants 2011/2016 as constituted by the deed poll dated 30 June 2011) remained unexercised was expired on 8 August 2016.
- (b) There were a total number of 89,000 of ICULS which had been converted.

Accordingly, the remaining outstanding ICULS and unexercised Warrants 2013/2018 are 3,458,800 ICULS and 70,401,960 Warrants 2013/2018 respectively. The issued and fully paid up capital of the Company after the above subsequent event is RM58,381,630 comprising 291,908,150 Astral Shares.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
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2. The Pro forma Consolidated Statements of Financial Position – (Continued)

2.1 Minimum Scenario – (Continued)

2.1.2 Pro forma I – Par Value Reduction

Pro forma I incorporates the effects of the subsequent completed event and the effects of the Par Value Reduction which involve a cancellation of RM0.10 of the existing par value of every existing Vizione Share of RM0.20 each to RM0.10 each pursuant to Section 64 of the Act, and the credit arising there from shall be utilised to offset the accumulated losses of the Company.

The Company has been granted the Court Order from High Court of Malaya on the Par Value Reduction and subsequently lodged the Court Order with the Companies Commission of Malaysia on 31 October 2016. Therefore, the par value of each ordinary share in Vizione Share is effectively reduced from RM0.20 per share to RM0.10 per share on 31 October 2016.

2.1.3 Pro forma II – Capital Reserve Reduction

Pro forma II incorporates the effects of the subsequent completed event, Pro forma I and the effects of the Capital Reserve Reduction which involve a reduction of the entire capital reserve account of VIZIONE of RM5,527,459 and the credit arising there from shall be utilised to offset the accumulated losses of the Company.

2.1.4 Pro forma III – Share Premium Reduction

Pro forma III incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II and the effects of the Share Premium Reduction.

2.1.5 Pro forma IV – Rights Issue with Warrants

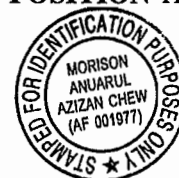
Pro forma IV incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III and the effects of the Rights Issue with Warrants. The minimum subscription level of 90,000,000 Rights Shares together with up to 45,000,000 Warrants-C would give rise to an increase in the issued and paid-up capital of VIZIONE of RM9,000,000 and generate total gross cash proceeds of RM7,800,000 after netting off estimated expenses of RM1,200,000.

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) ("VIZIONE" OR "THE COMPANY")
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2. The Pro forma Consolidated Statements of Financial Position – (Continued)

2.1 Minimum Scenario – (Continued)

2.1.5 Pro forma IV – Rights Issue with Warrants – (Continued)

The expected utilisation of those proceeds are as follows:-

Details of utilisation	Minimum Scenario RM'000	Expected timeframe for the utilisation of proceeds (from the date of listing of the Rights Shares)
Funding for future construction activities	6,000	Within thirty six (36) months
Working capital	1,800	Within thirty six (36) months
Estimated expenses in relation to the Corporate Exercise	1,200	Within one (1) month
Total	9,000	

The Rights Issue with Warrants is recognised at their relative fair values. In arriving at the relative fair values, the fair values of the Rights Issue with Warrants were proportionately adjusted to the price of RM0.10 per Rights Share.

The fair value of the warrants of RM0.06 per Warrant is determined using Binomial Option Pricing model based on the following key assumptions:

Exercise price	RM0.10
Underlying price	RM0.1149
Days to expiration	1825 (5years)
Risk free interest rate	3.68% pa
Expected volatility	58.15%
Expected dividend yield	-

The underlying price represents the theoretical ex-rights price and five (5) day volume weighted average market price of VIZIONE Shares up to 21 December 2016. The full issuance of 45,000,000 Warrants will generate a total of RM2,700,000 warrants reserve with the relative fair value method of the Warrants of RM0.06 per Warrant.

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

APPENDIX A

**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) ("VIZIONE" OR "THE COMPANY")
NOTES TO PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016**



2. The Pro forma Consolidated Statements of Financial Position – (Continued)

2.1 Minimum Scenario – (Continued)

2.1.6 Pro forma V – Assuming full exercise of the existing Warrants-B

Pro forma V incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III, Pro forma IV and the effects of assuming full exercise of Warrants-B at an indicative exercise price of RM0.19 per Warrants-B. The number of outstanding unexercised Warrants-B are adjusted from 70,401,960 to 75,743,055. The exercise price for Warrants-B are adjusted from RM0.20 to RM0.19, pursuant to the Deed Poll dated 15 May 2013 constituting the Warrants-B.

The warrant reserves will be transferred to share premium account upon the full exercise of the Warrants. The quantum of proceeds to be received by the Company pursuant to the exercise of the Warrants would depend upon the actual number of Warrants exercised. Such proceeds will be utilised for working capital purposes.

2.1.7 Pro forma VI – Assuming full exercise of New Warrants-C

Pro forma VI incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III, Pro forma IV, Pro forma V and the effects of assuming full exercise of New Warrants-C at an exercise price of RM0.10 per Warrant.

The warrant reserves will be transferred to accumulated losses account upon the full exercise of the Warrants. The quantum of proceeds to be received by the Company pursuant to the exercise of the Warrants would depend upon the actual number of Warrants exercised. Such proceeds will be utilised for working capital purposes.

2.1.8 Pro forma VII – Assuming full conversion of ICULS

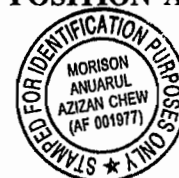
Pro forma VII incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III, Pro forma IV, Pro forma V, Pro forma VI and the effects of assuming full conversion of ICULS at indicative conversion price of RM0.19.

Pro forma VII assumes the ICULS are converted into new Vizione Shares by tendering two (2) ICULS for one (1) new Vizione Share. The indicative conversion price of ICULS is adjusted from RM0.20 to RM0.19 pursuant to the Trust Deed dated 30 June 2012 constituting the ICULS. Upon conversion of ICULS into new Vizione Share, reasonable adjustment on the deferred tax assets, the equity and liability component of ICULS will be made accordingly.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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2. The Pro forma Consolidated Statements of Financial Position – (Continued)

2.1 Minimum Scenario – (Continued)

2.1.9 Pro forma VIII –SIS

Based on the assumption of full exercise of the Options, Pro forma VIII incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III, Pro forma IV, Pro forma V, Pro forma VI, Pro forma VII and the effects of assuming full exercise of Options at Option Price of RM0.10.

Assuming that all 75,670,700 Options (being 15% of the then issued and paid up share capital of Vizione under Minimum Scenario) are fully granted in a single tranche under the SIS, and are fully vested and exercised into 75,670,700 Vizione Shares at the Option Price of RM0.10 being approximately 30.84% discount to the 5-Day VWAMP as at LPD of RM0.1446. For illustration purposes, the Options are assumed to have a fair value of RM0.09 each which was derived based on Binomial Option Pricing Model. However, it should be noted that the effects of the SIS above are strictly for illustration only on the basis that the entire Options are granted and exercised immediately.

2.2 Maximum Scenario

2.2.1 Adjustments for subsequent completed event and up to the period of 21 December 2016

The audited consolidated statement of financial position as at 31 May 2016 is adjusted with the following effects :

- (a) An aggregate of 38,722,400 Warrants A (warrants 2011/2016 as constituted by the deed poll dated 30 June 2011) remained unexercised was expired on 8 August 2016.
- (b) There were a total number of 89,000 of ICULS which had been converted.

Accordingly, the remaining outstanding ICULS and unexercised Warrants 2013/2018 are 3,458,800 ICULS and 70,401,960 Warrants 2013/2018 respectively. The issued and fully paid up capital of the Company after the above subsequent event is RM58,381,630 comprising 291,908,150 Astral Shares.

2.2.2 Pro forma I – Assuming full exercise of the existing Warrants-B

Pro forma I incorporates the effects of the subsequent completed event and the effects of assuming full exercise of Warrants-B at an exercise price of RM0.20 per Warrant.

The warrant reserves will be transferred to share premium account upon the full exercise of the Warrants. The quantum of proceeds to be received by the Company pursuant to the exercise of the Warrants would depend upon the actual number of Warrants exercised. Such proceeds will be utilised for working capital purposes.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

APPENDIX A

**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) ("VIZIONE" OR "THE COMPANY")
NOTES TO PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016**



2. The Pro forma Consolidated Statements of Financial Position – (Continued)

2.2 Maximum Scenario – (Continued)

2.2.3 Pro forma II – Assuming full conversion of ICULS

Pro forma II incorporates the effects of the subsequent completed event, Pro forma I and the effects of assuming full conversion of ICULS at a conversion price of RM0.20.

Pro forma II assumes the ICULS are converted into new Vizione Shares by tendering one (1) ICULS for one (1) new Vizione Share and the balance amount to be settled in cash. Upon conversion of ICULS into new Vizione Share, reasonable adjustment on the deferred tax assets, the equity and liability component of ICULS will be made accordingly.

2.2.4 Pro forma III –Par Value Reduction

Pro forma III incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II and the effects of the Par Value Reduction which involve a cancellation of RM0.10 of the existing par value of every existing Vizione Share of RM0.20 each to RM0.10 each pursuant to Section 64 of the Act, and the credit arising there from shall be utilised to offset the accumulated losses of the Company.

The Company has been granted the Court Order from High Court of Malaya on the Par Value Reduction and subsequently lodged the Court Order with the Companies Commission of Malaysia on 31 October 2016. Therefore, the par value of each ordinary share in Vizione Share is effectively reduced from RM0.20 per share to RM0.10 per share on 31 October 2016.

2.2.5 Pro forma IV –Capital Reserve Reduction

Pro forma IV incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III and the effects of the Capital Reserve Reduction which involve a reduction of the entire capital reserve account of VIZIONE of RM5,527,459 and the credit arising there from shall be utilised to offset the accumulated losses of the Company.

2.2.6 Pro forma V –Share Premium Reduction

Pro forma V incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III, Pro forma IV and the effects of the Share Premium Reduction of up to RM11,411,553 will be utilised to offset the accumulated losses of VIZIONE at the company level. The Share Premium Reduction under Maximum Scenario is based on the assumption when all existing Warrants-B are fully exercised. As at LPD, the share premium reduction would be RM8,891,163.

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) ("VIZIONE" OR "THE COMPANY")
NOTES TO PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016**

2. The Pro forma Consolidated Statements of Financial Position – (Continued)

2.2 Maximum Scenario – (Continued)

2.2.7 Pro forma VI – Rights Issue with Warrants

Pro forma VI incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III, Pro forma IV, Pro form V and the effects of the Rights Issue with Warrants. The full subscription of 731,537,800 Rights Shares together with up to 365,768,900 Warrants-C would give rise to an increase in the issued and paid-up capital of VIZIONE of RM73,153,780 and generate total gross cash proceeds of RM71,953,780 after netting off estimated expenses of RM1,200,000. The expected utilisation of those proceeds are as follows:-

Details of utilisation	Maximum Scenario RM'000	Expected timeframe for the utilisation of proceeds (from the date of listing of the Rights Shares)
Funding for future construction activities	40,000	Within thirty six (36) months
Funding for future property development activities to be identified	24,858	Within thirty six (36) months
Working capital	7,105	Within thirty six (36) months
Estimated expenses in relation to the Corporate Exercise	1,200	Within one (1) month
Total	73,163	

The Rights Issue with Warrants is recognised at their relative fair values. In arriving at the relative fair values, the fair values of the Rights Issue with Warrants were proportionately adjusted to the issue price of RM0.10 per Rights Share.

The fair value of the warrants of RM0.06 per Warrant is determined using Binomial Option Pricing model based on the following key assumptions:

Exercise price	RM0.10
Underlying price	RM0.1149
Days to expiration	1825 (5years)
Risk free interest rate	3.68% pa
Expected volatility	58.15%
Expected dividend yield	-

The underlying price represents the theoretical ex-rights price and five (5) day volume weighted average market price of VIZIONE Shares up to 21 December 2016. The full issuance of 365,768,900 Warrants-C will generate a total of RM21,946,134 warrants reserve with the relative fair value method of the Warrants of RM0.06 per Warrant-C.



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2. The Pro forma Consolidated Statements of Financial Position – (Continued)

2.2 Maximum Scenario – (Continued)

2.2.8 Pro forma VII – Assuming full exercise of New Warrants-C

Pro forma VII incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II, Pro forma III, Pro forma IV, Pro forma V, Pro forma VI and the effects of assuming full exercise of New Warrants-C at an exercise price of RM0.10 per Warrant.

The warrant reserves will be transferred to accumulated losses account upon the full exercise of the Warrants. The quantum of proceeds to be received by the Company pursuant to the exercise of the Warrants would depend upon the actual number of Warrants exercised. Such proceeds will be utilised for working capital purposes.

2.2.9 Pro forma VIII – SIS

Based on the assumption of full exercise of the Options, Pro forma VIII incorporates the effects of the subsequent completed event, Pro forma I, Pro forma II and Pro forma III, Pro forma IV, Pro forma V, Pro forma VI, Pro forma VII and the effects of assuming full exercise of Options at Option Price of RM0.10.

Assuming that all 219,461,300 Options (being 15% of the then issued and paid up share capital of Vizione under Maximum Scenario) are fully granted in a single tranche under the SIS, and are fully vested and exercised into 219,461,300 Vizione Shares at the Option Price of RM0.10 being approximately 30.84% discount to the 5-Day VWAMP as at LPD of RM0.1446. For illustration purposes, the Options are assumed to have a fair value of RM0.09 each which was derived based on Binomial Option Pricing Model. However, it should be noted that the effects of the SIS above are strictly for illustration only on the basis that the entire Options are granted and exercised immediately.

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**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) ("VIZIONE" OR "THE COMPANY")
NOTES TO PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016**



3. Cash and Bank Balance

The movement in cash and bank balances of VIZIONE are as follows:-

Cash and Bank Balance	Minimum Scenario
	RM
Audited as at 31 May 2016	1,828,175
Proceeds from the Rights Issue of Shares with Warrants	9,000,000
Estimated expenses related to the Rights Issue with Warrants	<u>(1,200,000)</u>
As per Pro forma IV	9,628,175
Proceeds from full exercise of the Warrants-B	<u>14,391,180</u>
As per Pro forma V	24,019,355
Proceeds from full exercise of new Warrants-C	<u>4,500,000</u>
As per Pro forma VI and VII	28,519,355
Proceeds from the SIS	<u>7,567,070</u>
As per Pro forma VIII	<u>36,086,425</u>
Cash and Bank Balance	Maximum Scenario
	RM
Audited as at 31 May 2016	1,828,175
Proceeds from full exercise of the Warrants-B	<u>14,080,392</u>
As per Pro forma I	15,908,567
Proceeds from full conversion of ICULS	<u>354,880</u>
As per Pro forma II, III, IV and V	16,254,447
Proceeds from the Rights Issue of Shares with Warrants	73,153,780
Estimated expenses related to the Rights Issue with Warrants	<u>(1,200,000)</u>
As per Pro forma VI	88,208,227
Proceeds from full exercise of new Warrants-C	<u>36,576,890</u>
As per Pro forma VII	124,785,117
Proceeds from the SIS	<u>21,946,130</u>
As per Pro forma VIII	<u>146,731,247</u>

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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4. Share Capital

The movement in share capital of VIZIONE are as follows:-

Minimum Scenario	Par Value (RM)	No of Ordinary Shares	RM
Audited as at 31 May 2016	0.20	291,863,650	58,372,730
After subsequent completed event adjustment	0.20	44,500	8,900
As per after subsequent completed event		291,908,150	58,381,630
Arising from the Par Value Reduction	(0.10)	-	(29,190,815)
As per Pro forma I, II and III	0.10	291,908,150	29,190,815
Arising from the Rights Issue of Shares with Warrants	0.10	90,000,000	9,000,000
As per Pro forma IV	0.10	381,908,150	38,190,815
Arising from full exercise of the Warrants-B	0.10	75,743,055	7,574,306
As per Pro forma V	0.10	457,651,205	45,765,121
Arising from full exercise of the New Warrants-C	0.10	45,000,000	4,500,000
As per Pro forma VI	0.10	502,651,205	50,265,121
Arising from full exercise of the ICULS	0.10	1,820,421	182,042
As per Pro forma VII	0.10	504,471,626	50,447,162
Arising from full exercise of the Options	0.10	75,670,700	7,567,070
As per Pro forma VIII	0.10	580,142,326	58,014,232
Maximum Scenario	Par Value (RM)	No of Ordinary Shares	RM
Audited as at 31 May 2016	0.20	291,863,650	58,372,730
After subsequent completed event adjustment	0.20	44,500	8,900
As per after subsequent completed event	0.20	291,908,150	58,381,630
Arising from full exercise of the Warrants-B	0.20	70,401,960	14,080,392
As per Pro forma I	0.20	362,310,110	72,462,022
Arising from full exercise of the ICULS	0.20	3,458,800	691,760
As per Pro forma II	0.20	365,768,910	73,153,782
Arising from the Par Value Reduction	(0.10)	-	(36,576,891)
As per Pro forma III, IV and V	0.10	365,768,910	36,576,891
Arising from the Rights Issue of Shares with Warrants	0.10	731,537,800	73,153,780
As per Pro forma VI	0.10	1,097,306,710	109,730,671
Arising from full exercise of the New Warrants-C	0.10	365,768,900	36,576,890
As per Pro forma VII	0.10	1,463,075,610	146,307,561
Arising from full exercise of the Options	0.10	219,461,300	21,946,130
As per Pro forma VIII	0.10	1,682,536,910	168,253,691

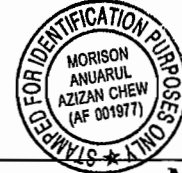


APPENDIX III

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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5. Share Premium

The movement in share premium of VIZIONE are as follows:-

Share Premium	Minimum Scenario
	RM
Audited as at 31 May 2016	6,993,520
After subsequent completed event adjustment	1,897,643
As per after subsequent completed event, Pro forma I and II	8,891,163
Arising from the Share Premium Reduction	(8,891,163)
As per Pro forma III and IV	-
Arising from full exercise of the Warrants-B	6,816,875
Transfer of warrants reserve upon full exercise of Warrants-B	2,520,390
As per Pro forma V and VI	9,337,265
Arising from full exercise of the ICULS	166,928
As per Pro forma VII, VIII	9,504,193
	Maximum Scenario
	RM
Audited as at 31 May 2016	6,993,520
After subsequent completed event adjustment	1,897,643
As per after subsequent completed event	8,891,163
Transfer of warrants reserve upon full exercise of Warrants-B	2,520,390
As per Pro forma I, II, III and IV	11,411,553
Arising from the Share Premium Reduction	(11,411,553)
As per Pro forma V, VI and VII, VIII	-

6. Capital Reserve

The movement in capital reserve of VIZIONE are as follows:-

Capital Reserve	Minimum Scenario
	RM
Audited as at 31 May 2016	5,527,459
Arising from the Capital Reserve Reduction	(5,527,459)
As per Pro forma II, III, VI, V, VI, VII and VIII	-

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

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6. Capital Reserve – (Cont'd)

The movement in capital reserve of VIZIONE are as follows:-



Capital Reserve	Maximum Scenario
	RM
Audited as at 31 May 2016	5,527,459
Arising from the Capital Reserve Reduction	(5,527,459)
As per Pro forma IV, V, VI, VII and VIII	-

7. Warrants Reserve

The movement in warrants reserve of VIZIONE are as follows:-

Warrants Reserve	Minimum Scenario
	RM
Audited as at 31 May 2016	4,418,033
After subsequent completed event adjustment	(1,897,643)
As per after subsequent completed event, Pro forma I, II and III	2,250,390
Adjustment for fair value of New Warrants-C	2,700,000
As per Pro forma IV	5,220,390
Transfer to share premium upon full exercise of Warrants-B	(2,250,390)
As per Pro forma V	2,700,000
Transfer to accumulated losses upon full exercise of New Warrants-C	(2,700,000)
As per Pro forma VI, VII and VIII	-

Warrants Reserve	Maximum Scenario
	RM
Audited as at 31 May 2016	4,418,033
After subsequent completed event adjustment	(1,897,643)
As per after subsequent completed event	2,250,390
Transfer to share premium upon full exercise of Warrants-B	(2,250,390)
As per Pro forma I, II, III, IV and V	-
Adjustment for fair value of New Warrants-C	21,946,134
As per Pro forma VI	21,946,134
Transfer to accumulated losses upon full exercise of New Warrants-C	(21,946,134)
As per Pro forma VII and VIII	-

APPENDIX III

PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

APPENDIX A

VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD) ("VIZIONE" OR "THE COMPANY")
NOTES TO PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAY 2016



8. Accumulated Losses

The movement in accumulated losses of VIZIONE are as follows:-

Minimum Scenario	Group RM	Company RM
Audited as at 31 May 2016	(59,429,449)	(61,599,309)
Arising from the Par Value Reduction	29,190,815	29,190,815
As per Pro forma I	(30,238,634)	(32,408,494)
Arising from the Capital Reserve Reduction	5,527,459	5,527,459
As per Pro forma II	(24,711,175)	(26,881,035)
Arising from the Share Premium Reduction	8,891,163	8,891,163
As per Pro forma III	(15,820,012)	(17,989,872)
Adjustment for fair value of New Warrants-C	(2,700,000)	(2,700,000)
Estimated expenses related to the Rights Issue with Warrants	(1,200,000)	(1,200,000)
As per Pro forma IV and V	(19,720,012)	(21,889,872)
Transfer of warrants reserve upon full exercise of Warrants-C	2,700,000	2,700,000
As per Pro forma VI	(17,020,012)	(19,189,872)
Arising from full conversion of ICULS	(9,102)	(9,102)
As per Pro forma VII and VIII	<u>(17,029,114)</u>	<u>(19,198,974)</u>

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PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF OUR GROUP AS AT 31 MAY 2016 TOGETHER WITH THE NOTES AND REPORTING ACCOUNTANTS' LETTER THEREON (CONT'D)

APPENDIX A

**VIZIONE HOLDINGS BERHAD (FORMERLY KNOWN AS ASTRAL SUPREME BERHAD)
("VIZIONE" OR "THE COMPANY")
NOTES TO PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS
AT 31 MAY 2016**



8. Accumulated Losses – (Continued)


Maximum Scenario	Group RM	Company RM
Audited as at 31 May 2016	(59,429,449)	(61,599,309)
Arising from full exercise of ICULS	(6,012)	(6,012)
As per Pro forma II	(59,435,461)	(61,605,321)
Arising from the Par Value Reduction	36,576,891	36,576,891
As per Pro forma III	(22,858,570)	(25,028,430)
Arising from the Capital Reserve Reduction	5,527,459	5,527,459
As per Pro forma IV	(17,331,111)	(19,500,971)
Arising from the Share Premium Reduction	11,411,553	11,411,553
As per Pro forma V	(5,919,558)	(8,089,418)
Adjustment for fair value of New Warrants-C	(21,946,134)	(21,946,134)
Estimated expenses	(1,200,000)	(1,200,000)
As per Pro forma VI	(29,065,692)	(31,235,552)
Transfer of warrants reserve upon full exercise of Warrants-C	21,946,134	21,946,134
As per Pro forma VII and VIII	(7,119,558)	(9,289,418)

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AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON

Morison AAC
Your Partners In Success

CERTIFIED TRUE COPY


.....
MUHAMAD HAFIZ BIN CHE YUSOF
CA(M), B.ACC (HONS)
Chartered Accountant
Approved No : 3125/06/18(J)
IC NO : 791014-11-5399

VIZIONE HOLDINGS BERHAD
(Formerly Known As Astral Supreme Berhad)
(Company No.: 442371-A)
(Incorporated in Malaysia)

FINANCIAL STATEMENTS

31 MAY 2016

Registered office:
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur

Principal place of business:
C-0-12, Plaza Damas 3
Jalan Sri Hartamas 1
50480 Kuala Lumpur

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON (CONT'D)**VIZIONE HOLDINGS BERHAD**
(Formerly Known As Astral Supreme Berhad)
(Company No.: 442371-A)
(Incorporated in Malaysia)**FINANCIAL STATEMENTS****31 MAY 2016****INDEX**

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AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON (CONT'D)

VIZIONE HOLDINGS BERHAD
(Formerly known as Astral Supreme Berhad)
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 May 2016.

Principal Activities

The principal activity of the Company is investment holding.

The principal activities of the subsidiary companies and associated company are stated in Note 7 and 8 to the financial statements respectively.

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

Financial Results

	Group RM	Company RM
Total comprehensive income/(loss) for the financial year attributable to:-		
Owners of the Company	112,139	(13,065,876)

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial period. The Board of Directors does not recommend any dividend to be paid for the financial year under review.

Reserves and Provisions

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

Issue of Shares and Debentures

During the financial year, the issued and paid-up share capital of the Company was increased from RM58,371,730 to RM58,372,730 by issuance of 5,000 shares from the exercise of warrant 2011/2016 at RM0.20 each.

There were no issuance of new shares and debentures during the financial year under review.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON (CONT'D)

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year under review.

Directors

The Directors who served since the date of the last report and the date of this report are as follows:-

Datuk Chai Woon Chet
 Wong Kwai Wah
 Dato' Ng Aun Hooi
 Andrew Lim Piow Tiang
 Dato' Ir. Mohamad Shokri Bin Abdullah
 Datuk Dr Raman Bin Ismail (Appointed on 1 October 2015)

Directors' Interests

Details of holdings and deemed interests in the shares and options over shares of the Company or its related corporations by the Directors in office at the end of the financial year, according to the register required to be kept under Section 134 of the Companies Act, 1965, were as follows:

	No. of ordinary shares of RM0.20 each			
	At 1.6.2015	Acquired	Disposed	At 31.5.2016
The Company				
Direct interest:				
Dato' Ng Aun Hooi	-	3,201,000	-	3,201,000
Datuk Chai Woon Chet	300,000	-	-	300,000
Wong Kwai Wah	-	1,000,000	-	1,000,000
Indirect interest of Director:-				
Ocean Milestone Sdn. Bhd.				
Datuk Chai Woon Chet *	100,000	-	-	100,000
Dato' Ng Aun Hooi #	-	385,900	-	385,900

* Deemed interest by virtue of his direct shareholdings in Ocean Milestone Sdn. Bhd. pursuant for Section 6A of the Companies Act, 1965.

Deemed interest by virtue of his spouse's direct shareholdings in the Company.

Dato' Ng Aun Hooi and Datuk Chai Woon Chet by virtue of his interest in shares in the Company is also deemed interested in shares in all the Company's subsidiaries to the extent the Company has an interest.

None of the other Directors holding office at the end of the financial year had any interest in the shares of the Company or its related corporations during the financial year under review.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON (CONT'D)**Directors' Benefits**

Since the end of the previous financial period, no Director of the Group and of the Company 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) 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 the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Other Statutory Information

- (a) Before the statements of profit or loss and other comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:-
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of circumstances:-
- (i) that would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent, or
 - (ii) that would render the values attributed to the current assets in the financial statements of the Group and Company misleading; or
 - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
 - (iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.
- (c) No contingent or other liabilities of the Group and of the Company that 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.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON (CONT'D)

Other Statutory Information (Cont'd)

(d) At the date of this report, there does not exist:-

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

(e) In the opinion of the Directors-

- (i) the results of the operations of the Group and of the Company for the financial year ended 31 May 2016 were not substantially affected by items, transactions or events of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, there may be items, transactions or events of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year.

Corporate Exercise

The corporate exercise during the financial year is disclosed in Note 40 to the financial statements.

Change of Name

On 9 September 2016, the Company changed its name from Astral Supreme Berhad to Vizione Holdings Berhad.


Auditors

The auditors, Messrs. Morison Anuarul Azizan Chew, have expressed their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,



DATO' NG AUN HOOI



WONG KWAI WAH

Puchong Selangor

9 SEP 2016

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON (CONT'D)

VIZIONE HOLDINGS BERHAD
(Formerly known as Astral Supreme Berhad)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
Pursuant to Section 169(15) of the Companies Act, 1965

We, DATO' NG AUN HOOI and WONG KWAI WAH, being two of the Directors of VIZIONE HOLDINGS BERHAD (formerly known as Astral Supreme Berhad), do hereby state that, in the opinion of the Directors, the financial statements set out on pages 10 to 76 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of 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 at 31 May 2016 and of their financial performance and the cash flows for the financial year then ended.

The information set out in Page 77 to the financial statements have been prepared in accordance with the 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.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors,



DATO' NG AUN HOOI



WONG KWAI WAH

Puchong Selangor

9 SEP 2016

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF OUR GROUP FOR THE FYE 31 MAY 2016 TOGETHER WITH THE AUDITORS' REPORT THEREON (CONT'D)

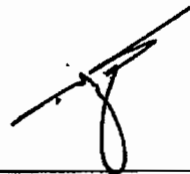
VIZIONE HOLDINGS BERHAD
(Formerly known as Astral Supreme Berhad)
(Incorporated in Malaysia)

STATUTORY DECLARATION
Pursuant to Section 169(16) of the Companies Act, 1965

I, DATO' NG AUN HOOI, being the Director primarily responsible for the financial management of VIZIONE HOLDINGS BERHAD (formerly known as Astral Supreme Berhad), do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 10 to 76 and page 77 respectively, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

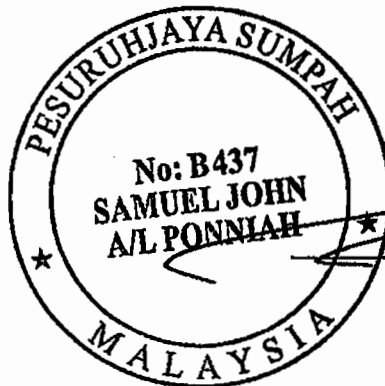
Subscribed and solemnly declared by the)
abovenamed DATO' NG AUN HOOI at)
on)
 PUCHONG, SELANGOR)

9 SEP 2016



DATO' NG AUN HOOI

Before me,


COMMISSIONER FOR OATHS

No. 23B, 1st Floor,
Jalan TK 1/11A, Taman Kinrara
47180 Puchong, Selangor