

**VIZIONE HOLDINGS BERHAD (442371-A)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31 MAY 2018****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter Ended 31 May 2018 RM'000	Preceding Year Corresponding Quarter Ended 31 May 2017 RM'000	Current Y-T-D Ended 31 May 2018 RM'000	Preceding Y-T-D Ended 31 May 2017 RM'000
<b>Turnover</b>	<b>110,697</b>	<b>16,054</b>	<b>413,186</b>	<b>49,104</b>
Cost of sales	(92,699)	(12,934)	(366,008)	(41,461)
<b>Gross profits</b>	<b>17,998</b>	<b>3,120</b>	<b>47,178</b>	<b>7,643</b>
Other operating income	502	281	1,233	415
Operating and administrative expenses	(2,860)	(1,690)	(8,881)	(4,777)
Share of results of associate	(217)	-	(647)	-
Corporate exercise expenses	-	(918)	(1,945)	(1,134)
ESOS expenses	-	-	(679)	-
<b>Profits/(loss) from operations</b>	<b>15,423</b>	<b>793</b>	<b>36,259</b>	<b>2,147</b>
Finance costs	(127)	2	(306)	(22)
<b>Profits/(loss) before taxation</b>	<b>15,296</b>	<b>795</b>	<b>35,953</b>	<b>2,125</b>
Taxation	(4,251)	(612)	(9,771)	(1,527)
<b>Total comprehensive profits/(loss)</b>	<b>11,045</b>	<b>183</b>	<b>26,182</b>	<b>598</b>
<b>Total comprehensive profits/(loss) attributable to :</b>				
Owners of the parent	11,045	183	26,182	598
Non-controlling interest	-	-	-	-
	<b>11,045</b>	<b>183</b>	<b>26,182</b>	<b>598</b>
<b>Profits/(loss) per-share</b>	<b>sen</b>	<b>sen</b>	<b>sen</b>	<b>sen</b>
Basic	<b>0.30</b>	<b>0.02</b>	<b>0.71</b>	<b>0.07</b>
Diluted	<b>0.26</b>	<b>0.01</b>	<b>0.62</b>	<b>0.05</b>

The Condensed Consolidate Statement of Comprehensive income should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2017.

**VIZIONE HOLDINGS BERHAD (442371-A)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31 MAY 2018****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As At 31 May 2018 (UNAUDITED) RM'000</b>	<b>As At 31 May 2017 (AUDITED) RM'000</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	12,979	1,321
Investment properties	800	813
Investment in associate	740	-
Deferred tax assets	13	14
Goodwill on consolidation	251,648	-
	<b>266,180</b>	<b>2,148</b>
<b>CURRENT ASSETS</b>		
Trade receivables	133,465	18,575
Amount owing by customers on contract	54,851	4,154
Others receivables and deposits	67,582	23,772
Short term money market	10,454	29,955
Fixed deposits with licensed bank	20,149	-
Bank and cash equivalent	21,787	4,096
	<b>308,288</b>	<b>80,552</b>
<b>TOTAL ASSETS</b>	<b>574,468</b>	<b>82,700</b>
<b>EQUITY</b>		
Share capital	418,636	87,486
Capital reserve	646	-
ICULS	268	298
Warrant reserve	4,269	4,269
Share premium	-	7
Accumulated profits/(loss)	9,208	(16,975)
Total attributable to the parent equity holders	<b>433,027</b>	<b>75,085</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
ICULS	5	11
Finance lease liabilities	318	194
Bank borrowings	3,449	-
Deferred tax liabilities	337	-
	<b>4,109</b>	<b>205</b>

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**UNAUDITED INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31 MAY 2018****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>As At 31 May 2018 (UNAUDITED) RM'000</b>	<b>As At 31 May 2017 (AUDITED) RM'000</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	118,026	5,793
Others payables	6,713	384
Amount due to directors	86	238
Finance lease liabilities	504	254
Bank borrowings	10,017	-
Provision for taxation	1,986	741
	<b>137,332</b>	<b>7,410</b>
<b>TOTAL LIABILITIES</b>	<b>141,441</b>	<b>7,615</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>574,468</b>	<b>82,700</b>
<b>NET ASSETS PER-SHARE (RM)</b>	<b>0.1172</b>	<b>0.0858</b>

*The Condensed Consolidate Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2017.*

**VIZIONE HOLDINGS BERHAD (442371-A)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31 MAY 2018****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

<b>GROUP</b>	ATTRIBUTABLE TO THE OWNER OF THE PARENT						<b>TOTAL EQUITY</b> RM'000
	Non-distributable				Distributable		
	<b>Share Capital</b> RM'000	<b>Share Premium</b> RM'000	<b>Capital Reserve</b> RM'000	<b>ICULS</b> RM'000	<b>Warrant Reserve</b> RM'000	<b>Accumulated Losses</b> RM'000	
<b>As at 1 Jun 2017</b>	<b>87,486</b>	<b>7</b>	<b>-</b>	<b>298</b>	<b>4,269</b>	<b>(16,975)</b>	<b>75,085</b>
Total comprehensive income for the 1st financial quarter ended 31 Aug 2017	-	-	-	-	-	529	<b>529</b>
<b>As at 31 Aug 2017</b>	<b>87,486</b>	<b>7</b>	<b>-</b>	<b>298</b>	<b>4,269</b>	<b>(16,446)</b>	<b>75,614</b>
Issuance of ordinary shares pursuant to private placement	207,555	-	-	-	-	-	<b>207,555</b>
Issuance of ordinary shares pursuant to acquisition of a subsidiary	107,382	-	-	-	-	-	<b>107,382</b>
Share issuing expenses	(4,569)	-	-	-	-	-	<b>(4,569)</b>
Share Issuance Scheme	-	-	679	-	-	-	<b>679</b>
Total comprehensive income for the 2nd financial quarter ended 30 Nov 2017	-	-	-	-	-	6,549	<b>6,549</b>
<b>As at 30 Nov 2017</b>	<b>397,854</b>	<b>7</b>	<b>679</b>	<b>298</b>	<b>4,269</b>	<b>(9,897)</b>	<b>393,210</b>
Issuance of ordinary shares pursuant to Share Issuance Scheme	30	-	(4)	-	-	-	<b>26</b>
Issuance of ordinary shares pursuant to conversion of ICULS	5	-	-	(4)	-	-	<b>1</b>
Share issuing expenses	(875)	-	-	-	-	-	<b>(875)</b>
Total comprehensive income for the 3rd financial quarter ended 28 Feb 2018	-	-	-	-	-	8,060	<b>8,060</b>
<b>As at 28 Feb 2018</b>	<b>397,014</b>	<b>7</b>	<b>675</b>	<b>294</b>	<b>4,269</b>	<b>(1,837)</b>	<b>400,422</b>
Issuance of ordinary shares pursuant to Share Issuance Scheme	198	-	(29)	-	-	-	<b>169</b>
Issuance of ordinary shares pursuant to conversion of ICULS	30	-	-	(26)	-	-	<b>4</b>
Issuance of ordinary shares pursuant to private placement	21,742	-	-	-	-	-	<b>21,742</b>
Share issuing expenses	(355)	-	-	-	-	-	<b>(355)</b>
Reclassification of share premium	7	(7)	-	-	-	-	<b>-</b>
Total comprehensive income for the 4th financial quarter ended 31 May 2018	-	-	-	-	-	11,045	<b>11,045</b>
<b>As at 31 May 2018</b>	<b>418,636</b>	<b>-</b>	<b>646</b>	<b>268</b>	<b>4,269</b>	<b>9,208</b>	<b>433,027</b>

**VIZIONE HOLDINGS BERHAD (442371-A)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31 MAY 2018****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	ATTRIBUTABLE TO THE OWNER OF THE PARENT						TOTAL EQUITY RM'000
	Non-distributable					Distribu- table	
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	ICULS RM'000	Warrant Reserve RM'000	Accumu- lated Losses RM'000	
<b>GROUP</b>							
<b>As at 1 Jun 2016</b>	<b>58,373</b>	<b>6,994</b>	<b>5,527</b>	<b>331</b>	<b>4,418</b>	<b>(59,429)</b>	<b>16,214</b>
Capital reduction	(29,186)	(6,994)	(5,527)	-	(1,898)	43,605	-
Issuance of ordinary shares pursuant to rights issue	58,292	-	-	-	1,749	(1,749)	<b>58,292</b>
Issuance of ordinary shares pursuant to conversion of ICULS	7	7	-	(33)	-	-	<b>(19)</b>
Total comprehensive income for the financial year ended 31 May 2017	-	-	-	-	-	598	<b>598</b>
<b>As at 31 May 2017</b>	<b>87,486</b>	<b>7</b>	<b>-</b>	<b>298</b>	<b>4,269</b>	<b>(16,975)</b>	<b>75,085</b>

The Condensed Consolidate Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2017.

**VIZIONE HOLDINGS BERHAD (442371-A)**

(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE 4TH QUARTER ENDED 31 MAY 2018****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	<b>12 Months Ended 31 May 2018 (UNAUDITED) RM'000</b>	<b>12 Months Ended 31 May 2017 (AUDITED) RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers and others receivables	315,680	24,621
Cash payments to suppliers and employees	(335,808)	(49,042)
<b>Cash flow used in operation</b>	<b>(20,128)</b>	<b>(24,421)</b>
Tax paid	(8,626)	(899)
<b>Net cash used in operating activities</b>	<b>(28,754)</b>	<b>(25,320)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Acquisition of a subsidiary	(172,608)	-
Investment in a associate	(127)	-
Project deposit	(24,250)	-
Decrease in fixed deposits pledged to banks	5,500	-
Purchase of property, plant & equipment	(4,946)	(153)
<b>Net cash used in investing activities</b>	<b>(196,431)</b>	<b>(153)</b>
<b>CASH FLOW FROM FROM FINANCING ACTIVITIES</b>		
Interest paid	(224)	(11)
Amount owing to directors	648	(355)
Repayment of finance lease liabilities	(579)	(231)
Drawdown of bank borrowings	40,085	-
Repayment of bank borrowings	(40,248)	-
Net proceeds from rights issue	-	58,293
Net proceeds from private placement	223,498	-
Net proceeds from share issuance scheme	195	-
<b>Net cash from financing activities</b>	<b>223,375</b>	<b>57,696</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1,810)</b>	<b>32,223</b>
<b>Cash and cash equivalent at beginning of the period</b>	<b>34,051</b>	<b>1,828</b>
<b>Cash and cash equivalent at end of period</b>	<b>32,241</b>	<b>34,051</b>
<b>CASH AND CASH EQUIVALENT AT END OF PERIOD CONSISTS OF :-</b>		
Cash and bank balances	21,787	4,096
Fixed deposits	20,149	-
Short term money market	10,454	29,955
	<b>52,390</b>	<b>34,051</b>
Less: Fixed deposits pledged to banks	(20,149)	-
	<b>32,241</b>	<b>34,051</b>

The Condensed Consolidate Statement of Cash flow should be read in conjunction with the Audited Financial Statements for the year ended 31 May 2017.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**PART A : EXPLANATORY NOTES IN COMPLIANCE WITH MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 : INTERIM FINANCIAL REPORTING**

**A1) Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: “Interim Financial Reporting”, paragraph 9.22 and Part A of Appendix 98 of the Main Market Listing Requirements (“Main LR”) Bursa Malaysia Securities Berhad (“Bursa Securities”).

The unaudited interim financial report contains condensed consolidated financial statement for the 4th financial quarter from 1 March 2018 to 31 May 2018, and should be read in conjunction with the Group’s audited financial statements presented in the Annual Report for financial year ended 31 May 2017. The notes include an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since financial year ended 31 May 2017.

**A2) Significant accounting policies and application of MFRS**

(a) The significant accounting policies applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 May 2017. The adoption of the following Malaysian Financial Reporting Standards (“MFRSs”) and amendments to MFRS that have been issued by the MASB for the financial period beginning on or after 1 January 2017 are as follows:

- Amendments to MFRS 107 “Disclosure Initiative”
- Amendments to MFRS 112 “Recognition of Deferred Tax Assets for Unrealised Losses”
- Amendments to MFRS 12 “Disclosure of Interest in Other Entities” (Annual Improvements 2014-2016 cycle)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A2) Significant accounting policies and application of MFRS (Cont'd)**

**(b) Standards issued but not yet effective**

***Annual periods beginning on/after 1 January 2018***

- Amendments to MFRS 1, "First-time Adoption of Malaysian Financial Reporting Standards" (Annual Improvements 2014-2016 Cycle)
- Amendments to MFRS 2 "Classification and Measurement of Share-Based Payments Transactions"
- MFRS 9 "Financial Instruments"

***Annual periods beginning on/after 1 January 2018 (Cont'd)***

- MFRS 15 "Revenue from Contracts With Customers"
- Amendments to MFRS 4, "Applying MFRS 9 Financial Instruments with MFRS 4, Insurance Contracts"
- Amendments to MFRS 128, "Investments in Associates and Joint Ventures" (Annual Improvements 2014-2016 Cycle)
- Amendments to MFRS 140, "Transfer of Investment Property"
- IC Interpretation 22, "Foreign Currency Transactions And Advance Consideration"

***Annual periods beginning on/after 1 January 2019***

- MFRS 16 "Leases"
- Amendments to MFRS 9, "Prepayment Features with Negative Compensation"
- Amendments to MFRS 128, "Long-term Interests in Associates and Joint Ventures"
- IC Interpretation 23, "Uncertainty over Income Tax Treatments"

***Annual periods beginning on/after 1 January 2021***

- MFRS 17 "Insurance Contracts"



**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A2) Significant accounting policies and application of MFRS (Cont'd)**

**(c) Effective date yet to be determined by the Malaysian Accounting Standards Board**

- Amendments to MFRS 10 and MFRS 128, "Sale or Contribution of Assets between an Investor and its' Associate or Joint Venture"

Aside from the above mentioned, the adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group and the Company.

**A3) Audit report**

The Auditors' Report of the preceding annual financial statements for the financial year ended 31 May 2017 was not subject to any audit qualification.

**A4) Seasonal or cyclical factors**

The Group's performance is not significantly affected by seasonal and cyclical factors.

**A5) Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the reporting quarter ended 31 May 2018.

**A6) Material changes in estimates used**

There were no significant changes in the nature and amount of estimates reported in the prior interim period of the current financial quarter or prior years that have a material effect on the current financial quarter ended 31 May 2018 under review.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A7) Debt and equity securities**

Saved as disclosed below, there were no other issuance or repayment of debt and equity securities, share buy-backs, share cancellations, share held as treasury shares by the Group during the financial period:-

- (a) 1,448,000 new ordinary shares pursuant to the Share Issuance Scheme.
- (b) 157,894 new ordinary shares pursuant to the conversion of ICULS.
- (c) 155,300,000 new ordinary shares pursuant to the Private Placement.

**A8) Dividends paid**

No dividends were declared or paid during the current financial quarter ended 31 May 2018 under review.

**A9) Segmental reporting**

Segment information is presented in respect of the Group's business segments which are based on the internal reporting structure presented to the management of the Company. The Group's principal segment businesses are construction and investment holding.

The Group's segmental report for the current financial quarter ended 31 May 2018 under review are as follows:-

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A9) Segmental reporting (Cont'd)**

	Individual		Cumulative	
	Current Year Quarter Ended 31 May 2018 RM'000	Preceding Year Corresponding Quarter Ended 31 May 2017 RM'000	Current Y-T-D Ended 31 May 2018 RM'000	Preceding Y-T-D Ended 31 May 2017 RM'000
<b>TURNOVER</b>				
Construction	130,601	16,054	467,677	49,104
Investment holdings	825	393	3,021	1,349
Less: Inter-segment revenue	(20,729)	(393)	(57,512)	(1,349)
<b>Total consolidated revenue</b>	<b>110,697</b>	<b>16,054</b>	<b>413,186</b>	<b>49,104</b>
<b>RESULTS</b>				
Construction	16,108	2,436	40,554	5,289
Investment holdings	(384)	(1,599)	(3,335)	(3,093)
	<b>15,724</b>	<b>837</b>	<b>37,219</b>	<b>2,196</b>
Other non-reportable segments	(84)	(44)	(313)	(49)
Share of results of associate	(217)	-	(647)	-
Provision for taxation	(4,251)	(612)	(9,771)	(1,527)
Interest expenses	(127)	2	(306)	(22)
<b>Net profits/(loss) after tax</b>	<b>11,045</b>	<b>183</b>	<b>26,182</b>	<b>598</b>
<b>SEGMENT ASSETS</b>				
Construction			318,755	48,461
Investment holdings			397,731	69,608
			<b>716,486</b>	<b>118,069</b>
Others non-reportable segments			2,097	3
Elimination of inter-company balances			(144,115)	(35,372)
<b>Consolidated total assets</b>			<b>574,468</b>	<b>82,700</b>
<b>SEGMENT LIABILITIES</b>				
Construction			233,577	41,268
Investment holdings			383	641
			<b>233,960</b>	<b>41,909</b>
Others non-reportable segments			2,484	78
Elimination of inter-company balances			(95,003)	(34,372)
<b>Consolidated total liabilities</b>			<b>141,441</b>	<b>7,615</b>

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A10) Valuation of property, plant and equipment**

There was a valuation on the investment property held for the reporting quarter ended 31 May 2018. The carrying value of investment property is based on valuation carried out by Fadzilah & Fikri Sdn. Bhd..

**A11) Significant events**

There were no events of a material nature to be disclosed in the interim financial statements for the current financial quarter ended 31 May 2018, save and except for the following:-

- (I) The Company had on 16 March 2018 announced the Proposed Consolidation of every 7 ordinary shares in Vizione into 1 Vizione share and Proposed Amendments to the By-Laws governing the Company's existing Employee Share Issuance Scheme.

On 12 April 2018, 14 May 2018 and 11 July 2018, the Company had submitted an application to Bursa Securities for an extension of time until 15 May 2018, 13 July 2018 and 26 October 2018 respectively in relation to the above mentioned proposals. Consequently, Bursa Securities had resolved to grant the extension of time vide her letters' dated 19 April 2018, 21 May 2018 and 16 July 2018.

- (II) The Board had on 22 March 2018 fixed the issue price for the 1<sup>st</sup> tranche of up to 300,000,000 new Vizione Shares to be issued under the Proposed Private Placement at RM 0.14 per Placement Share.

The 1<sup>st</sup> tranche of the Proposed Private Placement had been completed on 3 April 2018 following the listing and quotation of the 155,300,000 placement shares on the Main Market of Bursa Malaysia.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A12) Material changes in the composition of the Group**

On 21 March 2018, the Company's wholly owned subsidiary, Vizione Development Sdn Bhd had acquired 40 ordinary shares for a cash consideration of RM40 in Mahsyur Gemilang Development Sdn Bhd ("MGDSB") representing 40% of the entire issued share capital of MGDSB. As a results, MGDSB becomes an associate company of the Group.

The Company's wholly owned subsidiary, Wira Syukur (M) Sdn Bhd had on 18 April 2018 entered into a share sale agreement for acquisition of 1,500,000 ordinary shares, representing 30% of the entire issued share capital of Zenith Urban Development Sdn Bhd.

Saved for the above, there was no changes in the composition of the Group during the reporting quarter ended 31 May 2018 and up to the date of this report.

**A13) Contingent liabilities and contingent assets**

There were no material contingent liabilities or assets for the reporting quarter ended 31 May 2018 except below:-

(a) Contingent liabilities

	<b>Cumulative</b>	
	<b>Quarter Ended 31 May 2018</b>	<b>Quarter Ended 31 May 2017</b>
	RM'000	RM'000
Corporate guarantee given to banks for facilities granted to related parties	30,249	-
Corporate guarantee given to banks for facilities granted to third parties	31,827	-
	<b>62,076</b>	<b>-</b>
Bank guarantees extended to third parties in respect of contracts entered	55,143	-

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A13) Contingent liabilities and contingent assets (Cont'd)**

(b) Contingent assets

As at the date of this report, there were no contingent assets.

**A14) Material events subsequent to the end of the interim financial report**

The management is not aware of any material events subsequent to the end of the interim financial report that have not been reflected in the financial statements for the current financial quarter ended 31 May 2018 under review.

**A15) Capital commitment**

There was no commitment for the purchase of property, plant and equipment provided for in the current financial quarter ended 31 May 2018.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**A16) Related Party Transactions**

The Group has carried out the following significant transactions with the related parties during the current financial quarter ended 31 May 2018.

	Individual		Cumulative	
	Current Year Quarter Ended 31 May 2018 RM'000	Preceding Year Corresponding Quarter Ended 31 May 2017 RM'000	Current Y-T-D Ended 31 May 2018 RM'000	Preceding Y-T-D Ended 31 May 2017 RM'000
Progressive sub-contracting income for the Group construction project	-	3,591	3,120	16,880
Project management services rendered	-	2,600	5,226	5,920
Hire of equipments	-	-	4	-
Progressive sub-contracting costs for the Group construction project	(3,382)	(2,180)	(27,172)	(2,180)
Office rental	(30)	-	(80)	-
Project development costs	-	-	(4,674)	-

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**PART B : ADDITIONAL EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENT OF THE BURSA MALAYSIA SECURITIES BERHAD**

**B1) Review of performance – Quarter 4, FY 2018 (“Q4FY2018”) vs Quarter 4 FY 2017 (“Q4FY2017”)**

For the current financial quarter under review, the Group posted a revenue of RM110.70 million as compared to its corresponding preceding financial quarter, Q4FY2017 of RM16.05 million. Along with the increase in revenue, profit before tax (“PBT”) during the current quarter jumped to RM15.30 million, representing an increase of RM14.50 million from its corresponding preceding quarter of RM0.80 million.

The increase in revenue and PBT were mainly attributed to the construction works which were undertaken during the quarter by Wira Syukur (M) Sdn Bhd (“WSSB”) which was acquired by the Group on 9 October 2017. WSSB has a substantial order book of approximately RM3.41 billion comprising of projects awarded by the local government and developers in Malaysia.

**B2) Changes in revenue and PBT for Q4FY2018 as compared with the immediate preceding quarter ended 28 February 2018 (“Q3FY2018”):-**

<b>Current Year Quarter Ended</b>	<b>Immediate Preceding Quarter Ended</b>	<b>Variance</b>
31 May 2018	28 Feb 2018	
RM'000	RM'000	%

Revenue	<b>110,697</b>	<b>133,858</b>	<b>(17.30%)</b>
Profit before taxation	<b>15,296</b>	<b>10,212</b>	<b>49.78%</b>

For the current quarter, the Group reported a revenue and PBT of RM110.70 million and RM15.30 million respectively as compared to RM133.86 million and RM10.21 million respectively in its' immediate preceding quarter. The lower revenue was due to the major earth work and drainage system of several



**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B2) Changes in revenue and PBT for Q4FY2018 as compared with the immediate preceding quarter ended 28 February 2018 ("Q3FY2018"):- (Cont'd)**

projects completed in immediate preceding quarter and the higher PBT in current quarter is driven by the project management revenue stream which contributed higher profit margin to the group.

**B3) Future prospects**

The Group envisages great opportunities in the wake of the new government's objective in building more affordable homes in the short to medium term as reflected in their manifesto to construct one million affordable houses within two terms of their administration. High construction cost remain one of the most significant barriers towards wide scale provision of affordable housing in Malaysia where expenses relating to construction materials, labour, regulatory compliance and land generally contribute up to 80% of the overall housing cost. Nevertheless, the Group expects the government to roll out adequate incentives to drive and promote the construction of affordable homes in Malaysia which augurs well with the Group.

With the Group's recent acquisition of Wira Syukur Sdn Bhd ("WSSB") in October 2017, the Group is confident that it will be strategically positioned to benefit from the new government's plans of constructing more affordable residences amongst Malaysians, grossly due to WSSB's enormous experience in the low cost and affordable housing sector through its employment of cost effective building methodologies. The Group's current order book currently stands at a commendable RM 3.41 billion which will keep the Group busy until the year 2022.

The Group will continue to pursue new business streams within the construction and property development sector as part of the Group's vision to focus on the Group's core strength in construction industry and to synergise with the property development projects. This includes but not limited to the construction of infrastructure projects and affordable mixed-use property development projects which have great potential in the coming years. The Group's position in the industry will augur well with the current economic climate, given Malaysia's aspirations in becoming a developed nation and the

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B3) Future prospects (Cont'd)**

necessity for more infrastructure projects. The Group will explore these opportunities and leverage on its operational strengths in the hope to continuously provide growth in profits despite the current economically challenging environment.

**B4) Variance on profit forecast / profit guarantee**

The group is not subject to any profit forecast and/or profit guarantee.

**B5) Taxation**

	Individual		Cumulative	
	Current Year Quarter Ended 31 May 2018 RM'000	Preceding Year Corresponding Quarter Ended 31 May 2017 RM'000	Current Y-T-D ended 31 May 2018 RM'000	Preceding Y-T-D Ended 31 May 2017 RM'000
<b>In respect of current quarter:-</b>				
Income Tax	4,013	612	9,533	1,527
Deferred Tax	238	-	238	-
	<b>4,251</b>	<b>612</b>	<b>9,771</b>	<b>1,527</b>

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B6) Additional notes to the Comprehensive Income Statement**

The following items have been charged and credited in arriving at the Profit/(Loss) before taxation:-

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter Ended 31 May 2018 RM'000	Preceding Year Corresponding Quarter Ended 31 May 2017 RM'000	Current Y-T-D Ended 31 May 2018 RM'000	Preceding Y-T-D Ended 31 May 2017 RM'000
Building and office rental	117	45	304	178
Depreciation of Property, plant and equipment ("PPE")	222	47	574	245
Interest expenses	127	(2)	306	22

**B7) Corporate Proposals**

There were no other proposals announced by the company but pending implementation as at the date of this report, save and except for the following:-

- (I) The Company had on 16 March 2018 announced the Proposed Consolidation of every 7 ordinary shares in Vizione into 1 Vizione share and Proposed Amendments to the By-Laws governing the Company's existing Employee Share Issuance Scheme.

On 12 April 2018, 14 May 2018 and 11 July 2018, the Company had submitted an application to Bursa Securities for an extension of time until 15 May 2018, 13 July 2018 and 26 October 2018 respectively in relation to the above mentioned proposals. Consequently, Bursa Securities had resolved to grant the extension of time vide her letters' dated 19 April 2018, 21 May 2018 and 16 July 2018.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B8) Group Borrowings**

Details of the Group's bank borrowings as at 31 May 2018 are as follows:-

	<u>Current</u> RM '000	<u>Non-current</u> RM '000	<u>Total</u> RM '000
Secured			
Finance Lease Liabilities	504	318	822
Bank Borrowings	10,017	3,449	13,466
<b>Total</b>	<b>10,521</b>	<b>3,767</b>	<b>14,288</b>

**B9) Material litigations**

The management is not aware of any pending material litigation which will have a material effect on the financial position or the business of the Group and the Board is not aware of any proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the Group at the date of this report.

**B10) Dividends**

No dividend has been proposed and paid for during the current financial quarter ended 31 May 2018 and the previous audited financial year ended 31 May 2017.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B11) Earnings / (loss) per share**

	Individual		Cumulative	
	Current Year Quarter Ended 31 May 2018	Preceding Year Corresponding Quarter Ended 31 May 2017	Current Y-T-D Ended 31 May 2018	Preceding Corresponding Y-T-D Ended 31 May 2017
<b>a) <u>Basis earnings/(loss) per-share</u></b>				
Profits/(loss) attributable to the owners of parent ('000)	11,045	183	26,182	598
Total weighted average number of ordinary shares in issue ('000)	3,695,647	874,855	3,695,647	874,855
<b>Basis earnings/(loss) per share (sen)</b>	<b>0.30</b>	<b>0.02</b>	<b>0.71</b>	<b>0.07</b>
<b>b) <u>Diluted earnings/(loss) per-share</u></b>				
Profit/(loss) attributable to the owners of parent ('000)	11,045	183	26,182	598
Total weighted average number of ordinary shares in issue ('000)	3,695,647	874,855	3,695,647	874,855
Adjusts for:				
Assuming full conversion of ICULS	3,068	3,416	3,068	3,416
Assuming full conversion of Warrants B 13/18	87,935	87,935	87,935	87,935
Assuming full conversion of Warrants C 17/22	291,462	291,462	291,462	291,462
Assuming full exercise of Share Issuance Scheme	129,560	-	129,560	-
	<b>4,207,672</b>	<b>1,257,668</b>	<b>4,207,672</b>	<b>1,257,668</b>
<b>Diluted earnings/(loss) per-share (sen)</b>	<b>0.26</b>	<b>0.01</b>	<b>0.62</b>	<b>0.05</b>

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B12) Status of utilisation of proceeds**

- (i) The Rights Issue with Warrants has been completed with the listing of 582,924,900 Rights Shares together with 291,462,450 Warrants-C on the Main Market of Bursa Securities on 10 February 2017.

The total proceeds received from the Rights Shares was RM58,292,490.

The status of utilisation of the proceeds as at 31 May 2018 are as follows:-

	<b>Proposed Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance Unutilised</b>
<b>Details of Utilisation</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Construction Activities	40,000	40,000	-
Property Development Activities	9,987	-	9,987
Working Capital	7,105	7,105	-
Expenses in relation to the Corporate Exercise	1,200	1,200	-
<b>Total</b>	<b>58,292</b>	<b>48,305</b>	<b>9,987</b>

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B12) Status of utilisation of proceeds (Cont'd)**

- (ii) Private placement of 1,687,440,000 new Vizione Shares at the issue price of RM0.123 per placement share which was completed on 3 October 2017.

On 3 October 2017, Company announced that the Previous Private Placement had been completed following the listing of and quotation for 1,687,440,000 new Vizione Shares at RM0.123 per placement share, which raised a total of approximately RM207.65 million. The status of utilization of the proceeds from the Previous Private placement is as below:

	<b>Proposed Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance Unutilised</b>
<b>Details of Utilisation</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Acquisition	172,618	172,618	-
Working Capital	26,937	26,937	-
Expenses in relation to the Corporate Exercise	8,000	8,000	-
<b>Total</b>	<b>207,555</b>	<b>207,555</b>	<b>-</b>

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 MAY 2018**

**B12) Status of utilisation of proceeds (Cont'd)**

- (iii) A private placement of 155,300,000 new Vizione Shares at the issue price of RM0.14 per placement share had been completed on 3 April 2018, which raised a total of approximately RM21.74 million. The status of utilization is as below:

	<b>Proposed Utilisation</b>	<b>Actual Utilisation</b>	<b>Balance Unutilised</b>
<b>Details of Utilisation</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Construction projects expenditure	20,542	11,146	9,396
Expenses in relation to the Corporate Exercise	1,200	390	810
<b>Total</b>	<b>21,742</b>	<b>11,536</b>	<b>10,206</b>

**B13) Authorisation for issue**

The interim financial report were authorised for issue by the Board of Directors in accordance with resolution of the directors on 25<sup>th</sup> July 2018.