

VIZIONE HOLDINGS BERHAD 199701026873 (442371-A)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter Ended 31-Aug-22 RM'000	Preceding Year Corresponding Quarter Ended 31-Aug-21 RM'000	Current Y-T-D Ended 31-Aug-22 RM'000	Preceding Y-T-D Ended 31-Aug-21 RM'000
Turnover	49,924	38,665	191,538	199,301
Cost of sales	(50,508)	(35,013)	(175,481)	(174,647)
Gross profit	(584)	3,652	16,057	24,654
Other operating income	300	373	869	671
Operating and administrative expenses	(7,290)	(6,256)	(20,850)	(18,682)
Share of results of associate	10	(188)	(1,259)	(268)
Share of results of joint venture	(174)	(524)	79	(267)
Profit/(Loss) from operations	(7,738)	(2,943)	(5,104)	6,108
Finance costs	(1,217)	(393)	(3,051)	(1,377)
Profit/(Loss) before taxation	(8,955)	(3,336)	(8,155)	4,731
Taxation	89	(632)	(380)	(2,405)
Total comprehensive profit/(loss)	(8,866)	(3,968)	(8,535)	2,326
Total comprehensive profit/(loss) attributable to :				
Owners of the parent	(7,915)	(5,146)	(7,136)	(2,083)
Non-controlling interest	(951)	1,178	(1,399)	4,409
	(8,866)	(3,968)	(8,535)	2,326
Profit/(Loss) per-share	<u>Sen</u>	<u>sen</u>	<u>Sen</u>	<u>Sen</u>
Basic	(0.47)	(0.59)	(0.42)	(0.24)
Diluted	(0.47)	(0.59)	(0.42)	(0.24)

The Condensed Consolidated Statement of Comprehensive income should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2021.

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(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As At 31-Aug-22 (UNAUDITED) RM'000	As At 30-Nov-21 (AUDITED) RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	35,000	34,473
Right-of-use assets	18,266	18,894
Investment properties	29,997	5,997
Intangible assets	157,515	157,515
Investment in associate companies	2,737	3,997
Investment in a joint venture company	1,075	622
Deferred tax assets	2,224	2,248
	246,814	223,746
CURRENT ASSETS		
Inventories	6,129	4,676
Property development cost	14,453	13,058
Contract assets	171,790	121,842
Trade receivables	273,440	290,714
Others receivables	148,639	135,160
Amount due from associate company	159	159
Amount due from joint venture company	375	-
Other investments	37	36
Tax recoverable	13,565	12,694
Fixed deposits with licensed banks	38,515	24,465
Cash and bank balances	8,789	12,821
	675,891	615,625
TOTAL ASSETS	922,705	839,371
EQUITY		
Share capital	676,768	602,608
Treasury shares	(1,204)	(1,204)
Warrant reserves	7,672	1,749
Retained earnings	(32,208)	(26,821)
Equity attributable to owners of the parent	651,028	576,332
Non-controlling interests	(652)	747
Total Equity	650,376	577,079

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As At 31-Aug-22 (UNAUDITED) RM'000	As At 30-Nov-21 (AUDITED) RM'000
LIABILITIES		
NON-CURRENT LIABILITIES		
Finance lease liabilities	3,403	3,681
Bank borrowings	39,116	10,581
Deferred tax liabilities	7	7
	42,526	14,269
CURRENT LIABILITIES		
Contract liabilities	-	1,127
Trade payables	97,490	100,574
Others payables	74,838	103,764
Amount due to directors	4,049	3,918
Amount due to a joint venture company	-	927
Finance lease liabilities	1,994	4,033
Bank borrowings	51,432	33,679
	229,803	248,024
TOTAL LIABILITIES	272,329	262,293
TOTAL EQUITY AND LIABILITIES	922,705	839,371
NET ASSETS PER-SHARE (RM)	0.3179	0.5624

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2021.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	ATTRIBUTABLE TO THE OWNERS OF THE PARENT							TOTAL EQUITY RM'000
	Non-distributable				Distributable			
	Share Capital RM'000	Warrants Reserves RM'000	Irredeemable Convertible Unsecured Loan Stock ("ICULS") RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total Attributable To Owners Of The Parent RM'000	Non-controlling Interest RM'000	
GROUP								
As at 1 December 2021	602,608	1,749	-	(1,204)	(26,821)	576,332	747	577,079
Profit for the financial period, representing total comprehensive income for the financial year	-	-	-	-	(7,136)	(7,136)	(1,399)	(8,535)
Transactions with owners:-								
Issuance of ordinary shares pursuant to rights issue	81,832	-	-	-	-	81,832	-	81,832
Warrant reserves pursuant to rights issue	(7,672)	7,672	-	-	-	-	-	-
Expiry of warrants	-	(1,749)	-	-	1,749	-	-	-
Total transactions with owners	74,160	5,923	-	-	1,749	81,832	-	81,832
As at 31 Aug 2022	676,768	7,672	-	(1,204)	(32,208)	651,028	(652)	650,376

VIZIONE HOLDINGS BERHAD 199701026873 (442371-A)

(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	ATTRIBUTABLE TO THE OWNERS OF THE PARENT							
	Non-distributable					Distributable		
	Share Capital RM'000	Warrants Reserves RM'000	Irredeemable Convertible Unsecured Loan Stock ("ICULS") RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total Attributable To Owners Of The Parent RM'000	Non-controlling Interest RM'000	TOTAL EQUITY RM'000
As at 1 December 2020	558,098	1,749	261	(1,204)	59,281	618,185	379	618,564
Loss for the financial period, representing total comprehensive income for the financial year	-	-	-	-	(85,579)	(85,579)	2,898	(82,681)
Transactions with owners:-								
Issuance of ordinary shares	44,486	-	-	-	-	44,486	-	44,486
Share issuance expenses	(275)	-	-	-	-	(275)	-	(275)
Accretion of equity interest of subsidiaries	-	-	-	-	(523)	(523)	23	(500)
Non-controlling interest arising from acquisition of subsidiaries	-	-	-	-	-	-	(2,553)	(2,553)
Arising from conversion of ICULS by mandatory conversion upon maturity on 10 August 2021	299	-	(261)	-	-	38	-	38
Total transactions with owners	44,510	-	(261)	-	(523)	43,726	(2,530)	41,196
As at 30 November 2021	602,608	1,749	-	(1,204)	26,821	576,332	747	577,079

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2021.

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(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	9 Months Ended 31-Aug-22 (UNAUDITED) RM'000	12 Months Ended 30-Nov-21 (AUDITED) RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(8,155)	(82,036)
Adjustments for:		
Amortisation of right-of-use assets	1,469	1,643
Depreciation of property, plant and equipment	1,860	2,491
Gain on disposal of right-of-use assets	-	(4)
Impairment loss on contract assets	-	1,318
Impairment loss on trade receivables	-	1,422
Impairment loss on other receivables	-	932
Impairment loss on goodwill on consolidation	-	90,993
Interest income	(391)	(454)
Interest expenses	2,998	3,204
Share of results of associate companies	1,259	341
Share of results of joint venture company	(79)	457
Loss on disposal of property, plant and equipment	-	101
Bad debts written off	-	1580
Reversal of impairment loss on trade receivables	-	(868)
Reversal of impairment loss on other receivable	-	(8)
Operating profit before working capital changes	(1,039)	21,112
Change in working capital:		
Contract assets	(49,947)	5,744
Inventories	(1,453)	(215)
Property development cost	(1,395)	7,609
Trade & other receivables	3,793	23,152
Contract liabilities	(1,127)	(1,518)
Trade & other payables	(32,015)	(61,648)
Amount due to a joint venture company	(927)	(8,169)
	(83,071)	(35,045)
Cash used in operations	(84,110)	(13,933)

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	9 Months Ended 31-Aug-22 (UNAUDITED) RM'000	12 Months Ended 30-Nov-21 (AUDITED) RM'000
Interest paid	(2,998)	(3,430)
Interest received	391	454
Dividend received	-	2,550
Tax paid	(1,227)	(8,258)
Tax refund	-	2,110
	(3,834)	(6,574)
Net cash used in operating activities	(87,944)	(20,507)
CASH FLOW FROM INVESTING ACTIVITIES		
Net cash outflow from acquisition of subsidiary companies	-	(3,561)
Additional equity interest in a subsidiary company	-	(500)
Acquisition of a joint venture company	(375)	-
Acquisition of right of use assets	(159)	(564)
Capital work-in-progress incurred	46	(8,371)
Purchase of property, plant and equipment	(2,338)	(11,735)
Purchase of investment property	(24,000)	-
Disposal of property, plant and equipment	-	187
Disposal of right-of-use assets	-	86
Net cash used in investing activities	(26,826)	(24,458)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of finance lease liabilities	(3,092)	(4,127)
Proceeds from issuance of ordinary shares	81,832	44,210
Proceeds from rights issue subscription	-	-
Net changes in amount due from/to Directors	131	3,485
Net changes in amount due from/to joint venture company	(375)	-
Decrease/(Increase) in fixed deposit pledged	(14,050)	1,377
Drawdown of term loans	30,000	2,000
Repayment of term loans	(7,307)	(8,413)
Net changes in trust receipts and invoice financing	(2,367)	1,705
Net cash from financing activities	84,772	40,237

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UNAUDITED INTERIM FINANCIAL REPORT FOR THE 3RD QUARTER ENDED 31 AUG 2022**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	9 Months Ended 31-Aug-22 (UNAUDITED) RM'000	12 Months Ended 30-Nov-21 (AUDITED) RM'000
Net increase/(decrease) in cash and cash equivalents	(29,998)	(4,728)
Cash and cash equivalents at beginning of the period	(10,879)	(6,151)
Cash and cash equivalents at end of the period	(40,877)	(10,879)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD COMPRISES:		
Fixed deposits with licensed banks	38,515	24,465
Cash and bank balances	8,789	12,821
Other investment	37	36
Bank overdrafts	(49,703)	(23,736)
	(2,362)	13,586
Less: Fixed deposits pledged with licensed banks	(38,515)	(24,465)
	(40,877)	(10,879)

The Condensed Consolidated Statement of Cash flow should be read in conjunction with the Audited Financial Statements for the year ended 30 November 2021.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

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

A1) Basis of preparation

This interim financial statements have been prepared under the historical cost convention. This interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report is in compliance with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the explanatory notes attached to the interim financial statements which provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group.

A2) Significant accounting policies and application of MFRS

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 December 2021, the Group adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 December 2021.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4, and MFRS 16 Interest Rate Benchmark Reform - Phase 2: Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to MFRS 16 - Covid-19 Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

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

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

The accounting policies adopted are consistent with those of the previous financial year except as follows: (Cont'd)

On 1 December 2021, the Group adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 December 2021. (Cont'd)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRSs: Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

The adoption of the above Amendments to MFRS and IC Interpretation did not have any significant financial impact to the Group.

The Group has not adopted the following standards and interpretations that have been issued but not yet effective.

Description	Effective for annual periods beginning on or after
MFRS 17: Insurance Contracts	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

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

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

The Group has not adopted the following standards and interpretations that have been issued but not yet effective. (Cont'd)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group are expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements become effective. The initial application of the abovementioned pronouncements are not expected to have any material impacts to the financial statements of the Group.

A3) Audit report

The Auditors' Report of the preceding annual financial statements for the financial year ended 30 November 2021 was not subject to any audit qualification.

A4) Seasonal or cyclical factors

The Group's performance is slightly 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 quarter ended 31 Aug 2022.

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 quarter or prior years that have a material effect on the current quarter ended 31 Aug 2022 under review.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

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

A7) Debt and equity securities

There were no 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.

A8) Dividends paid

No dividends were declared or paid during the current quarter ended 31 Aug 2022 under review.

A9) Valuation of property, plant and equipment

There was no valuation on any of the Group's property, plant & equipment during the quarter ended 31 Aug 2022. The carrying value of property, plant & equipment are based on the amount incorporated in the audited financial statement for financial year ended 30 November 2021.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

A10) 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 quarter ended 31 Aug 2022 under review are as follows:-

	Individual		Cumulative	
	Current Year Quarter Ended 31-Aug-22 RM'000	Preceding Year Corresponding Quarter Ended 31-Aug-21 RM'000	Current Y-T-D Ended 31-Aug-22 RM'000	Preceding Y-T-D Ended 31-Aug-21 RM'000
<u>TURNOVER</u>				
Construction	49,459	22,138	177,714	164,233
Investment holdings	-	10	-	40
Property development	1,008	6,860	18,049	15,653
Healthcare	3,792	12,209	15,142	30,784
Other non-reportable segments	30	90	413	90
Less: Inter-segment	(4,365)	(2,642)	(19,780)	(11,499)
Total consolidated revenue	49,924	38,665	191,538	199,301
<u>RESULTS</u>				
Construction	(3,696)	(2,809)	3,298	1,809
Investment holdings	(1,440)	(1,894)	(5,005)	(5,704)
Property development	81	(1,449)	1,210	(182)
Healthcare	(1,584)	3,597	(1,766)	11,298
	(6,639)	(2,555)	(2,263)	7,221
Other non-reportable segments	(976)	324	(2,051)	(578)
Share of results of associate	10	(188)	(1,259)	(268)
Share of results of joint venture	(174)	(524)	78	(267)
Goodwill impairment	-	-	-	-
Provision for taxation	89	(632)	(380)	(2,405)
Interest expenses	(1,176)	(393)	(2,660)	(1,377)
Net profit/(loss) after tax	(8,866)	(3,968)	(8,535)	2,326

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

A10) **Segmental reporting** (Cont'd)

The Group's segmental report for the current quarter ended 31 Aug 2022 under review are as follows: - (cont'd)

	Cumulative	
	Current	Preceding
	Y-T-D	Y-T-D
	Ended	Ended
	31-Aug-22	31-Aug-21
	RM'000	RM'000
<u>SEGMENT ASSETS</u>		
Construction	645,760	332,202
Investment holdings	706,816	610,442
Property development	45,402	54,390
Healthcare	35,392	30,098
	1,433,370	1,027,132
Others non-reportable segments	51,051	34,312
Elimination of inter-company balances	(561,716)	(158,980)
Consolidated total assets	922,705	902,464
<u>SEGMENT LIABILITIES</u>		
Construction	529,822	212,512
Investment holdings	12,958	11,381
Property development	44,259	53,433
Healthcare	36,332	25,981
	625,371	303,307
Others non-reportable segments	51,195	30,520
Elimination of inter-company balances	(402,237)	(94,016)
Consolidated total liabilities	272,329	239,811

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

A11) Significant events

There were no events of a material nature to be disclosed in the interim financial statements for the current quarter ended 31 Aug 2022, save and except for the followings:-

- (I) On 24 August 2022, TA Securities (on behalf of the Board) had announced that the Company had entered into a conditional share sale agreement with Dato' Ng Aun Hooi, Ting Hing Khok and Ng Kok Kiang for the proposed acquisition of the entire equity interest in Midlands City Sdn Bhd for a purchase consideration of RM38.0 million ("Proposed Acquisition").

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 AUG 2022

A12) Material changes in the composition of the Group

There were no changes in the composition of the Group during the quarter ended 31 Aug 2022 and up to the date of this report.

A13) Contingent liabilities and contingent assets

There were no material contingent liabilities or assets for the quarter ended 31 Aug 2022 except below:-

(a) Contingent liabilities

	Cumulative	
	Quarter Ended 31-Aug-22 RM'000	Quarter Ended 30-Nov-21 RM'000
Corporate guarantee given to banks for facilities granted to related parties	10,448	10,574
Bank guarantees extended to third parties in respect of contracts entered	15,416	28,020

(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 quarter ended 31 Aug 2022 under review.

A15) Capital commitments

The capital commitments as at the end of the reporting date are as follows:

	RM'000
Capital work-in-progress	
Approved and contracted for	3,285

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

A16) Related Party Transactions

The Group has carried out the following significant transactions with the related parties during the current quarter ended 31 Aug 2022.

	Current Year Quarter Ended 31-Aug-22 RM'000	Preceding Year Corresponding Quarter Ended 31-Aug-21 RM'000	Current Y-T-D Ended 31-Aug-22 RM'000	Preceding Y-T-D Ended 31-Aug-21 RM'000
(I) Progressive sub-contracting for the Group construction project	2,752	-	7,396	5,297
(II) Office rental	(19)	(19)	(57)	(56)

A17) Advances to SSN Medical Products Sdn. Bhd.

The Group has provided financial assistance for the cost incurred to-date of 2 new glove production lines with an outstanding balance of RM9.3 million.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

**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 3, FY 2022 (“Q3FY2022”)

For the current quarter under review, the Group posted a revenue of RM49.92 million. Loss before tax (“LBT”) during the current quarter was RM8.96 million.

B2) Changes in revenue and PBT for Q3FY2022 as compared with the immediate preceding quarter ended 31 May 2022 (“Q2FY2022”):-

	Current Year Quarter Ended 31-Aug-2022 RM'000	Immediate Preceding Quarter Ended 31-May-2022 RM'000	Variance %
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Revenue

49,924

63,752

Profit/(Loss) before taxation

(8,955)

(4,113)

For the current quarter, the Group reported a revenue and LBT of RM49.92 million and RM8.96 million as compared to revenue of RM63.75 million and loss of RM4.11 million respectively in the immediate preceding quarter.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022

B3) Future prospects

During the current quarter, the Group faced numerous challenges due to the elevated building material costs, labour shortages, interest rate upcycle and inflationary pressure which resulted in the loss. However, the economy has started to recover resulting from the transitions into the endemic phase of the Covid-19 pandemic with the full resumption of business activities.

Moving forward, the Group will continue to work on its construction orderbook of RM3.1 billion.

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-Aug-2022 RM'000	Preceding Year Corresponding Quarter Ended 31-Aug-2021 RM'000	Current Y-T-D Ended 31-Aug-2022 RM'000	Preceding Y-T-D Ended 31-Aug-2021 RM'000
In respect of current quarter:-				
Income Tax	(89)	632	380	2,405
Deferred Tax	-	-	-	-
	(89)	632	380	2,405

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

B6) Additional notes to the Comprehensive Income Statement

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

	INDIVIDUAL		CUMULATIVE	
	Current Year Quarter Ended 31-Aug-22 RM'000	Preceding Corresponding Quarter Ended 31-Aug-21 RM'000	Current Y-T-D Ended 31-Aug-22 RM'000	Preceding Y-T-D Ended 31-Aug-21 RM'000
Building and office rental	-	19	-	56
Lease expenses relating to short-term leases	6	-	6	-
Depreciation of property, plant and equipment	627	1,011	1,860	2,004
Amortisation of Right-of-use assets	499	-	1,469	-
Interest expenses	1,217	393	3,051	1,377

B7) Corporate Proposals

The corporate proposal announced by the Group but not completed as at the date of this announcement is listed below:

- (I) On 24 August 2022, TA Securities (on behalf of the Board) had announced that the Company had entered into a conditional share sale agreement with Dato' Ng Aun Hooi, Ting Hing Khok and Ng Kok Kiang for the proposed acquisition of the entire equity interest in Midlands City Sdn Bhd for a purchase consideration of RM38.0 million ("Proposed Acquisition").

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

B8) Group Borrowings

Details of the Group's bank borrowings as at 31 Aug 2022 are as follows:-

	<u>Current</u> RM'000	<u>Non-current</u> RM'000	<u>Total</u> RM'000
Secured			
Finance Lease Liabilities	1,994	3,403	5,397
Bank Borrowings	51,432	39,116	90,548
Total	53,426	42,519	95,945

B9) Material litigations

There was no pending material litigation as at the date of this announcement other than as disclosed below:

(i) Vizione Construction Sdn. Bhd. Winding Up Petition

On 23rd September 2022, the Group announced that its wholly owned subsidiary, Vizione Construction Sdn. Bhd., had on 22 September 2022 received a Winding Up Petition dated 19 September 2022 and Affidavit Verifying Petition affirmed on 21 September 2022 from Ravindran, the Solicitors who act on behalf of Cedy Third Contracting And Trading (M) Sdn. Bhd. to demand for an amount RM1,350,000.00 due owing to CEDY.

The hearing date for this Winding Up Petition is on 16th May 2023 in High Court of Malaya, Kuala Lumpur.

B10) Dividends

No dividend has been proposed and paid for during the current quarter ended 31 Aug 2022 and the previous audited financial period ended 30 November 2021.

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

B11) **Profit/(Loss) per share**

	Individual		Cumulative	
	Current Year Quarter Ended 31-Aug-22	Preceding Year Corresponding Quarter Ended 31-Aug-21	Current Y-T-D Ended 31-Aug-22	Preceding Corresponding Y-T-D Ended 31-Aug-21
a) <u>Profit/(loss) per-share</u>				
Profit/(Loss) attributable to the owners of parent ('000)	(7,915)	(5,146)	(7,136)	(2,083)
Total weighted average number of ordinary shares in issue ('000)	1,689,293	872,903	1,689,293	872,903
Basic profit/(loss) per share (sen)	(0.47)	(0.59)	(0.42)	(0.24)
b) <u>Diluted loss per-share</u>				
Loss attributable to the owners of parent ('000)	(7,915)	(5,146)	(7,136)	(2,083)
Total weighted average number of ordinary shares in issue ('000)	1,689,293	872,903	1,689,293	872,903
Diluted profit/(loss) per share (sen)	(0.47)	(0.59)	(0.42)	(0.24)

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

B12) Status of utilisation of proceeds

- (i) The Company completed a Private Placement exercise and successfully raised RM44,485,560 in June 2021.

The status of utilisation is as below:-

Details of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000
Capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities	17,000	14,509	2,491
Funding for the Group's existing construction projects	17,079	17,079	-
Funding for a 9.6 MW capacity small hydro facility at Empangan Pedu, Kedah	10,000	10,000	-
Expenses in relation to the Corporate Exercise	407	407	-
Total	44,486	41,995	2,491

- (ii) The Rights Issue with Warrants has been completed with the listing of 1,022,900,003 Rights Shares together with 511,449,980 Warrants-E on the Main Market of Bursa Securities on 7 March 2022.

The total proceeds received from the Rights Shares was RM81,832,000.

The status of utilisation of the proceeds as at 31 Aug 2022 are as follows:-

Details of Utilisation	Approved Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000
Funding for the Group's existing construction projects	81,079	75,056	6,023
Expenses in relation to Corporate Exercise	753	753	-
Total	81,832	75,809	6,023

**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED
31 AUG 2022**

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 19 October 2022.