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If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

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VIZIONE®

Dedication, Innovation, Creation

VIZIONE HOLDINGS BERHAD

(Registration No. 199701026873 (442371-A))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PROPOSED PRIVATE PLACEMENT OF UP TO 236,039,000 NEW ORDINARY SHARES IN VIZIONE HOLDINGS BERHAD ("VIZIONE" OR "COMPANY") ("VIZIONE SHARES" OR "SHARES") REPRESENTING NOT MORE THAN 30% OF THE TOTAL NUMBER OF ISSUED SHARES OF VIZIONE (EXCLUDING TREASURY SHARES) ("PROPOSED PRIVATE PLACEMENT")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Adviser and Placement Agent

 **TA SECURITIES**

AN UNWAVERING COMMITMENT

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

The Extraordinary General Meeting of the Company ("EGM") will be held on a fully virtual basis and entirely via remote participation and voting. The Notice of EGM together with the Form of Proxy are enclosed with this Circular.

If you decide to appoint a proxy or proxies for the EGM, you must complete, sign and return the Form of Proxy and deposit it at the registered office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or fax to 03-6201 3121 or e-mail it to ir@shareworks.com.my on or before the time and date indicated below or at any adjournment thereof if you are not able to attend the EGM. The completion and lodging of the Form of Proxy shall not preclude you from attending and voting in person at the EGM should you subsequently wish to do so and in such an event, your Form of Proxy shall be deemed to have been revoked.

Last date and time for lodging the Form of Proxy for the EGM	: Monday, 19 April 2021 at 10.30 a.m.
Date and time of the EGM	: Tuesday, 20 April 2021 at 10.30 a.m.
Broadcast venue of the EGM	: Boardroom, Level 22, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan

This Circular is dated 5 April 2021

DEFINITIONS

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

Act	:	The Companies Act 2016
Assumed Issue Price	:	For illustrative purposes in this Circular, we have assumed the Placement Shares are issued at an assumed issue price of RM0.263 per Placement Share
BLR/ BFR	:	Base Lending Rate/ Base Financing Rate, where applicable
Board	:	Board of Directors of Vizione
Bursa Depository	:	Bursa Malaysia Depository Sdn. Bhd. (Registration No. 198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
CAGR	:	Compound annual growth rate
Circular	:	This circular to the Shareholders dated 5 April 2021 in relation to the Proposed Private Placement
CMSA	:	Capital Markets and Services Act, 2007 as amended from time to time and any re-enactment thereof
Convertible Securities	:	Collectively, the Warrants C, ICULS and Warrants D
Corporate Exercises	:	The following corporate exercises undertaken by Vizione as set out in the Previous Circular: (i) the Previous Private Placement; and (ii) the bonus issue of Warrants D.
COVID-19	:	Coronavirus disease 2019
DCS	:	District Cooling System
Deed Poll C	:	Deed poll constituting the Warrants C dated 9 December 2016
Deed Poll D	:	Deed poll constituting the Warrants D dated 19 August 2020
Director	:	A person falling within the meaning given in Section 2(1) of the CMSA
Energy Capital Resources	:	Energy Capital Resources Sdn. Bhd. (Registration No. 201001021880 (905650-T)), a company owned by Khoo Koay Gim Hong, Lim Soon Tham, Chen Chin Lai, Chai Siew Tyug and Muhamad Faizi bin Mansor
EGM	:	Extraordinary general meeting of the Company
EPS	:	Earnings per Share

DEFINITIONS (CONT'D)

FiT	:	Feed-in-Tariff
FPE	:	Financial period ended
FYE	:	Financial year ended/ ending, as the case may be
GP	:	Gross profit
GWh	:	Gigawatt hour
ICULS	:	2,992,200 outstanding 10-year 3% irredeemable convertible unsecured loan stocks issued by the Company, as at the LPD
Interested Person	:	A director, major shareholder or chief executive of Vizione or a holding company of Vizione
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	17 March 2021, being the latest practicable date prior to the issuance of this Circular
LAT	:	Loss after taxation
LBT	:	Loss before taxation
Main Market	:	Main Market of Bursa Securities
Management	:	Management of Vizione
MCO	:	Movement Control Order
MITI	:	Ministry of International Trade and Industry
MW	:	Megawatt
NA	:	Net assets
NEM	:	Net energy metering
NS Corp	:	NS Corporation, a body established under the laws of the State of Negeri Sembilan, Enactment 14 – NS Corporation Enactment 2018 NS Corp was incorporated to promote, stimulate, manage, coordinate investment and economic sectors in Negeri Sembilan and all matters relating thereto and to carry out any functions and powers given by the state government to it
Other Shareholders	:	Being the other shareholders of SSN Medical Products namely, Plusone Landmark Sdn. Bhd., Ang Teck Leong and Lim Kiat Yee
PAT	:	Profit after taxation
PBT	:	Profit before taxation
Placement Shares	:	Up to 236,039,000 new Vizione Shares to be issued pursuant to the Proposed Private Placement

DEFINITIONS (CONT'D)

Previous Circular	:	The Company's circular to its shareholders dated 3 June 2020 in relation to the Corporate Exercises
Previous Private Placement	:	The private placement of up to 185,038,000 new Vizione Shares, representing up to 30% of the total number of issued shares of Vizione which was deemed completed on 26 November 2020 of which a total of 170,000,000 new Vizione Shares was issued raising a total gross proceeds of RM61.63 million
Price-Fixing Date	:	The date to be announced on which the issue price of each tranche of the Placement Shares will be fixed by the Board
Proposed Private Placement	:	Proposed private placement of up to 236,039,000 Placement Shares representing not more than 30% of the total number of issued Shares (excluding treasury shares)
Provision of Financial Assistance	:	The provision of financial assistance to SSN Medical Products via advances of part of the proceeds from the Proposed Private Placement, as set out in Section 5 of this Circular
REPPA	:	Renewable power purchase agreement
RM and sen	:	Ringgit Malaysia and sen respectively
SDF Hydro	:	SDF Hydro Sdn. Bhd. (Registration No. 200701042823 (800856-V)), an 80%-owned subsidiary of Tunjang Tenaga. The remaining 20% equity interest of SDF Hydro is owned by Menteri Besar Incorporated Kedah.
SEDA	:	Sustainable Energy Development Authority
Shareholders	:	Shareholders of Vizione
Smith Zander	:	Smith Zander International Sdn. Bhd. (Registration No. 201301028298 (1058128-V)), the Independent Market Researcher in relation to the overview and outlook of the renewable energy industry in Malaysia, and the global and Malaysian rubber glove markets, as stated in Sections 7.4 and 7.5 of this Circular
SSN Medical Products	:	SSN Medical Products Sdn. Bhd. (Registration No. 199701026395 (441893-K)), a 51%-owned subsidiary of VIP Index. The remaining 49% equity interest of SSN Medical Products is owned by Other Shareholders
SSN Medical Products Acquisition	:	The acquisition by VIP Index pursuant to the shares sale agreement dated 1 December 2020 to acquire 51% equity interest in SSN Medical Products for a total consideration of RM5.0 million from the Vendors. The acquisition was completed on 10 February 2021
Solar PV	:	Solar photovoltaic
TA Securities or Adviser or Placement Agent	:	TA Securities Holdings Berhad (Registration No. 197301001467 (14948-M))
Tunjang Tenaga	:	Tunjang Tenaga Sdn. Bhd. (Registration No. 200701018821 (776832-K)), a 75%-owned subsidiary of Vizione Energy. The remaining 25% equity interest of Tunjang Tenaga is owned by Energy Capital Resources

DEFINITIONS (CONT'D)

Tunjang Tenaga Acquisition	:	The acquisition by Vizione Energy pursuant to the share sale agreement dated 7 August 2020 to acquire 75% equity interest in Tunjang Tenaga for a total consideration of RM150,085 from the shareholders of Tunjang Tenaga. The acquisition was completed on 7 August 2020
Trust Deed	:	The trust deed dated 30 June 2011 and the supplemental trust deed dated 14 September 2018 constituting the ICULS
Vendors	:	Ang Teck Leong, Lim Kiat Yee and Ravendran A/L Uthrapathy, being the vendors for the SSN Medical Products Acquisition
VIP Index	:	VIP Index Sdn. Bhd. (Registration No. 202001024252 (1380572-K)), a wholly-owned subsidiary of Vizione
Vizione or the Company	:	Vizione Holdings Berhad (Registration No. 199701026873 (442371-A))
Vizione Construction	:	Vizione Construction Sdn. Bhd. (Registration No. 201201000674 (974198-D)), a wholly-owned subsidiary of Vizione
Vizione Energy	:	Vizione Energy Sdn. Bhd. (Registration No. 201401000743 (1076813-P)), a wholly-owned subsidiary of Vizione
Vizione Group or the Group	:	Collectively, the Company and its subsidiaries
Vizione Shares or Shares	:	Ordinary shares in the Company
Warrants C	:	41,637,190 outstanding warrants 2017/2022 issued pursuant to Deed Poll C, as at the LPD
Warrants D	:	302,714,699 outstanding warrants 2020/2023 issued pursuant to Deed Poll D, as at the LPD
5D-VWAP	:	5-day volume weighted average market price

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified. Reference to “market day” refers to a day on which Bursa Securities is open for trading.

Certain figures included in this Circular have been subject to rounding adjustments. All reference to “you” or “your” in this Circular are to the Shareholders.

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EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED PRIVATE PLACEMENT. YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE ENTIRE CONTENTS OF THIS CIRCULAR WITHOUT RELYING SOLELY ON THIS EXECUTIVE SUMMARY BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED PRIVATE PLACEMENT AT THE FORTHCOMING EGM OF THE COMPANY.

Key information	Summary	Reference to the Circular
Details of the Proposed Private Placement	<p>On 5 February 2021 and 3 March 2021, TA Securities, on behalf of the Board, announced that the Company proposed to undertake the Proposed Private Placement and Provision of Financial Assistance.</p> <p>The Proposed Private Placement entails the issuance of up to 236,039,000 Placement Shares, representing not more than 30% of the total number of issued Shares (after excluding the 1,720,000 treasury shares) of 786,796,984 as at the LPD.</p> <p>On 17 March 2021, TA Securities, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 16 March 2021, granted its approval for the listing and quotation of the Placement Shares. The approval of Bursa Securities is subject to the conditions as set out in Section 10 of this Circular.</p> <p>For the avoidance of doubt, any resale of the treasury shares and/ or any increase in the number of issued Shares arising from the exercise and/or conversion of the Convertible Securities into new Shares will not affect the number of Placement Shares to be issued under the Proposed Private Placement.</p> <p>The issue price of each tranche of the Placement Shares shall be determined by the Board on the Price-Fixing Date, after taking into consideration prevailing market conditions.</p> <p>The Placement Shares will not be priced at more than 20% discount to the 5D-VWAP of Vizione Shares immediately before the Price Fixing Date.</p> <p>For illustrative purposes, the Assumed Issue Price of RM0.263 per Placement Share represents approximately 18.20% discount to the 5D-VWAP of Vizione Shares up to and including the LPD of RM0.3215 per Share.</p>	Section 2

EXECUTIVE SUMMARY (CONT'D)

Key information	Summary	Reference to the Circular																					
Utilisation of proceeds//	<p>For illustrative purposes, the gross placement proceeds to be raised from the Proposed Private Placement of up to RM62.08 million (based on the Assumed Issue Price) will be earmarked by the Group to be utilised in the following manner:</p> <table border="1"> <thead> <tr> <th>Details</th><th>Amount (RM'000)</th><th>Expected time frame for the use of proceeds (from the date of listing of the Placement Shares)</th></tr> </thead> <tbody> <tr> <td>Capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities</td><td>17,000</td><td>Within 24 months</td></tr> <tr> <td>Funding for the Group's existing construction projects</td><td>23,856</td><td>Within 24 months</td></tr> <tr> <td>Funding for future design and built property development projects and renewable energy projects</td><td>9,683</td><td>Within 24 months</td></tr> <tr> <td>Funding for a 9.6 MW capacity small hydro facility at Empangan Pedu, Kedah</td><td>10,000</td><td>Within 24 months</td></tr> <tr> <td>Estimated expenses relating to the Proposed Private Placement</td><td>1,539</td><td>Immediate</td></tr> <tr> <td>Total</td><td>62,078</td><td></td></tr> </tbody> </table> <p>The actual proceeds to be raised from the Proposed Private Placement are dependent on the final issue prices of the Placement Shares and the actual number of Placement Shares to be issued.</p> <p>If the gross proceeds raised varies from RM62.08 million based on the Assumed Issue Price, such proceeds will be utilised in the proportion set out above and in the following order of priority:</p> <ul style="list-style-type: none"> (i) Estimated expenses relating to the Proposed Private Placement; (ii) Funding for the Group's existing construction projects; (iii) Capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities; (iv) Funding for a 9.6 MW capacity small hydro facility at Empangan Pedu, Kedah; and (v) Funding for future design and built property development projects and renewable energy projects. 	Details	Amount (RM'000)	Expected time frame for the use of proceeds (from the date of listing of the Placement Shares)	Capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities	17,000	Within 24 months	Funding for the Group's existing construction projects	23,856	Within 24 months	Funding for future design and built property development projects and renewable energy projects	9,683	Within 24 months	Funding for a 9.6 MW capacity small hydro facility at Empangan Pedu, Kedah	10,000	Within 24 months	Estimated expenses relating to the Proposed Private Placement	1,539	Immediate	Total	62,078		Section 3
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EXECUTIVE SUMMARY (CONT'D)

Key information	Summary	Reference to the Circular
	<p>In the event that the proceeds from the Proposed Private Placement are insufficient for the above-mentioned utilisation of proceeds as stated in Section 3 of this Circular, the Group may consider other avenues of funding such as bank borrowings or other equity fund-raising proposals to meet its financial requirements at a later date.</p> <p>Pending usage of the proceeds from the Proposed Private Placement 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 the financial institution or any gain arising from the short-term money market instruments will be used as working capital for the construction activities of the Vizione Group.</p>	
Rationale for the Proposed Private Placement	<p>The Proposed Private Placement is currently the most appropriate avenue of fund raising as:</p> <ul style="list-style-type: none"> (i) it enables the Group to raise funds expeditiously without incurring interest cost or having to service principal repayments as compared to bank borrowings, thereby allowing the Group to preserve its cash flow; (ii) it is comparatively expedient and an efficient avenue to raise the required quantum of funds as opposed to other forms of equity fund raising such as rights issue exercise, where the proceeds are raised on a “lump-sum” basis and such exercise generally takes a longer implementation time. With a private placement, the placees are required to pay the placement funds for a particular tranche within 5 market days from the price fixing date; (iii) as the Proposed Private Placement may also be implemented in tranches, this enables the Company to raise funds expeditiously on an “as needed” basis. The Board is mindful that the full issuance of the Placement Shares within a short period of time would dilute the existing shareholders’ shareholdings. The Proposed Private Placement is expected to contribute positively to the future earnings of the Group and in turn enhance shareholders’ value moving forward, when the Group is able to realise the benefits arising from the utilisation of placement proceeds; and (iv) upon completion of the Proposed Private Placement, the enlarged capital base is also expected to strengthen the financial position of the Company. 	Section 4

EXECUTIVE SUMMARY (CONT'D)

Key information	Summary	Reference to the Circular
Approvals required	<p>The Proposed Private Placement is subject to the following approvals being obtained:</p> <ul style="list-style-type: none">(i) the approval from Bursa Securities for the listing and quotation of up to 236,039,000 Placement Shares on the Main Market of Bursa Securities, which was obtained vide its letter dated 16 March 2021;(ii) the approval of the shareholders of Vizione at an EGM to be convened; and(iii) the approvals/consents of any other relevant authorities/parties, if required. <p>The Proposed Private Placement is not conditional upon any other corporate proposal being or proposed to be undertaken by the Company.</p>	Section 10
Directors' statement	<p>The Board, having considered the current financial position, needs and capacity of the Group and after careful deliberation of the rationale and all other aspects of the Proposed Private Placement, is of the opinion that the Proposed Private Placement is in the best interests of the Company and the Company's shareholders.</p> <p>Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Private Placement to be tabled at the forthcoming EGM.</p>	Section 13

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VIZIONE HOLDINGS BERHAD
(Registration No. 199701026873 (442371-A))
(Incorporated in Malaysia)

Registered Office:

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

5 April 2021

Board of Directors:

Dato' Mohd Zaihan Bin Mohd Zain (*Independent Non-Executive Chairman*)
Dato' Ng Aun Hooi (*Managing Director*)
Bee Jian Ming (*Executive Director*)
Chan Chee Wing (*Executive Director*)
Datuk Chong Loong Men (*Non-Independent Non-Executive Director*)
Ng Fun Kim (*Independent Non-Executive Director*)
Leow Wey Seng (*Independent Non-Executive Director*)

To: Our Shareholders

Dear Sir/ Madam,

VIZIONE HOLDINGS BERHAD

PROPOSED PRIVATE PLACEMENT

1. INTRODUCTION

On 5 February 2021 and 3 March 2021, TA Securities, on behalf of the Board, announced that the Company proposed to undertake the Proposed Private Placement and the Provision of Financial Assistance.

On 17 March 2021, TA Securities, on behalf of the Board, announced that Bursa Securities had, vide its letter dated 16 March 2021, granted its approval for the listing and quotation of up to 236,039,000 Placement Shares. The approval of Bursa Securities is subject to the conditions as set out in **Section 10** of this Circular.

Further details of the Proposed Private Placement are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION OF THE PROPOSED PRIVATE PLACEMENT AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED PRIVATE PLACEMENT TO BE TABLED AT THE COMPANY'S FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED PRIVATE PLACEMENT TO BE TABLED AT THE FORTHCOMING EGM OF THE COMPANY.

2. DETAILS OF PROPOSED PRIVATE PLACEMENT

2.1 Size of placement

As at the LPD, the Company has an issued share capital of RM558,098,157 comprising 788,516,984 Shares, out of which 1,720,000 are held by the Company as treasury shares;

- (i) 41,637,190 outstanding Warrants C, which have an exercise price of RM0.70 each and are expiring on 5 February 2022;
- (ii) 2,992,200 outstanding ICULS, which have a conversion price of RM1.33 each and are maturing on 8 August 2021; and
- (iii) 302,714,699 outstanding Warrants D which have an exercise price of RM0.32 each and are expiring on 24 August 2023.

The Proposed Private Placement entails the issuance of up to 236,039,000 Placement Shares, representing not more than 30% of the total number of issued Shares (after excluding the 1,720,000 treasury shares) of 786,796,984 Shares as at the LPD.

For the avoidance of doubt, any resale of the treasury shares and/ or any increase in the number of issued Shares arising from the exercise and/or conversion of the Convertible Securities into new Shares will not affect the number of Placement Shares to be issued under the Proposed Private Placement.

The actual number of Placement Shares to be issued pursuant to the Proposed Private Placement will depend on the actual number Shares to be placed out at date(s) to be determined later.

2.2 Placement arrangement

The Placement Shares will be placed out to third party investor(s) to be identified at a later date and who qualify under Schedules 6 and 7 of the CMSA.

In addition, the Placement Shares are not intended to be placed out to the following parties:

- (i) Interested Person;
- (ii) a person connected with an Interested Person; and
- (iii) nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

Subject to market conditions and the timing of identification of placees, the Proposed Private Placement may be implemented in 1 or more tranches within 6 months from the date of approval from Bursa Securities for the Proposed Private Placement or any extended period as may be approved by Bursa Securities. The implementation of the placement arrangement in multiple tranches would provide flexibility to the Company to procure interested investors to subscribe for the Placement Shares within the approval period as approved by Bursa Securities.

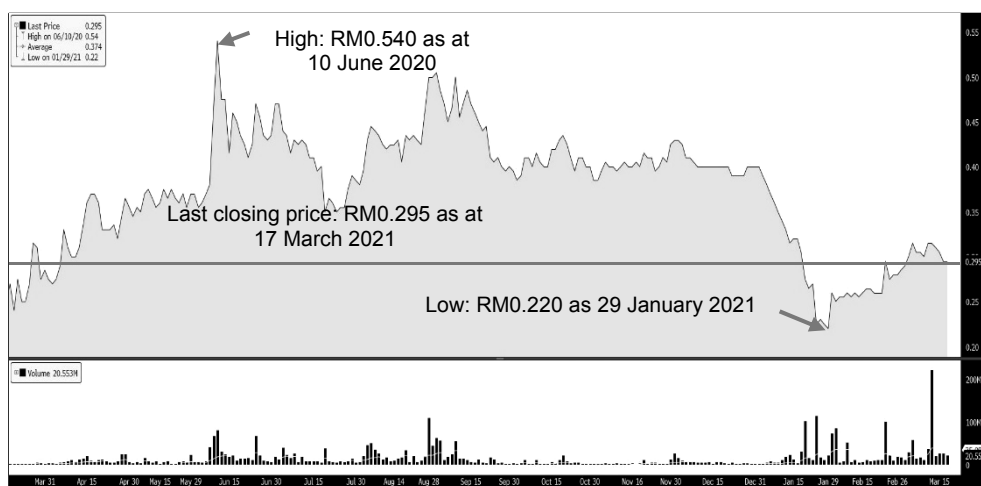
For avoidance of doubt, the issue price for each tranche of the Placement Shares shall be determined separately and will be in accordance with market-based principles.

2.3 Basis and justification for determining the issue price of the Placement Shares

The issue price of each tranche of the Placement Shares shall be determined separately and fixed by the Board and announced on the Price-Fixing Date, after taking into consideration prevailing market conditions.

The Placement Shares will not be priced at more than 20% discount to the 5D-VWAP of Vizione Shares immediately before the Price-Fixing Date. In this regard, the Company has considered, among others, the following:

- (i) the daily closing prices of Vizione Shares for the past 1 year up to and including the LPD as illustrated below:



(Source: Bloomberg)

As shown above, the closing prices of Vizione Shares have generally been fluctuating from a high of RM0.540 on 10 June 2020 to a low of RM0.220 on 29 January 2021. It is noted that Vizione's Share prices were generally trending upwards until 10 June 2020. Subsequently, Vizione's Share prices were fluctuating between RM0.350 to RM0.505 until 31 December 2020 which was at RM0.40. Then, Vizione's Share prices began trending downwards to RM0.220 on 29 January 2021 and thereafter, Vizione's Share prices appear to be trending upwards.

The Board views that the fluctuations were attributable to, among others:

- the decrease in its overall construction activities arising from the COVID-19 pandemic and movement control orders implemented by the Government to control the spread of the disease; and
- the performance of the Group amid the impact of the COVID-19 pandemic to the overall construction activities.

The Group reported a cumulative PBT of RM25.25 million up to the 9-months FPE 29 February 2020 but was reporting LBTs for each subsequent 3 consecutive financial quarters ended 31 May 2020 and 30 November 2020. The quarterly results for the 18-months FPE 30 November 2020 were announced on 29 January 2021. Subsequently, the Group had on 10 March 2021 announced the receipt of 3 construction contracts totaling RM801.0 million.

- (ii) the historical VWAP prices up and including the LPD as illustrated below:

	RM
Closing market price on the LPD	0.2950
5-day VWAP up to and including the LPD	0.3215
VWAP for the 1-month up to and including the LPD	0.3071
VWAP for the 3-months up to and including the LPD	0.2885
VWAP for the 6-months up to and including the LPD	0.3165
VWAP for the 12-months up to and including the LPD	0.2801

(Source: Bloomberg)

Based on the above, the VWAP of Vizione Shares have been fluctuating which the Board attributes to, among others, the Group's recent financial performance and the overall operating environment as mentioned above.

- (iii) the Group's need for funding on an immediate basis, for the purposes set out in **Section 3** of this Circular; and
- (iv) the general prevailing investment climate and economic outlook, which has been considerably affected by the COVID-19 pandemic and other uncertainties. As a consequent thereof, Vizione encountered challenges in placing out all the Shares under the Previous Private Placement.

Premised on the above, while the Board remains hopeful of improvements in the Group's financial performance and position, the Board took into consideration, among others, the fluctuations in Share price which was trending downwards until 29 January 2021, the Group's lacklustre financial performance and the Group's need for funding on an immediate basis. As such, a higher discount (i.e., at not more than 20%) would increase the attractiveness of the Placement Shares as well as ensure the chances/ success for Vizione in placing out the Placement Shares.

For illustrative purposes, the Assumed Issue Price of RM0.263 per Placement Share, represents approximately 18.20% discount to the 5D-VWAP of Vizione Shares up to and the LPD, of RM0.3215 per Share (Source: Bloomberg).

As the Proposed Private Placement may be implemented in 1 or more tranches within 6 months from the date of approval from Bursa Securities for the Proposed Private Placement or any extended period as may be approved by Bursa Securities, there could be several price-fixing dates and issue prices.

2.4 Ranking of the Placement Shares

The Placement Shares shall, upon allotment and issuance, carry the same rights with the then existing issued Shares. However, the Placement Shares will not be entitled to any dividends, rights, allotments and/ or any other distributions which may be declared, made or paid to the Company's shareholders unless such Placement Shares were allotted and issued on or before the entitlement date of such rights, allotments and/ or other distributions.

2.5 Listing and quotation of the Placement Shares

Bursa Securities had, vide its letter dated 16 March 2021, granted its approval for the listing and quotation of up to 236,039,000 Placement Shares on the Main Market of Bursa Securities.

3. UTILISATION OF PROCEEDS

For illustrative purposes, the gross placement proceeds to be raised from the Proposed Private Placement of up to RM62.08 million (based on the Assumed Issue Price) will be earmarked by the Group to be utilised in the following manner:

Details	Notes	Amount (RM'000)	Proportion (%)	Expected time frame for the use of proceeds (from the date of listing of the Placement Shares)
Capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities	(1)	17,000	27.38	Within 24 months
Funding for the Group's existing construction projects	(2)	23,856	38.43	Within 24 months
Funding for future design and built property development projects and renewable energy projects	(3)	9,683	15.60	Within 24 months
Funding for a 9.6 MW capacity small hydro facility at Empangan Pedu, Kedah	(4)	10,000	16.11	Within 24 months
Estimated expenses relating to the Proposed Private Placement	(5)	1,539	2.48	Immediate
Total estimated gross proceeds		62,078	100.00	

Notes:

(1) Capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities

On 1 December 2020, the Company announced that its wholly owned subsidiary, VIP Index had on the same date entered into the shares sale agreement with the Vendors for the SSN Medical Products Acquisition. The SSN Medical Products Acquisition was completed on 10 February 2021 and SSN Medical Products became a 51%-owned subsidiary of Vizione.

As at the LPD, the directors and shareholders of SSN Medical Products are as follows:

Directors

Name	Shareholdings	
	No. of shares	%
Ang Teck Leong	543,001	12.0
Dato' Ng Aun Hooi [^]	Nil	Nil
Bee Jian Ming [^]	Nil	Nil
Chong Yee Hing [^]	Nil	Nil

Note:

[^] Appointed on 22 January 2021.

Shareholders

Name	Shareholdings	
	No. of shares	%
VIP Index	2,307,754	51.0
Plusone Landmark Sdn. Bhd.*	1,312,252	29.0
Ang Teck Leong^	543,001	12.0
Lim Kiat Yee#	362,000	8.0
Total	4,525,007	100.0

Notes:

* *Plusone Landmark Sdn. Bhd. was incorporated on 15 January 2020 and is principally involved in activities of holding companies, export and import of a variety of goods as well as own and leasing of real estate properties. The sole shareholder and director of the company is Tan An Teck. He is an investor of SSN Medical Products by virtue of his shareholding in Plusone Landmark Sdn. Bhd.*

^ *Ang Teck Leong is the founder of SSN Medical Products and is the key management for the operations and management of the company, since its incorporation in year 1997. He has a Bachelor of Arts degree from the University of Kansas, United States of America. He has 25 years of experience in the rubber gloves industry.*

Lim Kiat Yee is an investor of SSN Medical Products.

SSN Medical Products was incorporated on 7 August 1997 and principally engaged in the manufacturing and trading of contraceptive and rubber gloves. The company has been in operation for more than 20 years in the gloves industry in Malaysia. SSN Medical Products manufactures and sell latex ⁽ⁱ⁾ and nitrile ⁽ⁱⁱ⁾ (for both surgical and examination) gloves (which includes long arm gloves for medical and non-medical use ⁽ⁱⁱⁱ⁾ and high-risk anti-tear gloves ⁽ⁱⁱⁱ⁾) as well as the manufacturing of male condoms. The Company's gloves manufacturing plant is located in Kampung Baru Balakong, Seri Kembangan, Selangor Darul Ehsan.

SSN Medical Products has existing gloves and condoms production lines and following the SSN Medical Products Acquisition, Vizione Group intends to acquire, install and commission 6 new gloves production lines in the gloves manufacturing facility by 1st half of 2022. The existing and new gloves production lines would be as follows:

- 6 existing gloves production lines with production capacity to produce over 500 million of latex and nitrile (to manufacture both surgical and examination gloves) per annum;
- 3 existing condoms production lines with production capacity to produce 150 million condoms per annum; and
- to acquire, install and commission 6 new gloves production lines with production capacity to produce close to 1.0 billion pieces of nitrile gloves per annum.

(i) *Latex examination gloves* Refers to examination gloves manufactured out of natural latex, a type of plant-based rubber that is soft and flexible. Latex examination gloves are used in many applications where dexterity is important and the feel of the object being handled by the glove is necessary.

Latex examination gloves are commonly used as surgical gloves and by healthcare workers such as physicians, nurses, aides, dentists, dental hygienists, operating room employees, laboratory technicians and hospital housekeeping personnel.

Latex gloves are often lightly powdered in starch to make them easier to handle and to put on. However, because latex gloves are all natural, the proteins in the material and powders used on the gloves may cause allergic reactions and physical irritation to the user or patient.

(ii) Nitrile examination gloves

Nitrile examination gloves are created from synthetic rubbers and are regarded as a more hypoallergenic choice compared to latex examination gloves. Nitrile gloves are suitable for emergency situations when the allergy status of the patient or user is unknown. Nitrile gloves are durable and puncture resistant as well as able to withstand exposure to oils, solvents and chemicals which may easily destroy natural latex gloves.

Nitrile gloves are commonly used by hospitals and emergency personnel.

(iii) Long arm gloves for medical and non-medical use and high-risk anti-tear gloves

Long arm nitrile gloves (measuring approximately 400 millimetres ("mm")) ensures extra protection in operation procedures. These gloves are also used for non-medical uses. These gloves are static-free which are ideal in electronics printing and assembly, handling and mixing of inks, coatings, chemicals and solvents.

High-risk gloves and anti-tear gloves are thicker and offer more protection. These gloves have more tear and chemical resistance in high risk situations such as dealing with contagious diseases or with dangerous and hazardous chemicals.

(Source: The Management)

The Group intends to utilise up to RM17.0 million of the Proposed Private Placement proceeds as capital expenditure to acquire, install and commission 6 new nitrile gloves production lines and upgrade of existing production facilities as well as working capital in the SSN Medical Products' manufacturing facility.

The Group decided to set up 6 new nitrile gloves production lines due to the following reasons:

- Generally, glove production lines are fairly inter-changeable i.e., a latex production line may be converted to a nitrile production line with minor modifications such as to the heating oven temperature and latex tank speed parameters and vice versa;
- Historically, SSN Medical Products' focus and specialisation was in the production of latex gloves and condoms, and its current order list is mainly for latex gloves. Nevertheless, SSN Medical Products intends to expand its offering of nitrile gloves, in particular nitrile COVID-19 gloves;
- The GP margins for nitrile gloves are relatively higher compared to latex gloves, as set out in Section 1 of **Appendix I** of this Circular; and
- There is demand for the gloves manufactured by SSN Medical Products, especially during this pandemic climate, as set out in Section 5 of **Appendix I** of this Circular; and

Kindly refer to **Appendix I** of this Circular for further information in relation to SSN Medical Products, including, among others, the glove manufacturing plant, historical financial results, production output, major suppliers, major customers and order list as at the LPD.

Based on the Vizione Group's internal estimates, the breakdown of the total estimated cost for SSN Medical Products' expansion plan and allocation of proceeds from the Proposed Private Placement are as follows:

Details	Total estimated cost (RM'000)	Indicative allocation of proceeds (RM'000)
<p>Acquire, installation and commission of 6 new nitrile gloves production lines.</p> <p>The new production lines are fully automated equipped with chiller, compounding and tumbler equipment as well as latex storage tank, air compressor. The machines and components/ parts of the 6 new nitrile gloves production lines will be sourced and assembled locally.</p> <p>As at the LPD, the Group has made a down payment of RM2.0 million* and incurred cost of RM0.63 million* for the 2 lines (out of the 6 lines) which would cost RM11.13 million. The remaining 4 lines is estimated to cost approximately RM17.0 million.</p>	28,000	14,000
<p>Installation and upgrading works on the waste treatment system to treat the wastewater arising from the manufacturing process and heating system.</p> <p>These involves the installation and commission of ancillary equipment and facilities for the wastewater treatment system, the heating system and water recovery system for the following:</p> <ul style="list-style-type: none"> • 9 existing production lines (comprising 6 gloves production lines and 3 condoms production lines); and • 6 new nitrile gloves production lines <p>As at the LPD, SSN Medical Products has incurred RM0.28 million for the purchase of materials and parts for the waste water treatment system.</p>	2,000	1,000
<p>Upgrading and repair works for 1 old/ existing glove production line.</p> <p>The upgrading works is necessary to improve the production efficiency of the existing glove production line. These upgrading works includes among others, replacement of parts such as former holder, heating chamber, burner, U-bracket, former and conveyor sprocket.</p> <p>As at the LPD, SSN Medical Products has incurred RM0.57 million for machineries part mainly for the heating chamber.</p>	1,000	500

Details	Total estimated cost (RM'000)	Indicative allocation of proceeds (RM'000)
Working capital in relation to the operations of the manufacturing facility (i.e., staff expenses, overheads and certification expenditure are expected to cost approximately RM1.0 million and purchases of raw materials are expected to cost approximately RM2.0 million, for a period of approximately 3 months).	3,000	1,500
Total	34,000	17,000

Note:

- * *In view of the additional cost incurred, the total capital/ funds the Group has invested for and in SSN Medical Products is as follows:*

	RM'000
<i>Purchase price for the SSN Medical Products Acquisition, as announced on 1 December 2020.</i>	5,000
<i>Cost incurred to-date:</i>	
- Down payment by Vizione for the 2 new lines	2,000
- Cost incurred to-date for the 2 new lines by Vizione	630
Total	7,630

Any excess or shortfall in the breakdown of the proceeds above will be adjusted to/ from the amount earmarked for working capital in relation to the operations of the manufacturing facility.

The balance RM17.0 million would be financed mainly via finance leases (to be procured by SSN Medical Products from financial institutions, when the final design and procurement of the production lines have been determined) and internally generated funds (of SSN Medical Products), where the breakdown has not been determined at this juncture.

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(2) Funding for the Group's existing construction projects

The Group intends to utilise the Proposed Private Placement proceeds of up to RM23.86 million to fund the following existing construction projects undertaken by the Group:

No.	Customer/ Location	Details	Contract value (RM'000)	Commencement date	Expected completion date	Cost incurred to date (RM'000)	Percentage of completion^ (%)	Indicative allocation of proceeds* (RM'000)
1.	Laju Damai Sdn. Bhd. / Kuala Menggatal, District of Kota Kinabalu, Sabah	Design and built for a mixed development comprising 3,984 units, 6 blocks of 29 storey service suites and 38 units, 2 blocks of 3 storey shop office. <ul style="list-style-type: none"> Package 1 comprising 664 units, 1 block of 29 storey service suites and 38 units, 2 blocks of 3 storey stop office including car park block, mechanical and electrical services and external works, on Lot 015585298, Kuala Menggatal, District of Kota Kinabalu, Sabah	170,000	1/3/2020	31/5/2023	3,500	2.06%	8,856
2.	MRCB Builders Sdn. Bhd./ Kwasa Damansara, Seksyen U4, 40150 Shah Alam, Selangor	Building construction works for TP02 and TP03 of 3 storey utility facilities comprising among others: <ul style="list-style-type: none"> A DCS; a management office; switchgear and transformer; refuse chamber; on site detention pond; and main building works, mechanical and electrical works, external works and all associated works for the project on PT 50854 (MX-1, Plot H), Kwasa Damansara, Seksyen U4, 40150 Shah Alam, Selangor	18,200	6/1/2021	5/7/2021	687	3.77%	7,000

No.	Customer/ Location	Details	Contract value (RM'000)	Commencement date	Expected completion date	Cost incurred to date (RM'000)	Percentage of completion^ (%)	Indicative allocation of proceeds* (RM'000)
3.	Sanctuary Cove Sdn. Bhd. / Mukim Semenyih, District of Hulu Langat, Selangor	<p>Building construction works for a commercial development comprising 2 phases:</p> <p>Phase 1:</p> <ul style="list-style-type: none"> 2 blocks of office suites (Menara A & B), 34 to 40 storey 1 block affordable office tower (Menara B); 8 storey podium with 1 storey of shop lot (comprising 9 units of shops); 1 recreation centre; Car park bays; and 2 basement levels. <p>Phase 2:</p> <ul style="list-style-type: none"> 2 blocks of office suites (Menara C & D), 36 to 42 storey; 8 storey podium with 1 storey of shop lot (comprising 10 units of shops); 2 storey shop lots (with 3 units of shops); 1 storey main shop lot unit 1 recreation centre; Car park bays; and 2 basement levels. <p>Other facilities:</p> <ul style="list-style-type: none"> Electrical sub-stations; Refuse chambers; and Water pump station <p>on Lots 240, 900 and 1137, Jalan Sunway Semenyih, Mukim Semenyih, District of Hulu Langat, Selangor</p>	<p>Total: 401,000</p> <p>Comprising: Phase 2: 242,000 Phase 1: 159,000</p>	<p>Phase 2 1/3/2019</p> <p>Phase 1 To Be Advised ("TBA")</p>	<p>28/2/2022</p> <p>TBA for Phase 1</p>	<p>31,581</p>	<p>13.05% for Phase 2</p>	<p>8,000</p>
Total								23,856

Notes:

[^] Based on Management's estimate as at the LPD. The percentage of completion is computed based on the latest architect's certification of costs or billings made by the Group (where applicable) as at the LPD over the contract value.

^{*} The indicative allocation breakdown is based on the Group's estimate of the respective project's funding requirements at this juncture and is subject to change.

The actual utilisation of the proceeds for each project may differ in the future depending on the actual funding requirements of the respective project at the relevant time as well as the actual proceeds raised from the Proposed Private Placement. Thus, the allocation of proceeds between each project shall be adjusted accordingly as and when required.

Any surplus proceeds will be allocated for existing and/ or new construction and/ or property development projects to be undertaken by the Group in the future.

Any shortfall in the Group's funding requirements for the respective project are expected to be met via progress billings to be received, internally generated funds and/ or bank borrowings.

For the existing construction projects, the proceeds are expected to be utilised for, among others, payments to sub-contractors, material costs, earthwork, piling works, site clearing, building and external works as well as payment to the relevant authorities.

(3) Funding for future design and built property development projects and renewable energy projects

Approximately RM9.68 million of the gross proceeds from the Proposed Private Placement has been earmarked for expansion of the Group's property development activities and renewable energy activities by embarking on the following future projects.

As at the LPD, save for item 3 below, Vizione is at the final stages of negotiation with the project owners but has yet to be awarded the said projects. In this regard, Vizione also wishes to clarify that while Vizione and the project owners have agreed on the initial terms, the details have yet to be finalised and agreed upon by the parties. At this juncture, the Group has not made any financial and/ or legal commitments thus the only risk would be the Group's inability to secure the projects.

Nevertheless, the Group has to plan for its funding requirements and wishes to secure the necessary funding as follows:

No.	Potential projects	Indicative time frame to secure and commence projects	Indicative allocation of proceeds ⁽⁴⁾ (RM'000)
1.	Property development of residential properties in Putrajaya ⁽¹⁾	2 nd quarter 2021	4,683
2.	Joint venture to develop a mixed development in Negeri Sembilan ^{(1) (2)}	2 nd quarter 2021	2,000
3.	Preliminary discussion on a proposal to supply green or renewable energy ⁽³⁾	2 nd quarter 2021	3,000
Total			9,683

Notes:

- (1) *To defray initial operating costs associated with the future development of residential and mixed development properties which include but not limited to, working capital for initial project development stage such as deposit payment, procurement of sub-contractor and/or other professional consultants and payment of building material suppliers.*
- (2) *On 9 March 2021, Vizione announced a memorandum of collaboration with NS Corp to initiate participation and cooperation between the parties to work on the realisation and execution of their parts in the development of Malaysian Vision Valley 2.0 ("MVV 2.0"). Vizione would, among others, collaborate with NS Corp on the proposed development under MVV 2.0. The proposed development would be in stages, with the 1st phase being an international high speed processing, logistics, and distribution hub (IPLD) which would be part of a proposed free trade zone.*
- (3) *The Group is in the midst of exploring a business proposal for the supply of green or renewable energy. This business segment utilizes the solar photovoltaic system to generate electricity for client's own consumption and/or for selling to companies licensed by Energy Commission to distribute electricity through the Fit In Tarif mechanism or net energy metering mechanism. Part of the proceeds from the Proposed Private Placement is earmarked for the cost of feasibility and system studies, initial design, construction and installation work and authority contributions.*
- (4) *Vizione wishes to clarify and emphasize that the indicative allocation of proceeds is only for the initial operation costs. In addition, the indicative allocation breakdown is based on the Group's estimate of the respective future project's funding requirements at this juncture and is subject to change.*

The actual utilisation of the proceeds for each future project may defer in the future depending on the actual funding requirements of the respective future project at the relevant time as well as the actual proceeds raised from the Proposed Private Placement. Thus, the allocation of proceeds between each future project shall be adjusted accordingly as and when required.

*In the event all 3 of the potential projects could not be secured, the proceeds will be utilised for the Group's existing projects in the proportion as set out in **Section 3, Note (2)** of this Circular. Any surplus proceeds will be allocated for existing and/ or new construction and/ or property development projects to be undertaken by the Group in the future.*

The balance funding requirements for the respective future project are expected to be met via a combination of internally generated funds, bank borrowings and/ or other fund raising exercises (if any) to be determined and undertaken by the Group. The breakdown has not been determined at this juncture.

(4) Funding for a 9.6 MW capacity small hydro facility at Empangan Pedu, Kedah

On 7 August 2020, the Company announced the following:

- (a) its wholly-owned subsidiary, Vizione Energy had undertaken the Tunjang Tenaga Acquisition. Tunjang Tenaga owns 80% equity interest in SDF Hydro. The Tunjang Tenaga Acquisition was completed on 7 August 2020.

For information purposes, the remaining 25% equity interest in Tunjang Tenaga is held by Energy Capital Resources. The remaining 20% equity interest in SDF Hydro is held by Menteri Besar Incorporated Kedah; and

- (b) its wholly-owned subsidiary, Vizione Construction accepted a letter of award for the contract sum of RM90.03 million from SDF Hydro for the proposed design, construction, testing and commissioning of 9.6 MW installed capacity small hydro facility at Empangan Pedu, Daerah Padang Terap, Kedah.

In view that Vizione Energy holds 75% equity interest in Tunjang Tenaga, and Tunjang Tenaga holds 80% equity interest in SDF Hydro, Vizione's effective equity interest in SDF Hydro is 60%.

Kindly refer to Section 1 of **Appendix II** of this Circular for the background information of Tunjang Tenaga and Section 2 of **Appendix II** of this Circular for the assessment on whether the award of the contract from SDF Hydro to Vizione Construction is a related party transaction.

SDF Hydro is principally involved in provision of hydropower within the state of Kedah. SDF Hydro had on 24 December 2019 received feed-in approval from the SEDA to operate a small hydro (high head) with installed capacity of 9.6 MW in the vicinity of Pedu Dam, Kedah for a period of 21 years commencing from the scheduled feed-in-tariff commencement date.

The construction of the small hydro shall commence after signing of a REPPA and financial close as well as obtaining the relevant approvals and is expected to be completed for commencement for operations by December 2024.

As at the LPD, the status of the small hydro project is as follows:

- The REPPA was signed on 18 November 2020 and SDF Hydro is in the midst of obtaining financing from financial institutions; and
- SDF is in the midst of obtaining the relevant approvals on land and water rights before the Group can make the necessary applications for planning approval and building plan for the commencement of construction.

Kindly refer to Section 3 of **Appendix II** of this Circular for the details of all relevant authorities involved for the small hydro project.

As mentioned above, the total contract sum is RM90.03 million. The Group would require funding for the design, construction, testing and commissioning of the small hydro as SDF Hydro will only generate income when the small hydro is operational (i.e., able to generate renewable energy for supply of the renewable energy to and in return, receive the feed-in-tariff from Tenaga Nasional Berhad).

Energy Capital Resources is a shareholder (holding the remaining 25% equity interest) of Tunjang Tenaga and in turn a shareholder of SDF Hydro, and is also the technical advisor for the construction of the abovementioned small hydro project in Empangan Pedu, Kedah. Energy Capital Resources would be providing the technical and commercial expertise and know-how in fulfilling the technical requirement and compliances for the small hydro.

The breakdown of the total contract sum of RM90.03 million (excluding land cost of approximately RM0.03 million) is as follows:

No.	Breakdown of contract sum	Amount (RM'000)
1.	<u>Estimated infrastructure cost</u>	
	- Main infrastructure works	5,396
	- Grid works	13,104
	Total infrastructure cost (estimated)	18,500
2.	<u>Estimated building cost</u>	
	- Main building	9,046
	- Electrical work	2,456
	- Mechanical work	11,563
	- Heavy equipment	46,508
	- Ancillary work	1,927
	Total building cost (estimated)	71,500
	Total	90,000

Notwithstanding Vizione is responsible for the funding of the construction of the small hydro project, based on Vizione's internal estimate, the construction profit is expected to be approximately 10%-15% of the total contract sum of RM90.03 million.

Premised on the above, Vizione's roles and responsibilities in the small hydro project will be to procure funding, lead the operations and management of SDF Hydro as well as the overall construction of the small hydro project.

The benefits from the small hydro project that are expected to accrue to the Vizione Group are as follows:

- Vizione will enjoy 60% of the net profits arising from the concession pursuant to its effective 60% equity interest in SDF Hydro; and
- Vizione Construction, being the main contractor will enjoy 100% of the construction profits (i.e., approximately 10%-15% of the total contract sum of RM90.03 million) attributable to the construction works.

The Group expects to commence construction in the 2nd half of 2021 and has earmarked up to RM10.0 million of the Proposed Private Placement proceeds to facilitate the construction works. The balance construction cost of approximately RM71.03 million to RM66.53 million (on construction profit of approximately 10% to 15% respectively) is expected to be financed via a combination of bank borrowings, internally generated funds of the Group and future fund raising exercises, if any, the breakdown of which has yet to be determined at this juncture.

The breakdown of costs to facilitate the construction works is as follows:

Details	Amount (RM'000)
Construction work	7,500
Initial operation costs comprising:	
- Authority and submission fees	500
- Consultant design fee	1,000
- Soil investigation	250
- Office expenses and staff expenses	750
Total	10,000

Any excess or shortfall in the actual amount of proceeds to facilitate the construction works will be adjusted to/ from the costs to be incurred for the remaining total estimated construction cost.

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(5) Estimated expenses relating to the Proposed Private Placement

The breakdown of the estimated expenses for the Proposed Private Placement is set out below:

Estimated expenses	Amount (RM'000)
Professional fees (including advisory fees and fees payable to solicitors and Independent Market Researcher for the Proposed Private Placement as well as placement fee)	1,454
Fees to relevant authorities	35
Miscellaneous expenses (including printing and despatch of circulars and notice of the EGM and advertising expenses).	50
Total	1,539

Any excess or shortfall in the actual amount of estimated expenses for the Proposed Private Placement incurred will be adjusted to/ from the amount earmarked funding for future design and built property development projects and renewable energy projects as set out in **Section 3, Note (3)** of this Circular.

The actual proceeds to be raised from the Proposed Private Placement are dependent on the final issue prices of the Placement Shares and the actual number of Placement Shares to be issued.

If the gross proceeds raised varies from the RM62.08 million based on the Assumed Issue Price, such proceeds will be utilised in the proportion set out above and in the following order of priority:

- (i) Estimated expenses relating to the Proposed Private Placement;
- (ii) Funding for the Group's existing construction projects;
- (iii) Capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities;
- (iv) Funding for a 9.6 MW capacity small hydro facility at Empangan Pedu, Kedah; and
- (v) Funding for future design and built property development projects and renewable energy projects.

In the event that the proceeds from the Proposed Private Placement are insufficient for the above-mentioned utilisation of proceeds as stated in **Section 3** of this Circular, the Group may consider other avenues of funding such as bank borrowings or other equity fund-raising proposals to meet its financial requirements at a later date.

Pending usage of the proceeds from the Proposed Private Placement 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 the financial institution or any gain arising from the short-term money market instruments will be used as working capital for the construction activities of the Vizione Group.

4. RATIONALE FOR THE PROPOSED PRIVATE PLACEMENT

Upon evaluating the funding requirements for the purposes as set out in **Section 3** of this Circular, the Board is of the view that capital fund raising via the Proposed Private Placement will provide the necessary funding on an immediate basis.

After due consideration of the various methods of fund raising, the Board is of the opinion that the Proposed Private Placement is currently the most appropriate avenue of fund raising as:

- (i) it enables the Group to raise funds expeditiously without incurring interest cost or having to service principal repayments as compared to bank borrowings, thereby allowing the Group to preserve its cash flow;
- (ii) it is comparatively expedient and an efficient avenue to raise the required quantum of funds as opposed to other forms of equity fund raising such as rights issue exercise, where the proceeds are raised on a “lump-sum” basis and such exercise generally takes a longer implementation time. With a private placement, the placees are required to pay the placement funds for a particular tranche within 5 market days from the price fixing date;
- (iii) as the Proposed Private Placement may also be implemented in tranches, this enables the Company to raise funds expeditiously on an “as needed” basis. The Board is mindful that the full issuance of the Placement Shares within a short period of time would dilute the existing shareholders’ shareholdings. The Proposed Private Placement is expected to contribute positively to the future earnings of the Group and in turn enhance shareholders’ value moving forward, when the Group is able to realise the benefits arising from the utilisation of placement proceeds; and
- (iv) upon completion of the Proposed Private Placement, the enlarged capital base is also expected to strengthen the financial position of the Company.

Notwithstanding the above and in view that proceeds from the Proposed Private Placement are to be utilised within a period of 24 months (as set out in **Section 3** of this Circular), Vizione has considered, in particular the following:

- The Management and Board confirmed that the funds are to be used progressively and Vizione needs to ensure that funding is in place to ensure successful implementation of the new business ventures and construction projects. The Management and Board also confirmed that while a major portion will be for immediate usage, the exact timing and quantum are dependent on the progress of operations (i.e., construction and new ventures);
- For a rights issue to be successful, Vizione would require undertakings from substantial shareholders, who may require funding and/ or time to procure the necessary funding. Further, the Company is unable to be certain as to the subscription rate resulting from the rights issue and the Board has to ensure the appropriate level of shareholders’ undertakings will be in place, to subscribe for their entitlements. Furthermore, the rights issue will require longer period for implementation; and
- The Management and Board also informed that the undertaking of bank borrowings would result in the Group having to, incur interest costs as well as the obligation to repay the loan principal plus interest costs. This would put further strain on the Group’s cash flow and financial resources.

A summary of the Group’s statement of cash flow from its latest audited financial statements for the 18-months FPE 30 November 2020* together with the comparative being the FYE 31 May 2019 is as follows:

	Audited As at 30 November 2020 RM'000	Audited As at 31 May 2019 RM'000
Net cash used in operating activities	(65,048)	(58,279)
Net cash used in investing activities	(15,206)	(3,797)
Net cash from financing activities	68,781	37,267
Net decrease in cash and cash equivalents	(11,473)	(24,809)
Cash and cash equivalents at beginning of the period/ year	5,322	30,131
Cash and cash equivalents at end of the period/ year	(6,151)	5,322
Cash and cash equivalents at end of the period/ year comprise:		
Fixed deposits with licensed banks	25,842	18,462
Cash and bank balances	16,841	11,512
Other investments	35	2
Bank overdrafts	(23,027)	(5,475)
	19,691	24,501
Less: Fixed deposits pledged with licensed banks	(25,842)	(18,462)
Cash and bank balances pledged	-	(717)
	(6,151)	5,322

Note:

- * The Company had on 2 June 2020 announced the change of its year end from 31 May to 30 November to align with the fiscal year end reporting report of other similar construction and property players and major property market reports in Malaysia. The next audited financial statements of the Company shall be for a period of 18 months from 1 June 2019 to 30 November 2020.

Based on its latest audited financial statements for the 18-months FPE 30 November 2020, the Group reported net cash used in operating activities of RM65.05 million. The net cash used in investing activities of RM15.21 million was mainly due to cash outflows from acquisition of subsidiary companies of RM11.55 million and acquisition of an associate company of RM3.25 million. The net cash from financing activities of RM68.78 million was mainly attributable to:

- Cash inflow arising from proceeds from the issuance of Shares of RM107.10 million (arising from the Previous Private Placement and Private Placement 2019-2020, as mentioned in **Section 6** of this Circular);
- Cash inflow arising from drawdown of term loans of RM5.0 million;
- Cash outflow arising from decrease in fixed deposits pledged of RM7.38 million;
- Cash outflow arising from repayment of term loans of RM25.97 million; and
- Cash outflow arising from net changes in trust receipts and invoice financing of RM7.72 million.

The above resulted in a net decrease in cash and cash equivalents of RM11.47 million.

In addition, while the Group had fixed deposits with licensed banks of RM25.84 million and cash and bank balances of RM16.84 million as at 30 November 2020, but after having taken into consideration bank overdrafts of RM23.03 million and amounts that have been pledged totaling RM25.84 million, the Group's cash and cash equivalents as at 30 November 2020 was negative RM6.15 million. As such, there is an imminent need for the Group to raise funds from the Proposed Private Placement for the Group to replenish its cash and cash equivalents which had decreased from RM30.13 million as at 1 June 2018 to negative RM6.15 million as at 30 November 2020, expeditiously.

5. PROVISION OF FINANCIAL ASSISTANCE

5.1 Details and rationale

On 3 March 2021 and with reference to **Section 3, Note (1)** of this Circular, TA Securities, on behalf of the Board announced amongst others that the Group is proposing to provide financial assistance to SSN Medical Products.

SSN Medical Products became a 51%-owned subsidiary of Vizione on 10 February 2021 with the completion of the SSN Medical Products Acquisition. Prior to entering into the SSA, VIP Index had entered into a Heads of Agreement with the Vendors on 2 September 2020. The parties had agreed, among others, that the acquisition of SSN Medical Products is conditional and subject to a financial and legal due diligence to be undertaken by VIP Index to the sole satisfaction of VIP Index. At that time, SSN had unaudited net liabilities of RM6.79 million and unaudited LBT of RM1.40 million, based on its then latest management accounts for the 8-months FPE 31 August 2020.

Due diligence was undertaken on SSN Medical Products and the Board decided to proceed with the acquisition of SSN Medical Products. In addition, the following was noted:

- SSN Medical Products has been in operations for more than 20 years, has 9 existing production lines (6 for the manufacturing of gloves and 3 for the manufacturing of condoms) but requires funding for capital expenditure and expansion;
 - SSN Medical Products' financial results in recent years were as follows:
 - Audited revenues were fairly consistent at RM21.22 million and RM20.22 million for the FYE 31 December 2017 and FYE 31 December 2018, respectively but decreased significantly to RM11.68 million for the FYE 31 December 2019;
 - Reported audited operating profits for the FYE 31 December 2017 and FYE 31 December 2018 but reported operating loss of RM11.33 million for the FYE 31 December 2019.
- There was a change in shareholders and management from the original shareholders in early FYE 31 December 2019, which was reverted to the original shareholders towards the end of FYE 31 December 2020;
- Continued to report significant unaudited losses for the 8-months FPE 31 August 2018 but managed to turnaround with an unaudited PBT of RM2.11 million for the FYE 31 December 2020.

Please refer to Section 1 of **Appendix I** of this Circular for further details on SSN Medical Product's historical financial results.

Based on the above, the Board views that the SSN Medical Products Acquisition is in the best interest of the Vizione and is expected to provide a steady stream of revenue to the Group. Nevertheless, the Board recognises that SSN Medical Products requires, among others, assistance/ guidance to be a subsidiary of Vizione, being a public listed company and financial assistance for its operations and to improve its recent financial performance and position.

As such, Vizione via VIP Index had on 1 December 2020 entered into the shares sale agreement with the Vendors based on, among others, the following terms:

- the debts, liabilities and losses of SSN Medical Products as at the completion date of the SSN Medical Products Acquisition does not exceed the liability threshold;
- the completion of the SSN Medical Products Acquisition is conditional on, among others, the receipt by VIP Index of the founder employment agreement (i.e., employment contract between the founder, Ang Teck Leong with SSN Medical Products); and
- the founder undertakes to ensure that SSN Medical Products shall achieve a PBT of not less than RM15.0 million for the financial year ending 2021, excluding non-recurring, one-off or extraordinary items ("Profit Guarantee").

Premised on the above and as Provision of Financial Assistance would also facilitate SSN Medical Products in meeting its Profit Guarantee, Vizione is of the view that the Provision of Financial Assistance is not to the detriment of Vizione and its shareholders.

Vizione would be providing RM17.0 million of the proceeds from the Proposed Private Placement via advances to SSN Medical Products for its expansion plan. The Management and Board confirmed that, while Vizione will assist with the funding on SSN Medical Products' operations and expansion plan, Ang Teck Leong will focus on running the business. Kindly refer to **Appendix III** of this Circular for the details of salient terms for the Provision of Financial Assistance.

The Group's venture into the new business via SSN Medical Products is intended to provide an alternative earnings stream to the Group. Furthermore, the rationale for the Provision of Financial Assistance is to support SSN Medical Products' expansion by way of capital expenditure to set up 6 new gloves production lines and upgrade of its existing production facilities. The expected benefits/ earnings arising from the expansion plan would flow to Vizione by virtue of SSN Medical Products being its 51%-owned subsidiary.

The allocation of proceeds amounting to RM17.0 million from the Proposed Private Placement would be deemed a provision of financial assistance pursuant to Paragraph 8.23(1) (iii) of the Listing Requirements as the advances are to be utilised by SSN Medical Products in its ordinary course of business. Based on the utilisation of proceeds set out in **Section 3, Note (1)** of this Circular, the proceeds are for the purchase and/ part lease of machines, equipment as well as construction of facilities for its operations.

5.2 Risk factors

The Board does not envisage any specific risks associated with the Provision of Financial Assistance, apart from the inherent business risks faced by SSN Medical Products in its ordinary course of business.

5.3 Financial effects

The Provision of Financial Assistance is not expected to have a material effect on the net assets, earnings per Share and gearing to the Vizione Group for the financial year ending 30 November 2021 in view that the proceeds are expected to be utilised within 24 months from the date of listing of the Placement Shares.

The Provision of Financial Assistance does not have any effect to the Company's issued share capital, substantial shareholders' shareholdings and Convertible Securities.

5.4 Approvals required

The Provision of Financial Assistance is not subject to the approval of the shareholders of Vizione or any approval from the relevant authorities/ parties. Save for the Proposed Private Placement, the Provision of Financial Assistance is not conditional upon any other corporate proposal being or proposed to be undertaken by the Company.

5.5 Interests of Directors, major shareholders, chief executive and/ or person connected with them

None of the Directors, major shareholders, chief executive and/ or persons connected with them has any interest, direct and indirect, in the Provision of Financial Assistance.

5.6 Directors' statement

In providing the Provision of Financial Assistance as set out in **Section 5** of this Circular, the Board has taken into consideration, among others, the following:

- (i) Overview and outlook of the global and Malaysian rubber glove markets in **Section 7.5** of this Circular;
- (ii) Prospects and future plans of the Group in **Section 7.6** of this Circular, in particular, the venture into the new business via SSN Medical Products is intended to provide an alternative earnings stream to the Group;
- (iii) Details and rationale for the provision of financial assistance as set out in **Section 5.1** of this Circular, the due diligence undertaken on SSN Medical Products and the Board's decision to proceed with the SSN Medical Products Acquisition and terms of the said acquisition;
- (iv) The salient terms for the provision of financial assistance, as set out in **Appendix III** of this Circular; and
- (v) The Vizione Group has carried out an internal costing for the overall expansion plan of SSN Medical Products, and regularly monitors to ascertain the breakdown of costs incurred and to be incurred to be in line with market practices as follows:
 - In setting up the 2 new nitrile gloves production lines, the Group obtained quotations from 3 separate contractors in determining the costs. In selecting the quote and contractor, the Group considered, among others, the track record of the contractor, competitiveness of pricing, equipment and level of production output proposed, payment terms and date of completion (including commitment made by a contractor);
 - For the remaining 4 new nitrile gloves production lines, the Group estimated the cost based on a quote provided by a contractor. Nevertheless, the Group will be obtaining more quotations before selecting the most appropriate. In this regard, the Group noted, among others, that the remaining 4 lines would be shorter (at 65 meters) compared to the earlier 2 lines (at 86 meters) thus the estimated cost was lower at approximately RM17.0 million compared to the cost of the 2 earlier lines based on the selected quotation of RM11.13 million; and
 - For the remaining other costs (comprising installation, upgrading and repair works as well as working capital), these were part of the overall costing, derived from SSN Medical Products' estimates based on its past experience.

In addition, the Management performs regular site visits to the production site and obtains monthly reports from SSN Medical Products in monitoring its overall operations and financial performance.

As at the LPD, SSN Medical Products has only received orders for the existing gloves production lines. Based on its order list from mid-December 2020 to end-February 2021, SSN Medical Products has received orders for 128.62 million pieces of gloves worth RM33.13 million for deliveries ranging from in March 2021 to August 2021. As at the LPD, 8.60 million pieces of gloves worth RM1.89 million have been delivered from the said order list. Please refer to Section 5 of **Appendix I** of this Circular for further details.

The Group will also be charging interest at the rate of 8% per annum for the advances to be provided to SSN Medical Products.

Premised on the above, the Board after having considered all aspects of the Provision of Financial Assistance, is of the opinion that the Provision of Financial Assistance is fair and reasonable to Vizione and is not to the detriment of Vizione and its Shareholders.

6. EQUITY FUND RAISING EXERCISES UNDERTAKEN BY VIZIONE IN THE PAST 12 MONTHS UP TO THE LPD

Reference is made to the Previous Circular in relation to the Corporate Exercises. The Corporate Exercises were approved by Vizione's shareholders at the EGM of the Company held on 18 June 2020. On 26 November 2020, the Company announced that a total of 170,000,000 new Shares have been issued under the Previous Private Placement in several tranches, which raised total gross proceeds of RM61.63 million. The Previous Private Placement was deemed completed on 26 November 2020.

In view that the completion of the Previous Private Placement was quite recent (i.e., within the past 6 months), TA Securities as the Adviser and Placement have noted the dilutive effect of the Proposed Private Placement.

Nevertheless, the Management and Board confirmed that the Company needed to raise funds expeditiously for the purposes set out in **Section 3** this Circular, which the Board is of the view is in the best interest of the Company. The Board is also of the view that the benefits arising from the utilisation of the proceeds from the Proposed Private Placement will mitigate the dilutive effects after having taken into consideration the following:

- (i) As per **Note (1) of Section 3** of this Circular, RM17.0 million is to be utilised as capital expenditure for the setting up of 6 new gloves production lines and upgrading of existing production facilities.

- Based on the latest management accounts of SSN Medical Products for the FYE 31 December 2020, SSN Medical Products recorded an unaudited PBT of RM2.11 million. Furthermore, as set out in **Section 5.1** of this Circular, SSN Medical Products requires funding for capital expenditure and expansion and, among others, there is a Profit Guarantee of RM15.0 million for the financial year ending 2021. In addition, based on its order list from mid-December 2020 to end-February 2021, SSN Medical Products has received orders for 128.62 million pieces of gloves worth RM33.13 million for deliveries ranging from in March 2021 to August 2021. As at the LPD, 8.60 million pieces of gloves worth RM1.89 million have been delivered from the said order list.

Kindly refer to **Appendix I** of this Circular for the further information on SSN Medical Products;

- (ii) As per **Notes (2) and (3) of Section 3** of this Circular, RM23.86 million is to be utilised for the Group's existing construction projects and RM6.68 million is to be utilised for future property development projects.

- Such allocation is essentially working capital for the Group's existing construction and property development businesses.

For the existing construction projects, the proceeds are expected to be utilised for, among others, payments to sub-contractors, material costs, earthwork, piling works, site clearing, building and external works as well as payment to the relevant authorities.

For the future projects, the proceeds are intended to defray initial operating costs associated with the future development of residential and mixed development properties which included but not limited to, working capital for initial project development stage such as deposit payment, procurement of sub-contractor and/or other professional consultants and payment of building material suppliers.

- (iii) As per **Notes (3) and (4) of Section 3** of this Circular, RM3.0 million is to be utilised for the supply of green or renewable energy and RM10.0 million for the small hydro project.

- In respect of the supply of green or renewable energy by Vizione, the Group is still in the midst of exploring a business proposal which is expected to provide an alternative earnings stream to the Group.
- In respect of the small hydro project, the benefits that are attributable to the Vizione Group comprise 60% of the net profits arising from the concession pursuant to Vizione's effective 60% equity interest in SDF Hydro and 100% of the construction profits attributable to the construction works which has been awarded to Vizione Construction.

As such, the expected benefits arising from expected future earnings from SSN Medical Products, improved earnings from the Vizione Group's existing construction and property development businesses, and expected future profits from the renewable energy business to the enlarged Vizione Group would mitigate the dilutive effects of the Proposed Private Placement.

The status of the utilisation of the proceeds from the Previous Private Placement by the Vizione Group as at the LPD is as follows:

		Proceeds raised from the issuance of Previous Private Placement up to 26 November 2020 ⁽²⁾	Actual utilisation up to the LPD	Balance unutilised as at the LPD	Expected timeframe for utilisation upon receipt
Description	Proposed utilisation ⁽¹⁾				
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	
Property development and construction projects	58,855	59,326	59,326	-	Within 2 years
Expenses relating to the Corporate Exercises	2,300	2,300	998	1,302 ⁽³⁾	Immediate
Total	61,155	61,626	60,324	1,302	

Notes:

- (1) The proposed utilisation of the gross proceeds from the Previous Private Placement is based on the Previous Circular. The Group has earmarked the utilisation of the gross proceeds from the Previous Private Placement as follows:

- (a) Up to RM58.86 million for the Group's on-going construction and property development projects as well as any other new projects to be undertaken by the Group. The expected completion dates for the said projects were between 5 July 2020 to 30 April 2022.

For property development projects, the proceeds from the Previous Private Placement were to be utilised for, among others, payments to contractors, suppliers and consultants as well as payment to the relevant authorities.

For construction projects, the proceeds from the Previous Private Placement were to be utilised for, among others, payments to contractors, material costs, earthwork, piling works, site clearing, building and external works as well as payment to the relevant authorities.

The breakdown of the indicative allocation of proceeds based on the Previous Circular and actual utilisation of proceeds is as follows:

No.	Project name/ Location	Indicative allocation of proceeds* (RM'000)	Actual utilisation of proceeds (RM'000)	Variance (Shortfall)/ Surplus (RM'000)
<u>Construction projects:</u>				
1.	Government Housing Scheme, Tagasan, Sabah	7,000	12,336	(5,336)
2.	Pengerang Eco-Industrial Park (PeIP), Johor	2,000	273	1,727
3.	KL North Gate Damar Block, Selangor	1,500	1,563	(63)
4.	Midlands Education City Main Building Works Broga, Selangor	35,000	-	35,000
5.	Pembinaan Kuarters Depot Tahanan Imigresen Kemayan, Pahang	3,000	5,968	(2,968)
6.	RUMAWIP Gombak, Selangor	-	16,419	(16,419)
7.	Perbadanan Bekalan Air Penang project, Penang	-	9,052	(9,052)
8.	Condominiums and superlink villas located at Bandar Rahman Putra, Shah Alam, Selangor project	-	3,303	(3,303)
	Sub-total	48,500	48,914	(414)
<u>Property development project:</u>				
1.	216 Residences @ Kuchai Lama	10,355	11,714	(1,359)
	Total	58,855	60,628	(1,773)

Notes:

* *Based on the Previous Circular, the following is noted:*

"The allocation breakdown set out herein is indicative only based on the Group's estimate of the respective projects' funding requirements at this juncture.

Moving forward, the actual utilisation of proceeds for each project may differ depending on the actual funding requirement of the respective projects at the relevant time as well as the actual proceeds raised from the Proposed Private Placement. In this respect, the allocation of proceeds between each project shall be adjusted accordingly as and when required.

Any surplus proceeds will be allocated for new construction and/or property development projects to be undertaken by the Group in the future.

Any shortfall in the Group's funding requirement for the respective projects are expected to be met via progress billings / progressive sales billings to be received, internally generated funds and/or bank borrowings."

Premised on the above, and as the proceeds were essentially utilised as working capital for the Group's existing construction and property development businesses, the actual utilisation had varied from the earlier indicative allocation of proceeds.

Nevertheless, Vizione wishes to clarify that an arrangement for deferred payment was made with the sub-contractor in July 2020 in relation to the construction of Midlands Education City Main Building Works Broga, Selangor. Since the utilisation of proceeds from the Previous Private Placement was no longer timely, the proceeds were re-allocated to other projects instead.

- (b) *Expenses relating to the Corporate Exercises included professional fees such as advisory fees, management fees, placement commission and other professional fees payable to the Company Secretary, Share Registrar and Solicitors in relation to the Previous Private Placement, fees to the relevant authorities and printing, despatch and advertising expenses.*
- (2) *The variance in total proceeds raised was due to the difference between the illustrative issue price for the proposed proceeds to be raised in the Previous Circular and the actual issue prices for the 6 tranches of private placement shares allotted and issued.*
- (3) *The surplus from the earlier allocation for expenses relating to the Corporate Exercises of RM1.30 million was re-allocated and utilised for the property development and construction projects. As such, total proceeds utilised for the property development and construction projects was RM60.63 million.*

While it is noted that the Previous Private Placement raised a substantial amount at RM61.63 million, the Board wishes to provide further clarification as follows:

- As disclosed in **Section 7.6** of this Circular, among others, the Group recorded a LBT of RM6.10 million for the 18-months FPE 30 November 2020 and its performance was also impacted by the COVID-19 pandemic and movement control orders;
- It is also noted from Vizione's latest audited financial statements for the 18-months FPE 30 November 2020 that the Group had net cash used in operating activities of RM65.05 million;
- Based on the status of utilisation of proceeds (as set out above), the proceeds have been utilised;
- The Management and Board confirmed that the said utilisation of proceeds as set out above and in Vizione's latest quarterly results for the 18-months FPE are in order and the disclosure is correct; and
- Based on the above, the proceeds raised from the Previous Private Placement were utilised for projects that differed from those set out in **Section 3 (Notes 2 and 3)** of this Circular, as confirmed by the Management and the Board.

The Board further confirmed that these corporate exercises are part of the Company's continuing plan to improve its financial performance and position.

7. INDUSTRY OVERVIEW AND OUTLOOK

7.1 Overview and outlook of the Malaysian economy

The Malaysian economy recorded a negative growth of 3.4% in the fourth quarter ("4Q") 2020 (Third quarter ("3Q") 2020: -2.6%), largely attributable to the imposition of the Conditional MCO ("CMCO") on a number of states since mid-October. The restrictions on mobility, especially on inter-district and inter-state travel, weighed on economic activity. Nevertheless, the continued improvement in external demand provided support to growth. Consequently, except for manufacturing, all economic sectors continued to record negative growth. On the expenditure side, moderating private consumption and public investment activities weighed on domestic demand. On a quarter on quarter seasonally-adjusted basis, the economy registered a decline of 0.3% (3Q 2020: +18.2%).

In the 4Q 2020, the momentum in economic recovery was affected by the resurgence in COVID-19 cases and the introduction of targeted containment measures in several states in the fourth quarter. While there were minimal restrictions on production capacity, the movement restrictions implemented in selected states partly affected domestic demand during the quarter.

Going into 2021, while near-term growth will be affected by the re-introduction of stricter containment measures, the impact, however, will be less severe than that experienced in 2020. The growth trajectory is projected to improve from the second quarter onwards. The improvement will be driven by the recovery in global demand, turnaround in public and private sector expenditure amid continued support from policy measures including PENJANA, KITA PRIHATIN, 2021 Budget and PERMAI, and higher production from existing and new facilities in the manufacturing and mining sectors. The vaccine rollout from February onwards is also expected to lift sentiments. The balance of risks remains tilted to the downside, stemming mainly from ongoing uncertainties surrounding the dynamics of the pandemic and potential challenges that might affect the rollout of vaccines both globally and domestically

For 2021, the International Monetary Fund projects the global economy to grow by 5.5%. The outlook is underpinned by the 'vaccine-virus race', that is, the interplay between the ongoing rollout of mass inoculation against COVID-19 and the resurgence in cases. The vaccine is expected to facilitate the eventual resumption of economic activity. However, in the near term, resurgences may still necessitate the reintroduction of containment measures. Consequently, a key downside risk is a re-escalation of the pandemic before coverage rates required for population immunity are reached, particularly if there are delays in the production and distribution of vaccines.

(Source: *Economic and Financial Developments in the Malaysian Economy in the Fourth Quarter of 2020*, Bank Negara Malaysia)

The Malaysian economy remain strong in fundamental with the country posting a negative growth of 3.4% in 4Q 2020 compared to 2.7% in 3Q 2020, following the imposition of the CMCO on a number of states since mid-October. The restrictions on mobility, especially on inter-district and inter-state travel, weighed on economic activity. Nevertheless, the continued improvement in external demand provided support to growth and the vaccine rollout from February onwards is also expected to lift sentiments.

Moving forward, growth is expected to improve further, benefitting from the recovery in global demand and spill overs onto the domestic sectors, continued policy support including the recent KITA PRIHATIN and 2021 Budget measures, as well as higher production from existing and new facilities in the manufacturing and mining sectors. The vaccine rollout from February 2021 onwards is also expected to lift sentiments.

7.2 Overview and outlook of the construction sector in Malaysia

The construction sector contracted by 25.9% in the first half ("H1") 2020 and is expected to shrink by 11.8% in the second half with all segments declining significantly. At the same time, prolonged property overhangs continue to weigh down the performance of the sector. The construction sector recorded a larger rate of 13.9% (3Q 2020: -12.4%). Activity in the construction sector faced labour shortages, site shutdowns due to COVID-19 outbreaks and interruptions in progress of selected work packages have affected growth, particularly in the civil engineering and residential sub sectors. The special trade sub sector, however, continued to register positive growth following support from small-scale projects under the PRIHATIN stimulus package.

The real estate and business services subsector declined by 11.3% in the first half of 2020, attributed to temporarily suspension of construction activities during the MCO since March 2020 to curb the transmission of COVID-19. The subsector is expected to continue to decline by 11.9% in the second half and 11.6% for the whole year. This is mainly due to deferred construction projects and subdued business activities. However, with projected economic recovery and the roll-out of delayed infrastructure projects, the construction subsector is expected to rebound by 7.6% in 2021.

Civil engineering and specialised construction activities subsectors are expected to improve gradually, cushioned by various measures under the economic stimulus packages. Activity resumed across all construction sub-sectors (after the MCO period) supported by on-going large transportation projects in the civil engineering sub-sector and affordable housing projects in the residential sub-sector. Overall, for year 2020, the sector is projected to contract by 18.7%.

The construction sector is expected to rebound by 13.9% in 2021 on account of the acceleration and revival of major infrastructure projects, coupled with affordable housing projects. The civil engineering subsector will continue to be the main driver of the construction sector. Among the major infrastructure projects include Mass Rapid Transit 2 (MRT2), Light Rail Transit 3 (LRT3), West Coast Expressway (WCE) and Bayan Lepas Light Rail Transit (LRT) as well as Pan Borneo and Coastal Highways in Sarawak. Utility projects include the Langat 2 Water Treatment Plant, Baleh Hydroelectric Dam and Sarawak Water Supply Grid Programme (Phase 1).

The residential subsector is anticipated to improve, supported by various measures taken by the Government to address the property overhang situation. Among the measures include the extension of the House Ownership Campaign, exemption of real property gains tax (RPGT), the introduction of rent-to-own (RTO) scheme as well as reduction of foreign ownership threshold. The performance of the non-residential subsector is expected to recover marginally, supported by on-going commercial projects, including Bukit Bintang City Centre, Cyberjaya City Centre, Forest City and Malaysia Vision Valley 2.0. In addition, higher demand for construction-related services is expected to drive the business services segment.

(Sources: Economic Outlook 2021, Ministry of Finance and Economic and Financial Developments in the Malaysian Economy in the Fourth Quarter of 2020, Bank Negara Malaysia)

The performance of the construction sector in 2020 has been subdued as the sector contracted by 25.9% in the first half ("H1") 2020 and is expected to shrink in the second half with all segments declining significantly. At the same time, prolonged property overhangs continue to weigh down the performance of the sector. Overall, for year 2020, the sector has contracted by 19.4%.

However, the construction sector is expected to rebound by 13.9% in 2021 driven by acceleration and revival of major infrastructure projects as mentioned above, coupled with affordable housing projects. The civil engineering subsector will continue to be the main driver of the construction sector. The residential subsector is anticipated to improve, supported by various measures taken by the Government to address the property overhang situation as stated in the above.

7.3 Overview and outlook of the property market in Malaysia

The property market performance recorded a sharp decline in the first half of 2020 (H1 2020), in consonance with the Malaysian economic performance, which contracted by 17.1% in Q2 2020 (Q1 2020: 0.7%). A total of 115,476 transactions worth RM46.94 billion were recorded, showing a decrease of 27.9% in volume and 31.5% in value compared to the same period last year, which recorded 160,165 transactions worth RM68.53 billion.

The residential sub-sector led the overall property market, with 65.2% contribution. This was followed by agriculture sub-sector (20.1%), commercial (7.0%), development land and others (5.9%) and Industrial (1.7%). In terms of transaction value, residential took the lead with 54.6% share, followed by commercial (18.1%), industrial (11.5%), agriculture (8.8%) and development land and others (7.0%).

(a) Residential property

There were 75,318 transactions worth RM25.61 billion recorded in H1 2020, decreased by 24.6% in volume and 26.1% in value compared to H1 2019. Performance across the states was not encouraging as all states recorded declines in market activity. By state, Selangor contributed the highest volume and value to the national market share, with 22.8% in volume (17,178 transactions) and 32.9% in value (RM8.44 billion). As for Wilayah Persekutuan Kuala Lumpur, though only 4,100 transactions were recorded, the transaction value was the third highest at RM3.11 billion.

In the primary market, the number of new launches in 1H 2020 were far behind those recorded in 1H 2019. There were 13,294 units launched, down by 43.6% against 23,591 units in 1H 2019. The lower new launches and poor sales performance was probably due to the total closure of almost all business and economic activities during the movement control order (MCO) period, which was imposed since 18 March 2020.

Nevertheless, Negeri Sembilan recorded the highest new launches in the country, capturing nearly 21.0% (2,797 units) of the national total. Johor recorded the second highest number of new launches (2,304 units), accounting for nearly 17.3% of the national total. Perak was the third with 14.7% (1,956 units) of the total.

The slow market absorption of the primary market led to the increase in residential overhang. There were 31,661 overhang units worth RM20.03 billion, increased by 3.3% in volume (H2 2019: 30,664 units) and 6.4% in value against the preceding half (H2 2019: RM18.82 billion). Meanwhile the unsold under construction recorded a marginal increase to 74,230 units, up by 2.1% whilst the unsold not constructed improved as the numbers dropped to 14,542 units, reduced by 13.3%.

Construction activities remained on a low tone for starts, which declined by 28.3% to 33,493 units compared to the same period last year (H1 2019: 46,735 units), all states except Johor and Kelantan recorded lower commencement of project. Likewise, new planned supply dropped by 34.1% to 24,098 units (H1 2019: 36,578 units) as all states recorded fewer except Pulau Pinang, Negeri Sembilan and Kedah. In contrast, completion recorded a marginal increase of 0.9% to 27,529 units (H1 2019: 27,277 units); all states recorded lower completion except Selangor, Putrajaya, Melaka, Kelantan and Sarawak. Selangor contributed the highest number of completion, accounting for 25.4% (6,996 units) of the national total.

The Malaysian House Price Index continued to increase at a moderating trend. As at Q2 2020, the Malaysian House Price Index stood at 198.3 points (at base year 2010), up by 0.4% on annual basis, the lowest annual growth recorded since year 2010. However, on quarterly movements, the index points decreased marginally by 0.7% against Q1 2020 (199.7 points).

(b) Commercial property

There were 8,118 transactions worth RM8.51 billion recorded, declined by 37.4% in volume and 33.2% in value (H1 2019: 12,962 transactions worth RM12.75 billion). Performance across the states worsened as all states recorded significant declines in market activity. By state, Selangor contributed the highest volume and value to the national market share, with 23.0% in volume (1,870 transactions) and 28.2% in value (RM2.4 billion); followed by Johor with 16.2% in volume (1,314 transactions) and 12.6% in value (RM1.08 billion). As for Wilayah Persekutuan Kuala Lumpur, though only 1,212 transactions (14.9% of the total) were recorded, the transaction value was the second highest at RM2.09 billion.

Shop sub-sector overhang continued to increase but at slower pace, recording a total of 6,187 units worth RM5.03 billion, up by 2.7% in volume and 3.3% in value against the preceding half (H2 2019: 6,024 units worth RM4.87 billion). Meanwhile the unsold under construction and not constructed recorded marginal increase to 6,333 units and 344 units, up by 1.6% and 2.4% respectively.

On the supply front, construction activity continued to be slow as indicated by the contraction in completion, starts and new planned supply, each down by 43.6%, 35.6% and 26.3% to 1,542 units, 1,854 units and 1,054 units respectively compared to the same period last year. As at end-June 2020, there were slightly more than 534,000 existing shops with 36,379 units in the incoming supply and nearly 35,000 units in the planned supply.

Prices of shops in Klang Valley were generally stable with mixed movements recorded in Klang, Selangor. In Johor, prices of shop were stable with positive growth in prime area such as Johor Bahru. Terraced shops in Taman Daya, Taman Universiti and Bandar Baru Permas Jaya recorded average growth of 6% to 10%. In Pulau Pinang, pre-war shops in George Town World Heritage Site (Core Zone) and Outside George Town World Heritage Site were transacted at RM3.35 million and RM1.2 million respectively.

According to Bank Negara Malaysia, the Malaysian economy is expected to recover gradually in H2 2020 as the economy progressively re-opens and external demand improves. The Malaysia's GDP is projected to experience negative growth within the range of -3.5% to -5.5% in 2020 before rebounding to pre COVID-19 levels in 2021.

With the resuming of economic activities since early May 2020, property market activities recorded in the month of May and June 2020 saw a turnaround. Further assistance from the government, initiated under the new Short-term Economic Recovery Plan or PENJANA namely the proposed reintroduction of the Home Ownership Campaign (HOC), Real Property Gains Tax (RPGT) exemption and the relaxation of the current 70% financing margin limit for third housing loan onwards, proposed a recovery plan which is related to property.

Despite the cautious optimism towards the nation's projected gradual economic recovery, with the resumption of market activity under the Recovery Movement Control Order (RMCO) and the proposed measures under PENJANA, the property market is more than likely to remain soft for the remaining half of 2020. The pace of improvement will be depending on both domestic and external factors such as political stability, global oil and commodity prices as well as further developments related to the Covid-19 pandemic.

(Sources: Property Market Report First Half 2020 and the press release on Malaysia Property Market First Half of 2020 issued on 22 September 2020, Valuation and Property Services Department, Ministry of Finance Malaysia)

The overall property market in Malaysia appeared to be subdued in 2020, following the impact from movement controls as part of the containment measures to curb the spread of COVID-19, which have generally affected across all economic sectors. As the nation progressed to gradual economic recovery in 2021, the overall property market in Malaysia, is likely to remain soft in the near term.

However, with the assistance from the government on a recovery plan which is related to property, initiated under the new Short-term Economic Recovery Plan or PENJANA, such initiatives would have a positive effect on the property market as the nation strives to recover to its pre-COVID-19 performance.

7.4 Overview and outlook of the renewable energy industry in Malaysia

Renewable energy refers to energy that is generated from natural resources such as sunlight, wind, rain, tides and geothermal heat which are naturally replenished. Renewable energy technologies include solar power, wind power, hydro, biomass and biofuels. Rapid depletion of fossil fuel reserves as well as climate change has driven the further development of renewable energy sources which are widely available, untapped, and environmentally friendly. As Vizione Group intends to venture into the small and mini hydropower and solar power business, the following will focus on the small and mini hydropower and solar power industries in Malaysia.

Small and mini hydropower is harnessed from flowing water from lakes, rivers or streams, typically with an installed capacity of up to 30 MW. Solar power is harnessed from the sun's radiant light and heat through technologies such as solar heating, solar PV, solar thermal energy, solar architecture and artificial photosynthesis. The growth of the small and mini hydropower industry and solar power industry in Malaysia is largely driven by the establishment and implementation of FiT mechanism with the enforcement of Renewable Energy Act 2011 on 1 December 2011 and NEM mechanism beginning 2016.

The small and mini hydropower industry and solar power industry in Malaysia are represented by the installed capacity and the annual power generation.

Based on latest available data, from 2016 to 2018, installed capacity for commissioned small and mini hydropower installations grew from 65.59 MW to 104.81 MW at a CAGR of 26.41%; and installed capacity for commissioned solar power installations grew from 273.49 MW to 797.11 MW at a CAGR of 70.72%. Smith Zander estimates that the installed capacity for commissioned small and mini hydropower installations to have grown from 104.81 MW in 2018 to 141.20 MW in 2020 at a CAGR of 16.07%, and for commissioned solar power installations to have grown from 797.11 MW in 2018 to 1,349.50 MW in 2020 at a CAGR of 30.11%.

From 2016 to 2018, the annual power generation for commissioned small and mini hydropower installations increased from 73.54 GWh to 211.35 GWh at a CAGR of 69.53%; and the annual power generation for commissioned solar power installations increased from 132.34 GWh to 652.78 GWh at a CAGR of 122.09%. Smith Zander estimates that the annual power generation for commissioned small and mini hydropower installations to have increased from 211.35 GWh in 2018 to 433.03 GWh in 2020 at a CAGR of 43.14%, and for commissioned solar power installations to have increased from 652.78 GWh in 2018 to 1,506.68 GWh in 2020 at a CAGR of 51.92%.

The demand for small and mini hydropower plants as well as solar power is expected to be driven by the following:

- **Government-driven initiatives to promote renewable energy:** Malaysia targets to generate 20% of its energy consumption from renewable energy sources by 2025. To achieve this, the Government has introduced several incentives such as the green investment tax allowance and green income tax exemption to promote the development of renewable energy. Further, as a replacement for FiT mechanism for solar PV facilities, the Government has introduced the NEM mechanism to continue to encourage the use of solar power. NEM enables consumers to generate solar power for their own consumption, with any excess power generated to be exported to Tenaga Nasional Berhad to offset or reduce electricity bills. All of these moves toward ensuring that Malaysia's energy future is green, sustainable and diverse will bode well for the renewable energy industry, including the small and mini hydropower and solar power industries in Malaysia.
- **Growth in economy drives the demand for electricity:** Electricity is an integral infrastructural element for economic growth and a main input for production activities. The continuing economic development in Malaysia is expected to lead to higher electricity consumption, which will in turn drive the demand for electricity in Malaysia including electricity generated from small and mini hydropower plants and solar power plants, supporting the growth of the small and mini hydropower and solar power industries in Malaysia.
- **Increased use of electrical and electronic products generates increased demand for electricity:** Electrical and electronic products have a varied and wide application in consumer, commercial and industrial environments. In the recent decade alone, electrical and electronic products have evolved in terms of technology and functionality, and are key components in consumer retail, medical, manufacturing, and telecommunications industries. Further product innovation and replacement, technology migration and low cost of product ownership of existing electrical and electronic products in the market shall lead to greater adoption and penetration of electrical and electronic products, where electricity supply will be key in ensuring the operability of these devices and/or machinery, which subsequently, may drive the demand for small and mini hydropower plants and solar power plants.

(Source: Smith Zander)

7.5 Overview and outlook of the global and Malaysian rubber glove markets

Rubber gloves include both natural rubber gloves (i.e. produced using natural liquid latex) and synthetic rubber gloves (i.e. produced using synthetic liquid latex such as nitrile rubber and polyurethane). Natural rubber gloves, which are commonly known as latex gloves, offer greater dexterity and tactility while handling products and materials; and nitrile gloves as a form of synthetic rubber gloves have higher resistance to punctures and chemicals. Both natural rubber and synthetic rubber can be used to manufacture industrial gloves and medical gloves. Industrial gloves are typically worn by workers involved in industrial production of the manufacturing sector; and medical gloves such as examination gloves and surgical gloves are typically worn by healthcare professionals and workers in the medical industry as a safety measure to safeguard against infection and exposure to potential viruses, bacteria and contaminants. Medical gloves are also widely used in laboratory works to protect against contaminants and harmful chemicals.

The global rubber glove market size, as represented by the global demand for rubber gloves, increased from 233 billion pieces in 2017 to 296 billion pieces in 2019, at a CAGR of 12.71%. Since early 2020, the outbreak of the COVID-19 virus has impacted many countries around the world and resulted in a surge in demand for medical gloves globally. As a result, global demand for rubber gloves reached 380 billion pieces in 2020, an increase of 28.38% from 2019. MARGMA expects global demand for rubber gloves to reach 420 billion pieces in 2021.

To cater to the demand for rubber gloves globally, exports of rubber gloves from Malaysia increased from 150 billion pieces in 2017 to 187 billion pieces in 2019 at a CAGR of 11.65%. In 2019, Malaysia was the world's largest exporter of rubber gloves, where exports of rubber gloves from Malaysia contributed to 63.18% of total global demand for rubber gloves. Further, MARGMA expects exports of rubber gloves from Malaysia to have reached between 250 billion and 270 billion pieces in 2020 and to reach 280 billion pieces in 2021.

Moving forward, the demand for rubber gloves is expected to be driven by the following:

- **Demand for personal protective equipment to curb the spread of COVID-19 pandemic:** In view of the COVID-19 pandemic, Smith Zander estimates that, on average, approximately 3.67 billion pieces of examination gloves are required worldwide for the COVID-19 response, including for COVID-19 vaccinations, each month in 2021. The need for rubber gloves, including medical gloves as personal protective equipment during and even after the COVID-19 pandemic, will continue to boost the demand for rubber gloves globally.
- **Growth in healthcare services:** The increase in demand for healthcare services is driven by various factors including growing accessibility to healthcare services, rising population and growing ageing population, as well as rising prevalence of chronic and contagious diseases. As medical gloves are used by healthcare professionals who attend to patients during the provision of healthcare services, the increase in the demand for healthcare services will continue to drive the demand for rubber gloves including medical gloves.
- **Growth in industrial production activities in the manufacturing sector:** As rubber gloves, specifically industrial gloves are widely used for industrial production activities in the manufacturing sector, the growth in the global industrial production activities in the manufacturing sector, once the impact of the COVID-19 subsides, will stimulate demand for rubber gloves.

(Source: Smith Zander)

7.6 Prospects and future plans of the Group

The Group is a full-fledged integrated construction engineering company. The Group's capabilities include civil engineering, infrastructure construction, property development, residential and mix-used property development. As at the LPD, the Group's order book stood at more than RM1.80 billion and the Group continues to pursue for more contracts which will help the Group to return to a profitable status.

Beyond existing projects, the Group is constantly looking for opportunities to increase its order book through direct negotiation with project owners and participating in tenders. Some of the projects that the Group is exploring include, amongst others, construction of dams, renewable energy projects and mixed property development projects as well as construction work.

On 2 June 2020, Vizione announced the change of its financial year end from 31 May 2020 to 30 November 2020 to align with the fiscal year end reporting period of other similar construction and property players and major property market reports in Malaysia. As such, its next audited financial statements shall be for a period of 18 months from 1 June 2019 to 30 November 2020.

Based on the latest audited financial statements for the 18-months FPE 30 November 2020, the Group reported revenue of RM476.03 million (FYE 31 May 2019: RM593.82 million) and a LBT of RM6.10 million (FYE 31 May 2019: PBT of RM85.62 million). It is noted from the Annual Report of the Company for the FYE 31 May 2019 that the better performance was mainly due to, among others, the following:

- Significant revenue contribution from its infrastructure projects amounting to RM190.1 million which was mainly attributable to the increased work progress from the Penang Submarine and East Malaysia road projects;
- Overall improvement in GP to RM96.78 million and GP margin 16.30% mainly attributable to the improved GP contributions from infrastructure and private commercial projects; and
- Other income which amounted to RM11.62 million which was contributed from one-off rental of equipment to a specific project, interest from fixed deposit and negative goodwill from the acquisition of subsidiary (namely Wira Syukur (M) Sdn. Bhd., now known as Vizione Builder Sdn. Bhd.).

For the 18-months FPE 30 November 2020, the Group's lacklustre performance was mainly due to, among others, the following:

- The Group reported a cumulative PBT of RM25.25 million up to the 9-months FPE 29 February 2020 but was reporting LBTs for each subsequent 3 consecutive financial quarters ended 31 May 2020, 31 August 2020 and 30 November 2020. The LBT of RM6.10 million for the 18-months FPE 30 November 2020 was mainly attributable to lower overall GP (of RM33.82 million) and GP margin (of 7.11%), impairment loss on trade receivables and relatively high administrative expenses;
- There was decreased in overall construction activities arising from the COVID-19 pandemic and the movement control orders implemented by the Government of Malaysia to control in the spread of the disease, which resulted in the lower revenue. The Group's operations were particular affected in the months of April, May and June 2020 as there have been temporary suspension of project operations (in April 2020). While the Group had in May 2020 resumed its construction activities, the work pace was slower as the Group commenced preparations works for resumption of on-site operations and the implementation of standard operating procedures in accordance with the guidelines issued by MITI at its construction sites. In addition, the constructions works were also affected by supply chain disruptions due to the COVID-19 outbreak; and

- Decrease in the order book for construction projects and generally lower contract values of the respective projects being undertaken in the 18-months FPE 30 November 2020 compared to FYE 31 May 2019. Based on the Annual Report for FYE 31 December 2019, the order book was RM2.97 billion as at 31 May 2019 compared to RM3.91 billion as at 31 May 2018, which would translate to earnings in the respective following financial period/ year.

Further, the contracts undertaken in the 18-months FPE 30 November 2020 generally have lower contract values, as disclosed in the Previous Circular. The Group undertook fund raising exercises where the proceeds were earmarked for the following projects that were being undertaken:

Previous Private Placement (which was completed on 26 November 2020 and proceeds raised in the 18-months FPE 30 November 2020)

No.	Project name	Contract value (RM' million)
<u>Construction projects:</u>		
1.	Government Housing Scheme, Tagasan, Sabah	91.5
2.	Pengerang Eco-Industrial Park (PeIP), Johor	22.7
3.	KL North Gate Damar Block, Selangor	50.0
4.	Midlands Education City Main Building Works Broga, Selangor	271.0
5.	Pembinaan Kuarters Depot Tahanan Imigresen Kemayan, Pahang	23.3
<u>Property development project:</u>		
1.	216 Residences @ Kuchai Lama	96.0

Private Placement 2019-2020 (which was completed on 20 February 2020 and proceeds raised in the 18-months FPE 30 November 2020)

No.	Project name	Contract value (RM' million)
<u>Construction projects:</u>		
1.	RUMAWIP Gombak, Selangor	465.0
2.	Semenyih SOVO, Selangor	401.0
3.	Perbadanan Bekalan Air Penang project, Penang	89.9

Private Placement 2018 (which was completed on 4 October 2018 and proceeds raised in the FYE 31 May 2019)

No.	Project name	Contract value (RM' million)
<u>Construction projects:</u>		
1.	RUMAWIP Gombak, Selangor	465.0
2.	Semenyih SOVO, Selangor	401.0

Notwithstanding the Group's lacklustre performance for the recent 18-months FPE 30 November 2020, the Board views that the Group's performance is in line with the performance of the construction sector which contracted by 25.9% in the 1st half of 2020 and is expected to shrink by 11.8% in the 2nd half of 2020 as well as the decline in property market performance in the 1st half of 2020.

Nevertheless, in line with market expectations, the Board is hopeful that with the expected recovery/ rebound of the Malaysian economy as well as the construction and property industries in 2021, the Group's performance would improve in view of the Group's continuous efforts to increase its order book and gradually increase its work pace.

As construction shall remain the Group's core business, the Group has allocated RM23.86 million or 38.43% of its gross proceeds from the Proposed Private Placement for its existing construction projects and RM6.68 million or 12.36% of its gross proceeds from the Proposed Private Placement for future property development projects. The Group is also mindful of the COVID-19 pandemic and the impact on its operations and financial performance and thus has taken steps to venture into new businesses such as glove and renewable energy to provide alternative earnings streams. In this regard, the Groups completed the SSN Medical Products Acquisition and has allocated RM17.0 million or 27.38% of its gross proceeds from the Proposed Private Placement as capital expenditure and working capital for its glove venture. The Group is also venturing into the renewable energy sector via the acquisition of Tunjang Tenaga and is at the preliminary stages of a proposal on green or renewable energy where RM13.0 million or 20.94% of the proceeds from the Proposed Private Placement have been allocated.

Taking into consideration the growth expectations of the glove industry and renewable energy industry, the Group's venture into the said industries is expected to augur well to the Group's future financial performance and position.

Premised on the above as well as the Group's utilisation of proceeds and plans as set out in **Section 3** of this Circular, the Board is of the view that the Proposed Private Placement serves as an interim measure to address immediate cash flow requirements of the Group in the near future. This would provide the needed support for the Group's existing construction and property development business and facilitate its venture into the new businesses in an efficient and profitable manner notwithstanding the dilution to the shareholdings of its existing shareholders, as the Proposed Private Placement funds could be raised on an "as-needed" basis.

(Source: The Management)

8. EFFECTS OF THE PROPOSED PRIVATE PLACEMENT

For illustrative purposes, the pro forma effects of the Proposed Private Placement are as follows:

8.1 Share capital

	No. of Shares	RM
Issued share capital as at the LPD	788,516,984	558,098,157
Issuance of Placement Shares ⁽¹⁾	236,039,000	62,078,257
Enlarged share capital	1,022,835,984	620,176,414

Note:

(1) Assuming the Placement Shares are issued at the Assumed Issue Price.

8.2 NA and gearing

The pro forma effects of the Proposed Private Placement on the NA and gearing of the Vizione Group are as follows:

	Audited as at 30 November 2020 RM'000	(I) After the Proposed Private Placement RM'000
Share capital	558,098	620,176 ⁽¹⁾
Treasury shares	(1,204)	(1,204)
Warrants reserve	1,749	1,749
ICULS	261	261
Retained earnings	59,281	57,742 ⁽²⁾
Shareholders equity/NA	618,185	678,724
Non-controlling interest	379	379
Total equity	618,564	679,103
No. of Shares (excluding Treasury Shares) ('000)	786,797	1,022,836
NA per Share (RM)	0.79	0.66
Borrowings (RM'000)	46,364	46,364
Gearing (times)	0.08	0.07

Notes:

- (1) Based on the issuance of up to 236,039,000 Placement Shares at the Assumed Issue Price of RM0.263 per Placement Share, pursuant to the Proposed Private Placement.
- (2) After deducting estimated expenses incidental to the Proposed Private Placement of approximately RM1.54 million.

8.3 EPS

The Board expects the Proposed Private Placement to contribute positively to the future earnings of the Group when the benefits/ returns from the utilisation of proceeds as set out in **Section 3** of this Circular materialises.

Subsequent to the completion of the Proposed Private Placement, the EPS shall be correspondingly diluted as a result of the increase in the number of Shares arising from Proposed Private Placement.

The Proposed Private Placement is not expected to have a material effect on the earnings of the Group for the FYE 30 November 2021 in view that the proceeds are expected to be utilised within 24 months from the date of listing of the Placement Shares. Nevertheless, the potential effects of the Proposed Private Placement on the consolidated earnings of the Company moving forward will depend on, among others, the number of Placement Shares to be issued and the level of benefits/ returns generated from the utilisation of the proceeds to be raised from the Proposed Private Placement.

8.4 Substantial shareholders' shareholdings

The pro forma effects of the Proposed Private Placement (assuming full subscription of 236,039,000 Placement Shares) on the substantial shareholders' shareholdings in the Company as at LPD based on the Company's Register of Substantial Shareholders are as follows:

Substantial shareholders	As at LPD			(1) After the Proposed Private Placement		
	Direct		Indirect	Direct		Indirect
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Woo Yi Xuan	67,177,470	8.54	59,999,999 ⁽³⁾	7.63	67,177,470	6.57
Woo Swee Lian	30,000,000	3.81	97,177,469 ⁽³⁾	12.35	30,000,000	2.93
Woo Yi Ming	29,999,999	3.81	97,177,470 ⁽³⁾	12.35	29,999,999	2.93
Other placees to be identified ⁽⁴⁾	-	-	-	-	236,039,000	23.08
						-

Notes:

- (1) Based on the issued share capital of 786,796,984 Vizione Shares (excluding 1,720,000 treasury shares) as at the LPD.
- (2) Based on the enlarged issued share capital of 1,022,835,984 Vizione Shares (excluding 1,720,000 treasury shares) after the Proposed Private Placement.
- (3) Deemed interested by virtue of Shares held by his direct family members.
- (4) Included for illustrative purposes only as each placee may not emerge as a substantial shareholder upon subscription of their respective Placement Shares.

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8.4.1 Changes in substantial shareholders and corporate information from 2 February 2021 to the LPD

In relation to the above, the following announcements were noted:

- Dato' Ng Aun Hooi, the Managing Director had on 2 February 2021 ceased to be a substantial shareholder;
- Bee Jian Ming, an Executive Director (whom certain of his shares were held by Dato' Ng Aun Hooi as trustee/ stakeholder for Bee Jian Ming) had on 3 February 2021 ceased to be a substantial shareholder;
- The shareholdings of Dato' Ng Aun Hooi and Bee Jian Ming from 3 February 2021 and up to the LPD are as follows:

	As at LPD			
	Direct		Indirect	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Dato' Ng Aun Hooi	2,955,378	0.38	218,957 ⁽²⁾	0.03
Bee Jian Ming	10,302,781	1.31	-	-

Notes:

(1) Based on the issued share capital of 786,796,984 Vizione Shares (excluding 1,720,000 treasury shares) as at the LPD.

(2) Deemed interested by virtue of his spouse's interest.

- Appointment of Datuk Chong Loong Men as a Non-Independent and Non-Executive Director of Vizione on 4 February 2021; and
- Emergence of Chew Hian Tat as a new substantial shareholder on 2 February 2021. Chew Hian Tat ceased to be substantial shareholder on 10 March 2021.

In view of the above, the Board wishes to provide clarification and assurance to the Shareholders as follows:

- The disposals of Shares as announced in the changes of shareholdings of Dato' Ng Aun Hooi, Bee Jian Ming and Goon Mong Yee (whom certain of his shares were held by Dato' Ng Aun Hooi as trustee/ stakeholder for Goon Mong Yee) were due to margin calls imposed by the respective brokers.
- The said disposals of Shares had nothing to do with the appointment of Datuk Chong Loong Men to the Board.

The Company had since March 2020 approached Datuk Chong Loong Men to join the Board as he possesses the relevant qualification, knowledge and experience to contribute to the Board and the Group.

He had as a partner of Messrs Lim Chong Phang & Amy rendered legal services to the Vizione Group. Datuk Chong Loong Men also confirmed he has no personal interest or commercial interest with any of the Directors and substantial shareholders.

Premised on the above, the Board is of the view that the Proposed Private Placement is not meant to pave for the new substantial shareholder.

The Board hereby confirm and wishes to assure the Shareholders that the above would not impact Dato' Ng Aun Hooi's role as the Managing Director and Bee Jian Ming's role as the Executive Director of the business of Vizione Group moving forward.

Their expertise and experiences are essential for the Company and the Group is still being run by the existing Management.

As such, the Board wishes to reiterate that Proposed Private Placement is required and the purposes and utilisation are as set out in **Section 3** of this Circular.

8.5 Convertible securities

Save for the following, the Company does not have any other outstanding convertible securities as at the LPD:

8.5.1 Warrants-C

As at the LPD, there are 41,637,190 outstanding Warrants-C. In accordance with the provisions of the Deed Poll C, the Proposed Private Placement will not result in any adjustment to the exercise price and number of outstanding Warrants-C.

8.5.2 ICULS

As at the LPD, there are 2,992,200 outstanding ICULS. In accordance with the provisions of the Trust Deed constituting the ICULS, the Proposed Private Placement will not result in any adjustment to the conversion price and number of the outstanding ICULS.

8.5.3 Warrants-D

As at the LPD, there are 302,714,699 outstanding Warrants-D. In accordance with the provisions of the Deed Poll D, the Proposed Private Placement will not result in any adjustment to the exercise price and number of outstanding Warrants-D.

9. TENTATIVE TIMELINE

Our Board expects the Proposed Private Placement to be completed by the 2nd quarter of year 2021.

Tentative Date	Events
20 April 2021	EGM for the Proposed Private Placement
2 nd Quarter of year 2021	Listing of and quotation for the Placement Shares on the Main Market of Bursa Securities and the completion of the Proposed Private Placement

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10. APPROVALS REQUIRED

The Proposed Private Placement is subject to the following approvals being obtained:

- (i) the approval being obtained from Bursa Securities for the listing and quotation of up to 236,039,000 Placement Shares on the Main Market of Bursa Securities;
- (ii) the approval of the shareholders of Vizione at an EGM to be convened; and
- (iii) the approvals/consents of any other relevant authorities/parties, if required.

The approval by Bursa Securities for the above was obtained vide its letter dated 16 March 2021, subject to the following conditions:

No.	Conditions	Status of compliance
1.	Vizione and TA Securities must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Private Placement;	To be complied
2.	TA Securities to inform Bursa Securities upon the completion of the Proposed Private Placement;	To be complied
3.	TA Securities to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed;	To be complied
4.	TA Securities or Vizione is required to provide a certified true copy of the resolution passed by the shareholders in general meeting approving the Proposed Private Placement;	To be complied
5.	Payment of outstanding additional listing fee based on the market value of the Placement Shares to be listed, if applicable. In this respect, the Company is required to furnish Bursa Securities a cheque drawn to the order of Bursa Securities for the outstanding listing fee together with a copy of the details of the computation of the amount of fees payable; and	To be complied
6.	To incorporate Bursa Securities' comments made in the draft circular to shareholders.	Complied

The Proposed Private Placement is not conditional upon any other corporate proposal being or proposed to be undertaken by the Company.

11. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Private Placement, there are no other corporate exercises which have been announced by the Company but are pending completion before the date of this Circular.

12. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/ OR PERSONS CONNECTED TO THEM

None of the Directors and/or major shareholders, chief executive and/or persons connected with them has any interest, direct and indirect, in the Proposed Private Placement as the Placement Shares will not be placed to them as mentioned in **Section 2.2** of this Circular.

13. DIRECTORS' STATEMENT

The Board, having considered the current financial position, needs and capacity of the Group and after careful deliberation of the rationale and all other aspects of the Proposed Private Placement, is of the opinion that the Proposed Private Placement is in the best interests of the Company and the Company's shareholders.

Accordingly, the Board recommends that you vote in favour of the resolution pertaining to the Proposed Private Placement to be tabled at the forthcoming EGM.

14. EGM

The EGM, the notice of which is set out in this Circular, will be held on a fully virtual basis from the Broadcast Venue at Boardroom, Level 22, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan on the date and time indicated below or at any adjournment thereof for the purpose of considering and, if thought fit, passing the resolution, with or without modifications, to give effect to the Proposed Private Placement.

If you are unable to attend and vote remotely at the EGM, you may complete and return the enclosed Form of Proxy in accordance with the instruction provided thereon as soon as possible and in any event so as to arrive at the office of the registered office of the Company situated at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur Wilayah Persekutuan (KL) or fax to 03-6201 3121 or e-mail to ir@shareworks.com.my, not less than forty-eight (48) hours before the time for holding the meeting or adjourned meeting at which the person named in such instrument proposes to vote, or, in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the EGM should you subsequently decide to do so.

15. FURTHER INFORMATION

Please refer to the attached Appendices for further information.

Yours faithfully,
For and on behalf of the Board
VIZIONE HOLDINGS BERHAD

Chan Chee Wing
Executive Director

FURTHER INFORMATION ON SSN MEDICAL PRODUCTS

1. Summary of historical financial results of SSN Medical Products

	FYE 31 December			
	Audited			Unaudited [#]
	2017 RM'000	2018 RM'000	2019 RM'000	2020 RM'000
Revenue	21,222	20,224	11,675	17,674
PBT/ (LBT)	106	219	(13,221)	2,106
Operating profit/ loss	1,506	1,384	(11,332)	2,463
(LAT)/ PAT	(154)	219	(13,001)	2,106
Total borrowings*	4,323	9,613	13,532	13,702
Shareholders' funds/ net assets	5,513	5,732	(7,270)	(5,164)
Gearing (times) [^]	0.78	1.68	(1.86)	(2.65)
Total workforce	165	166	137	168
Comprising:				
- Management	29	31	27	25
- Production workers	136	135	110	143

Notes:

* Comprising bank borrowings, third parties borrowings and amount due to directors of SSN Medical Products.

[^] Computed based on total borrowings over shareholders' funds.

[#] Based on the management accounts for the FYE 31 December 2020.

Breakdown of historical revenue and profit contributions of gloves for the past 3 years

	FYE 31 December		
	2018 RM'000	2019 RM'000	2020 RM'000
Gloves revenue ⁽¹⁾	18,390	10,482	17,248
Comprising:			
- Latex gloves	12,906	6,432	16,200
- Nitrile gloves	5,484	4,050	1,047
Gloves GP/ (gross loss) ⁽¹⁾	5,357	(6,688)	6,977
Comprising:			
- Latex gloves	2,395	(4,695)	6,131
- Nitrile gloves	2,962	(1,993)	846
Gloves GP margin/ (gross loss margin)	29.13%	(63.80%)	(40.45%)
Comprising:			
- Latex gloves	18.56%	(73.00%)	37.84%
- Nitrile gloves	54.01%	(49.20%)	80.82%

Breakdown of historical revenue and profit contributions of condoms

	FYE 31 December		
	2018 RM'000	2019 RM'000	2020 RM'000
Condoms revenue ⁽¹⁾	2,194	1,356	222
Condoms GP/ (gross loss) ⁽¹⁾	559	225	(172)
Condoms GP margin/ (gross loss margin)	25.50%	16.56%	(77.55%)

FURTHER INFORMATION ON SSN MEDICAL PRODUCTS (CONT'D)

Note:

- (1) The variances between the revenue and GP of SSN Medical Products (as set out in the Summary of historical financial results) and the segmental revenue and GP/ gross loss for gloves and condoms for the respective financial years, are as follows:

	FYE 31 December 2018 RM'000	FYE 31 December 2019 RM'000	FYE 31 December 2020 RM'000
Total segment revenue for gloves and condoms	20,584	11,837	17,470
Total revenue	20,224	11,675	17,674
Variance	360 ⁽ⁱ⁾	162 ⁽ⁱⁱ⁾	(204) ⁽ⁱⁱⁱ⁾
Total segment GP/ gross loss for gloves and condoms	5,916	(6,463)	6,805
Total GP/ (gross loss)	4,957	(6,625)	6,962
Variance	959 ⁽ⁱ⁾	162 ⁽ⁱⁱ⁾	(157) ⁽ⁱⁱⁱ⁾

- (i) The lower audited revenue for FYE 31 December 2018 compared to the segment revenue for the same financial year were mainly due to adjustments for net foreign exchange loss of RM0.47 million and to include sundry sales such as chemicals, condom formers and packaging materials of RM0.11 million.

The lower audited GP for the FYE 31 December 2018 compared to the segment GP for the same financial year were mainly due to adjustments for net foreign exchange loss of RM0.47 million and inclusion of factory rental of RM0.60 million in cost of sales.

- (ii) The lower audited revenue for FYE 31 December 2019 compared to the segment revenue for the same financial year were mainly due to adjustments for net foreign exchange loss of RM0.29 million and to include sundry sales such as chemicals, condom formers and packaging materials of RM0.12 million.

The higher audited gross loss for the FYE 31 December 2019 compared to the segment gross loss for the same financial year were in line with the adjustments to the segment revenue for FYE 31 December 2019 above.

- (ii) The higher unaudited revenue for FYE 31 December 2020 compared to the segment revenue for the same financial year were mainly due to adjustments to include sundry sales such as chemicals, condom formers and packaging materials of RM0.20 million.

The higher unaudited GP for the FYE 31 December 2020 compared to the segment GP for the same financial year were in line with the adjustments to the segment revenue for FYE 31 December 2020 above.

Commentary:

FYE 31 December 2018 vs FYE 31 December 2017

Revenue for the FYE 31 December 2018 decreased by RM1.0 million or 4.70% mainly due to decreased sales of rubber gloves during the year, as certain contracts expired and were not renewed. The decrease in operating profit for FYE 31 December 2018 was in line with the decreased revenue. The higher PBT for FYE 31 December 2018 was mainly due to lower finance cost which was attributable to lower interest on term and other loans. There was no income tax expense for FYE 31 December 2018 unlike in FYE 31 December 2017 where there was income tax expense of RM0.26 million.

FURTHER INFORMATION ON SSN MEDICAL PRODUCTS (CONT'D)

FYE 31 December 2019 vs FYE 31 December 2018

Revenue for the FYE 31 December 2019 decreased by RM8.55 million or 42.27% mainly due to decreased sales of latex and nitrile gloves. This was attributable to the transitioning period arising from the change in shareholders and management from the original shareholders in early FYE 31 December 2019 and minimal new orders secured during the year. SSN Medical Products incurred an operating loss of RM11.33 million mainly due to a gross loss of RM6.63 million (FYE 31 December 2018: GP of RM4.96 million) and higher operating expenses arising mainly from factory rental, legal fee and levy charges. SSN Medical Products also incurred higher finance cost which was attributable to higher interest on other loans. The said other loans were for working capital and operating expenditure. There was an income tax credit of RM0.22 million for FYE 31 December 2019.

FYE 31 December 2020 vs FYE 31 December 2019

Revenue for the FYE 31 December 2020 increased by RM6.0 million or 51.38% mainly due to increased sales of nitrile gloves and return of the original shareholders and management team, towards the end of FYE 31 December 2020. SSN Medical Products recorded an operating profit of RM2.46 million mainly due to a GP of RM6.96 million (FYE 31 December 2019: Gross loss of RM6.63 million). SSN Medical Products also incurred lower finance cost which was attributable to absence of interest on other loans.

2. Production output for the latest FYE 31 December 2020 and up to the LPD**6 existing gloves production lines:**

Year/ Period	Type of gloves produced (pieces)		Total gloves produced (pieces)
	Latex	Nitrile	
FYE 31 December 2020	130,043,309	3,124,722	133,168,031
December 2020 (part of the production in FYE 31 December 2020)	23,518,937	-	23,518,937
January 2021	22,811,981	-	22,811,981
February 2021	15,556,010	-	15,556,010

As disclosed in **Section 3, Note (1)** of this Circular, the 6 existing gloves production lines have production capacity to produce over 500 million of latex and nitrile gloves per annum. The low production output for the FYE 31 December 2020 up to the LPD was mainly due to the following:

- (i) Production only commenced in May 2020 as there were differences of opinion among the then shareholders in the business direction relating to the targeted customers base of SSN Medical Products, which was resolved in the second quarter of year 2020;
- (ii) VIP Index had on 1 December 2020 entered into the shares sale agreement with the Vendors for the SSN Medical Products Acquisition and had in December 2020 began looking into the operations of SSN Medical Products;
- (iii) From FYE 31 December 2020 until February 2021, only 4 of the 6 existing gloves productions lines were operating;
- (iv) The Vizione Group noted that SSN Medical Products' existing production facilities require, among others, upgrading and repair works and is looking into re-starting the other 2 existing gloves production lines by 1st half of year 2021; and
- (v) The lower production output for February 2021 compared to December 2020 and January 2021 was due to the impact arising from the re-imposition of the movement control order (MCO 2.0) in Penang, Selangor, Federal Territories (Kuala Lumpur, Putrajaya and Labuan), Malacca, Johor and Sabah from 13 January 2021.

FURTHER INFORMATION ON SSN MEDICAL PRODUCTS (CONT'D)

Nevertheless, there is demand for the gloves manufactured by SSN Medical Products. Based on its order list from mid-December 2020 to end-February 2021, SSN Medical Products has received orders for 128.62 million pieces of gloves worth RM33.13 million for deliveries ranging from in March 2021 to August 2021. As at the LPD, 8.60 million pieces of gloves worth RM1.89 million have been delivered from the said order list.

3 existing condoms production lines:

Year/ Period	Total condoms produced (pieces)
FYE 31 December 2020 and up to the LPD	Nil

As disclosed in **Section 3, Note (1)** of this Circular, the 3 existing condoms production lines have production capacity to produce over 150 million condoms per annum. The production lines were left idle as the company's resources were channeled to focus on the production of gloves due to the encouraging demand. SSN Medical Products is looking into re-starting the 2 existing condoms production lines by 1st half of year 2021;

3. Major suppliers

The current major suppliers and the type of raw materials purchased as at the LPD are as follows:

Supplier	Type of raw materials purchased
ST Rubber Sdn. Bhd.	High Ammonia Latex Concentrate ("HA Latex")
Zeon Asia Pte. Ltd.	Nitrile latex
High Wisdom Sdn. Bhd.	HA Latex
Linachem Sdn Bhd	Chemicals
Sadao Rubber Industry (1998) Com. Ltd	HA Latex
Gas Malaysia Energy & Services Sdn. Bhd.	Natural gas

4. Major customers

The current major customers and the type of products sold as at the LPD are as follows:

Customer	Type of products sold
A1 Globe Sdn. Bhd.	Latex gloves
Motive Resources Sdn. Bhd.	Latex gloves
Apollo Rubber Sdn. Bhd.	Latex gloves
Tan Xuan Tam Producing Trading Company (Vietnam)	Latex gloves
Russkaya Medicinskaya Upakovka (Russia)	Latex gloves
Fast Medic Supplies Sdn. Bhd.	Latex gloves
Apex Medisource	Latex gloves
Bonric Sdn. Bhd.	Nitrile gloves

FURTHER INFORMATION ON SSN MEDICAL PRODUCTS (CONT'D)

5. Order list as at the LPD

Based on its order list as at the LPD (i.e., from mid-December 2020 to end-February 2021), SSN Medical Products has received orders for 128,620,720 pieces of gloves worth RM33.13 million for deliveries ranging from in March 2021 to August 2021. The breakdown of the order list is as follows:

Status	Type of gloves (pieces)		Total gloves produced and delivered (pieces)	Type of gloves (RM'000)		Total gloves produced and delivered RM'000
	Latex	Nitrile		Latex	Nitrile	
Orders received for deliveries ranging from in March 2021 to August 2021	128,020,720	600,000	128,620,720	32,396	732	33,128
Less: Deliveries made up to the LPD	8,600,000	-	8,600,000	1,890	-	1,890
Balance orders to be fulfilled	119,420,720	600,000	120,020,720	30,506	732	31,238

As at the LPD, SSN Medical Products does not have any subsisting contracts for the supply of gloves and the orders received are based on purchase orders.

6. Glove manufacturing plants rented by SSN Medical Products

The Group's 6 existing gloves production lines and 3 existing condoms productions lines are installed at Lot 31793, Balakong New Village, 43300 Seri Kembangan, Selangor and the 2 new gloves production lines will also be installed at Lot 31793, Balakong New Village, 43300 Seri Kembangan, Selangor.

The 4 new gloves production lines will be installed at Lot 7178, Balakong New Village, 43300 Seri Kembangan, Selangor. The 6 new gloves productions lines will be installed in the 2nd half of 2021, as detailed in Section 7 of this **Appendix I**.

FURTHER INFORMATION ON SSN MEDICAL PRODUCTS (CONT'D)

The details as at the LPD are set out below:

No.	Postal address/ Type of property	Registered owner of plant/ Landlord	Land area/ Build-up area (square feet)	Tenancy/ Period of Tenancy	Rental per annum
1.	Lot 31793 (formerly Lot PT 7177), Balakong New Village, 43300 Seri Kembangan, Selangor/ Factory building	Pantai Utama Sdn. Bhd.	114,388/ 53,700	The tenancy was entered into with by SSN Medical Products with Pantai Utama Sdn. Bhd.	RM60,000 per month i.e., RM720,000 per annum.
2.	Lot 7178, Balakong New Village, 43300 Seri Kembangan, Selangor/ Factory building	Ken Leb Development Sdn. Bhd. is the registered owner and landlord to Tropica Sdn. Bhd. (being the main tenant)	55,025/ 22,500 (factory and warehouse space)	SSN Medical Products will be entering into a tenancy agreement with Tropica Sdn. Bhd. (main tenant) to sub-lease the factory and warehouse space. To be effective: 1 April 2021 to 31 March 2023	To be effective: RM36,000 per month i.e., RM432,000 per annum.

7. Detailed schedule of installation and commissioning of the 6 new gloves production lines and expected date of commercialisation

	2021 2 nd Quarter	2021 3 rd Quarter	2021 4 th Quarter	2022 1 st Quarter	2022 2 nd Quarter
New lines 1 and 2 ⁽¹⁾	Installation	<ul style="list-style-type: none"> Completion of installation; and Commissioning of orders. 	Completion of commercial production	-	-
New lines 3 and 4 ⁽²⁾	-	Installation	<ul style="list-style-type: none"> Completion of installation; and Commissioning of orders. 	Commencement of commercial production	-

FURTHER INFORMATION ON SSN MEDICAL PRODUCTS (CONT'D)

	2021 2 nd Quarter	2021 3 rd Quarter	2021 4 th Quarter	2022 1 st Quarter	2022 2 nd Quarter
New lines 5 and 6 ⁽²⁾	-	-	Installation	<ul style="list-style-type: none"> • Completion of installation; and • Commissioning of orders. 	Commencement of commercial production

Notes:

⁽¹⁾ The new lines will be installed at Lot 31793, Balakong New Village, 43300 Seri Kembangan, Selangor.

⁽²⁾ The new lines will be installed at Lot 7178, Balakong New Village, 43300 Seri Kembangan, Selangor.

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FURTHER INFORMATION ON TUNJANG TENAGA

1. Background information**(i) Date of incorporation**

12 June 2007

(ii) Commencement date of business operations

7 August 2020

(iii) Directors

The directors of Tunjang Tenaga and their directorships in Vizione Energy, SDF Hydro and Vizione Construction are as follows:

Director	Directorships in Vizione Energy, SDF Hydro and Vizione Construction
Khoo Koay Gim Hong	Alternate Director (Alternate to Muhamad Faizi bin Mansor) of SDF Hydro
Yuan Toong Kui	Director of Vizione Energy Director of SDF Hydro
Bee Jian Ming	-
Goon Mong Yee	Director of Vizione Energy Director of SDF Hydro

(iv) Shareholders

The shareholders of Tunjang Tenaga are as follows:

Shareholder	Shareholding in Tunjang Tenaga
Vizione Energy	150,085 shares i.e., 75% equity interest
Energy Capital Resources*	50,015 i.e., 25% equity interest

Note:

* *Khoo Koay Gim Hong is also a shareholder of Energy Capital Resources.*

(v) Key management

Vizione's roles and responsibilities in the small hydro project will be to procure funding, lead the operations and management of SDF Hydro as well as the overall construction of the small hydro project. The construction and commissioning of the small hydro project is expected to commence by December 2024. As at the LPD, the key management for the small hydro project are as follows:

FURTHER INFORMATION ON TUNJANG TENAGA (CONT'D)

Senior management	Position/ Role
Chan Chee Wing	Executive Director of Vizione Director in Vizione Energy Director in SDF Hydro
Bee Jian Ming	Executive Director of Vizione
Yuan Toong Kui	Director in Vizione Energy Director in Tunjang Tenaga Director in SDF Hydro Director of Vizione Construction
Ir. Beh Kim Boon	General Manager

The senior management team comprised experienced individuals whom have financial and management experience as well as accomplished projects in design and building developments, government turnkey, industrial, residential and commercial development in Malaysia.

Further details on their profiles are as follows:

Chan Chee Wing

Qualification: Malaysian Institute of Certified Public Accountants (MICPA)

Chan Chee Wing has 34 years of local and international financial and management experience.

Bee Jian Meng

Qualification: Diploma in Quantity Surveying, Tunku Abdul Rahman College

Bee Jian Meng has 29 years of experience in the property and construction industry. Additionally, he has participated in development of housing projects with the National Housing Authority (NHA) of Thailand.

Yuan Toong Kui

Yuan Toong Kui has 33 years of experience in the construction industry.

Ir. Beh Kim Soon

Qualification: Bachelor of Engineering (Hons), University of Malaya, Member of Institution of Engineers Malaysia (MIEM)/ Professional Engineer (P.Eng)

Ir. Beh Kim Soon has 24 years of experience in the construction industry.

FURTHER INFORMATION ON TUNJANG TENAGA (CONT'D)

2. Assessment on whether the award of the contract from SDF Hydro to Vizione Construction is a related party transaction
Background information

Tunjang Tenaga is an investment holding company and its sole investment is the 80% equity interest in SDF Hydro. SDF Hydro is a joint venture company between Tunjang Tenaga and Perbadanan Menteri Besar Kedah, which holds the remaining 20% equity interest in SDF Hydro.

Vizione Energy had on 7 August 2020 acquired Tunjang Tenaga from its shareholders being Khoo Koay Gim Hong and Mohamed Fiezal bin Ismail Zulkipli. As at 7 August 2020 and until the LPD, both Khoo Koay Gim Hong and Mohamed Fiezal bin Ismail Zulkipli are not directors and/ or shareholders of Vizione, Vizione Energy and/ or Vizione Construction.

Assessment of whether the award of the contract from SDF Hydro to Vizione Construction is a related party transaction

In this regard, Vizione has considered the following:

- Pursuant to Paragraph 10.02(k) of the Listing Requirements, *“a related party transaction means a transaction entered into by the listed issuer or its subsidiaries which involves the interest, direct and indirect, of a related party”*.
- Pursuant to Paragraph 1.01 of the Listing Requirements, among others, *“a related party (a) in relation to a corporation, means a director, major shareholder or person connected with such director or major shareholder”*.
- Pursuant to Paragraph 10.08(11)(c) of the Listing Requirements, *“The following transactions are not normally regarded as related party transactions:*

a transaction between the listed issuer or any of its subsidiaries and another person, where there are no other interested relationships except for common directorships provided that the directors who have common directorships have –

- (i) shareholdings in the other person which is less than 5% other than via the listed issuer; and*
- (ii) no other interest such as commission or other kinds of benefit received from the listed issuer or any of its subsidiaries or the other person in relation to the said transaction”*.

The award of the of the contract from SDF Hydro is not a related party transaction for the Vizione Group in view of the following:

- Vizione Energy and Vizione Construction are both wholly-owned subsidiaries of Vizione;
- Dato' Ng Aun Hooi is the Managing Director of Vizione and a Director of Vizione Construction. He does not hold shares in Vizione Construction other than via his shareholding in Vizione;
- Chan Chee Wing is an Executive Director of Vizione, a Director of SDF Hydro and Vizione Energy. He does not hold any shares in any of the said companies;
- Yuan Toong Kui and Goon Mong Yee are Directors of Vizione Energy, Tunjang Tenaga and SDF Hydro but they do not hold shares in any of the said companies;
- Yuan Toong Kui is also a Director of Vizione Construction but he does not hold any shares in Vizione Construction; and

FURTHER INFORMATION ON TUNJANG TENAGA (CONT'D)

- Khoo Koay Gim Hong is a Director of Tunjang Tenaga and an Alternate Director (Alternate to Muhamad Faizi bin Mansor) of SDF Hydro. He is a shareholder of Tunjang Tenaga by virtue of his interest in Energy Capital Resources. He is also a shareholder of SDF Hydro by virtue of his interest in Tunjang Tenaga.

3. Relevant authorities involved for the small hydro project

The major relevant authorities involved in the small hydro project and major approvals required to be obtained are as follows:

No.	Authority	Approvals required
1.	Bahagian Perancangan Ekonomi Negeri (BPEN)	Recommendation and approval for operation of mini hydro plant
2.	Muda Agricultural Development Authority (MADA)	Safety clearance and approval for the tapping and usage of water from Pedu Dam and construction of mini hydro power plant
3.	Jabatan Hutan Negeri Kedah	Land usage, conversion of forestry land and environmental clearance
4.	Jabatan Parit & Saliran	Water operating rights
5.	Syarikat Air Darul Aman Sdn. Bhd. (SADA)	Water operating rights
6.	Lembaga Sumber Air Negeri Kedah	Water operating rights
7.	Pejabat Tanah Negeri Kedah	Issuance of lease title for the site
8.	Majlis Kerajaan Tempatan - Padang Terap	Planning approval, development order and building plans approval
9.	Pejabat Perancangan Tanah Padang Terap	Planning approval, development order and building plans approval
10.	Chief Government Security Office (CGSO)	Site security clearance

The above approvals are expected to be obtained in the 2nd to 3rd quarters of year 2021.

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SALIENT TERMS OF THE PROVISION OF FINANCIAL ASSISTANCE

The salient terms are as follows:

1. Contributions by the parties

Pursuant to the SSN Medical Products Acquisition, SSN Medical Products became a 51%-owned subsidiary of VIP Index, a wholly-owned subsidiary of Vizione and in turn, a 51%-owned subsidiary of Vizione.

In this regard, Vizione/ VIP Index and the Other Shareholders of SSN Medical Products (namely Plusone Landmark Sdn. Bhd., Ang Teck Leong and Lim Kiat Yee) have agreed that Vizione will assist with the funding on SSN Medical Products' operations and expansion plan while Ang Teck Leong will focus on running the business.

2. Quantum and duration of financial assistance to be extended by Vizione

Based on the Vizione Group's internal estimates, the total estimated cost for SSN Medical Products' plan is RM34.0 million. The parties have agreed as follows:

- Vizione will provide financial assistance of up to RM17.0 million (i.e., up to 50%), where the proceeds would be raised from the Proposed Private Placement; and
- the balance RM17.0 million (i.e., remaining of up 50%) would be financed mainly via finance leases (to be procured by SSN Medical Products from financial institutions, when the final design and procurement of the production lines have been determined) and internally generated funds (of SSN Medical Products), where the breakdown has not been determined at this juncture.

The said financial assistance of up to RM17.0 million will be provided by Vizione over a period of 24 months (from the date of listing of the Placement Shares).

Any further advances/ provision of financial assistance is to be separately discussed, negotiated and agreed by the parties.

3. Purpose and utilisation of the financial assistance extended

The provision of financial assistance of up to RM17.0 million is to be utilised as follows:

Details	Indicative allocation of proceeds fro the Proposed Private Placement (RM'000)
<p>Acquire, installation and commission of 6 new nitrile gloves production lines.</p> <p>The new production lines are fully automated equipped with chiller, compounding and tumbler equipment as well as latex storage tank, air compressor. The machines and components/ parts of the 6 new nitrile gloves production lines will be sourced and assembled locally.</p> <p>As at the LPD, the Group has made a down payment of RM2.0 million and incurred cost of RM0.63 million for the 2 lines (out of the 6 lines) which would cost RM11.13 million. The remaining 4 lines is estimated to cost approximately RM17.0 million.</p>	14,000

SALIENT TERMS OF THE PROVISION OF FINANCIAL ASSISTANCE (CONT'D)

Details	Indicative allocation of proceeds from the Proposed Private Placement (RM'000)
<p>Installation and upgrading works on the waste treatment system to treat the wastewater arising from the manufacturing process and heating system.</p> <p>These involves the installation and commission of ancillary equipment and facilities for the wastewater treatment system, the heating system and water recovery system for the following:</p> <ul style="list-style-type: none"> • 9 existing production lines (comprising 6 gloves production lines and 3 condoms production lines); and • 6 new nitrile gloves production lines <p>As at the LPD, SSN Medical Products has incurred RM0.28 million for the purchase of materials and parts for the waste water treatment system.</p>	1,000
<p>Upgrading and repair works for 1 old/ existing glove production line.</p> <p>The upgrading works is necessary to improve the production efficiency of the existing glove production line. These upgrading works includes among others, replacement of parts such as former holder, heating chamber, burner, U-bracket, former and conveyor sprocket.</p> <p>As at the LPD, SSN Medical Products has incurred RM0.57 million for machineries part mainly for the heating chamber.</p>	500
<p>Working capital in relation to the operations of the manufacturing facility (i.e., staff expenses, overheads and certification expenditure are expected to cost approximately RM1.0 million and purchases of raw materials are expected to cost approximately RM2.0 million, for a period of approximately 3 months).</p>	1,500
Total	17,000

Kindly refer to **Section 3, Note (1)** of this Circular for further details.

4. Duration of and repayment of the financial assistance

The parties have agreed that SSN Medical Products will commence repayment of the financial assistance when SSN Medical Products becomes profitable and within 3 years from the date of disbursement of each tranche of the funds. The commencement and terms of repayment are to be discussed, negotiated and agreed among the parties after taking into consideration the financial performance and position of SSN Medical Products.

The Management will perform regular site visits and SSN Medical Products will provide monthly reports for the Management to monitor its overall operations and financial performance.

SALIENT TERMS OF THE PROVISION OF FINANCIAL ASSISTANCE (CONT'D)

5. Interest cost for the financial assistance

The interest rate to be charged by the Vizione Group will be discussed, negotiated and agreed among the parties prior to the disbursement of each tranche of the funds.

As at the LPD, the Vizione Group's bank borrowings stood at RM35.32 million with interest rates* ranging from 3.24% (at BLR/ BFR -2.25%) to 6.85% (at BLR/BFR +1.25%).

Note:

* *Derived from the BLR/ BFR of various financial institutions (ranging from 5.40% to 5.60%), depending on the type of bank borrowings.*

As such, the parties have decided that the Provision of Financial Assistance will be at an interest rate of 8.0% per annum.

6. Rights of Vizione in providing the financial assistance

Notwithstanding the above, Vizione shall have the rights to review the advances/ financial assistance to be made, from time to time, in determining the quantum, timing and manner in which they are to be made.

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FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors have seen and approved this Circular, and they collectively and individually accept full responsibility for the accuracy of the information contained in this Circular. The Directors confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, there are no false or misleading statements, or other facts which, if omitted, would make a statement in this Circular false or misleading.

2. CONSENTS

TA Securities, being named as the Adviser and Placement Agent for the Proposed Private Placement, has given and have not subsequently withdrawn its consent to the inclusion of its name in the form and context in which they appear in this Circular.

Smith Zander, being named as the Independent Market Researcher in relation to the overview and outlook of the renewable energy industry in Malaysia and the global and Malaysian rubber glove markets, has given and have not subsequently withdrawn its consent to the inclusion of its name in the form and context in which they appear in this Circular.

3. CONFLICT OF INTERESTS

TA Securities has confirmed that there is no conflict of interest which exists or is likely to exist in its capacity as the Adviser and Placement Agent in relation to the Proposed Private Placement.

Smith Zander has confirmed that there is no conflict of interest which exists or is likely to exist in its capacity as the Independent Market Researcher.

4. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of the Shares as transacted for the past 12 months preceding the date of this Circular are as follows:

	High RM	Low RM
<u>2020</u>		
March	0.750	0.215
April	0.390	0.270
May	0.400	0.345
June	0.555	0.355
July	0.480	0.335
August	0.530	0.375
September	0.535	0.390
October	0.455	0.380
November	0.435	0.385
December	0.450	0.385
<u>2021</u>		
January	0.400	0.210
February	0.310	0.220
Last transacted market price of Vizione Shares on 4 February 2021, being the last trading day prior to the date of the announcement of the Proposed Private Placement on 5 February 2021	RM0.255	
Last transacted market price of Vizione Shares as at the LPD	RM0.295	

(Source: Bloomberg)

FURTHER INFORMATION (CONT'D)

5. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Save as disclosed below, as at the LPD, the Group is not involved in any material litigation, claims or arbitration and the Board confirmed that there are no proceedings pending or threatened involving the Group, or any facts likely to give rise to any such proceedings.

Federal Court Suit No. 08(f)-32-02/2020(B) (Chin Hin Helmet)

Chin Hin Helmet Sdn. Bhd. ("**Chin Hin**") filed a statement of claim under suit no. 22-NCVC-365-07/2014 dated 24 July 2014 against SSN Medical Products wherein Chin Hin was claiming against SSN Medical Products for failure to vacate the premise of No. 1, Jalan Tandang 203, Off Jalan Tandang, Section 51, 46050, Petaling Jaya, Selangor, causing damages to Chin Hin. The decision of the suit is as follows:

On 5 December 2014, the High Court had entered judgment for Chin Hin for wrongful occupation. Having failed to obtain vacant possession, Chin Hin sought for leave to execute the judgment by way of Writ of Possession, which was granted on 26 January 2016 and executed on 3 March 2016. Vacant possession was eventually delivered to Chin Hin on 17 March 2016.

On 12 June 2018, SSN Medical Products filed an appeal against the High Court decision in the Court of Appeal under suit number No. B-02 (NCVC)(W)-1370-07/2018. On 13 January 2020, the Court of Appeal allowed SSN Medical Products' appeal to revise the quantum of damages from RM2,848,648.80 to RM258,000.00.

On 7 February 2020, Chin Hin then filed an application for leave to appeal to the Federal Court under suit No. 08(f)-32-02/2020(B) against the decision of the Court of Appeal. The next case management is fixed on 26 March 2021 and online hearing is fixed on 27 April 2021.

6. MATERIAL COMMITMENT

Save as disclosed below, as at the LPD, there is no material commitment incurred or known to be incurred by the Group, which may have material impact on the financial position of the Group:

Capital commitments	Amount (RM'000)
Approved and contracted for:	
- Capital work-in-progress	11,311

7. CONTINGENT LIABILITIES

Save as disclosed below, as at the LPD, there is no contingent liability incurred or known to be incurred by the Group, which may have material impact on the financial position of the Group:

Contingent liabilities	Amount (RM'000)
Corporate guarantees extended to financial institutions for banking facilities granted to ⁽ⁱ⁾ :	
- Third parties in relation to construction contracts	17,728
Performance guarantee extended to third parties in respect of construction related contracts entered into by the Group	28,020
Litigation cases ⁽ⁱⁱ⁾	2,577

FURTHER INFORMATION (CONT'D)

Notes:

- (i) The Group provides corporate guarantees to assist third parties in securing construction projects. In return, the awarded construction projects are sub-contracted to the Company.

Further details of the corporate guarantees are as follows:

Date of corporate guarantee	Bank	In favour of	Project name	Value of sub-contract works RM'000	Type of facility	Corporate guarantee RM'000
24/8/2017	Hong Leong Bank Berhad	Tulangis Maju Sdn. Bhd.	-	-	Hire purchase	225
13/3/2017	Public Bank Berhad	Tulangis Maju Sdn. Bhd.	-	-	Hire purchase	113
25/5/2016	UOB Bank Berhad	Permata Rebana Sdn. Bhd.	Building construction works in Lahad Datu, Sabah	65,000	Multi option loan	2,950
3/6/2016	UOB Bank Berhad	Defence Venture Solutions Sdn. Bhd.	Building construction works in Machang, Sabah	70,755	Multi option loan	2,990
15/12/2017	OCBC Bank Berhad	Kuasa Lumpadang Sdn. Bhd.	Building construction works in Semporna, Sabah	91,514	Credit facilities	11,451
Total						17,729

- (ii) The litigation cases comprised of:

Details	Contingent liabilities RM'000
Federal Court Suit (Chin Hin Helmet) – as stated in Section 5 of this Appendix IV	1,453*
Lembaga Hasil Dalam Negeri (“LHDN”) had obtained a judgment in default of appearance against SSN Medical Products dated 1 January 2020 whereby SSN Medical Products was ordered to pay RM2,148,597.10 and interests of 5% per annum from the date of the judgment until the date of full settlement as well as RM1,500 in costs. SSN Medical Products is negotiating the matter with LHDN	1,124*
Total	2,577

Note:

- * Based on VIP Index 51% equity interest in SSN Medical Products.

FURTHER INFORMATION (CONT'D)

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) during normal business hours from Monday to Friday (except public holidays) following the date of this Circular up to and including the date of the EGM of the Company:

- (i) the Constitution of the Company;
- (ii) the audited consolidated financial statements of the Company for FYE 31 May 2019 and 18-months FPE 30 November 2020;
- (iii) the letters of consent and conflict of interest as referred to in Sections 2 and 3 of **Appendix IV** of this Circular; and
- (iv) the relevant cause papers in respect of the material litigation as set out in Section 5 of **Appendix IV** above.

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VIZIONE HOLDINGS BERHAD
(Registration No. 199701026873 (442371-A))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Vizione Holdings Berhad (“Vizione” or the “Company”) will be held on a fully virtual basis from the Broadcast Venue at Boardroom, Level 22, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 20 April 2021 at 10.30 a.m. or any adjournment thereof, for the purpose of considering and if thought fit to pass the following resolution, with or without any modifications:

ORDINARY RESOLUTION

PROPOSED PRIVATE PLACEMENT OF UP TO 236,039,000 NEW ORDINARY SHARES IN VIZIONE (“VIZIONE SHARES” OR “SHARES”) (“PLACEMENT SHARES”), REPRESENTING NOT MORE THAN 30% OF THE TOTAL NUMBER OF ISSUED SHARES OF VIZIONE (EXCLUDING TREASURY SHARES) (“PROPOSED PRIVATE PLACEMENT”)

“THAT subject to the approvals of all the relevant authorities and/or parties being obtained (where required), approval be and is hereby given to the Board of Directors of Vizione (“Board”) to allot and issue up to 236,039,000 Placement Shares, representing not more than 30% of the total number of issued shares of the Company, by way of private placement to independent third-party investor(s) to be identified later in 1 or more tranches at an issue price for each tranche to be determined at a later date by the Board (“Price-Fixing Date”), upon such terms and conditions as disclosed in the circular to the shareholders of the Company (“Shareholders”) dated 5 April 2021 (“Circular”);

THAT the issue price for each tranche of the Placement Shares will not be priced at more than 20% discount to the 5-day volume weighted average market price (“5D-VWAP”) of Vizione Shares immediately before the Price Fixing Date;

THAT the Board be and is hereby authorised to utilise the proceeds to be derived from the Proposed Private Placement for such purposes and in such manner as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/or purpose of the utilisation of such proceeds in the manner as the Board may deem fit, necessary and/or expedient, subject to the approvals of the relevant authorities (where required) and in the best interest of the Company;

THAT the Placement Shares shall, upon allotment, issuance and full payment of the issue price, rank equally in all respects with the existing issued Shares, save and except that the holders of such Placement Shares shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the Shareholders, the entitlement date of which is prior to the date of allotment and issuance of such Placement Shares;

THAT the Board be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/or arrangements as may be necessary to give effect and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities or as Directors may deem necessary or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement;

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein and shall continue in full force and effect until all Placement Shares to be issued pursuant to or in connection with the Proposed Private Placement have been duly allotted and issued in accordance with the terms of the Proposed Private Placement.”

**BY ORDER OF THE BOARD
VIZIONE HOLDINGS BERHAD**

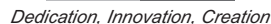
WONG YUET CHYN (MAICSA 7047163) (SSM PC 202008002451)
LEE WEE HEE (MAICSA 0773340) (SSM PC 201908004010)
Company Secretaries

Kuala Lumpur
5 April 2021

Notes:

- 1. A member of the Company entitled to attend and vote is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote in his stead.*
- 2. A member of the Company may appoint not more than two (2) proxies to attend the meeting, provided that the member specifies the proportion of the members shareholdings to be represented by each proxy, failing which, the appointments shall be invalid.*
- 3. A proxy may but need not be a member and there shall be no restriction as to the qualification of the proxy.*
- 4. Where a member is an Authorised nominee as defined under The Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
- 5. The instrument appointing a proxy shall be in writing, and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the registered office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, Wilayah Persekutuan (KL) or fax to 03-6201 3121 or email to ir@shareworks.com.my not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.*
- 6. An instrument appointing a proxy shall in the case of an individual, be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporation, be either under its common seal or signed by its attorney or in accordance with the provision of its constitution or by an officer duly authorised on behalf of the corporation.*
- 7. In respect of deposited securities, only members whose names appear on the Record of Depositors on 12 April 2021, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.*
- 8. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, the ordinary resolution set out above will be put to vote by way of poll.*

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(Incorporated in Malaysia)



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AFFIX
STAMP

The Company Secretaries
VIZIONE HOLDINGS BERHAD
Registration No. 199701026873 (442371-A)
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Wilayah Persekutuan (KL)

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