

# VIZIONE HOLDINGS BERHAD

(199701026873) (442371-A)



VIZIONE<sup>®</sup>

*Dedication, Innovation, Creation*

Minutes of the **Twenty-Third Annual General Meeting (“23rd AGM”) (“Meeting”)** of **VIZIONE HOLDINGS BERHAD (“Vizione” or the “Company”)** duly convened and held on a fully virtual basis from a broadcast venue at Boardroom, Level 22, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan on **Wednesday, 25 May 2022 at 10.00 a.m.**

**DIRECTORS’ PRESENT** : Dato’ Mohd Zaihan bin Mohd Zain – *Chairman*  
Dato’ Ng Aun Hooi – *Managing Director*  
Mr. Bee Jian Ming – *Executive Director*  
Mr. Leow Wey Seng – *Independent Non-Executive Director*  
Mr. Ling Chi Hoong – *Independent Non-Executive Director*  
Ms. Tan Li Peng – *Non-Independent Non-Executive Director*

**ABSENT WITH APOLOGIES** : Datuk Chong Loong Men – *Executive Director*

**MEMBERS PRESENT** : As per attendance list

**BY INVITATION** : Guests as per attendance list

**IN ATTENDANCE** : Ms. Wong Yuet Chyn – *Company Secretary*

## NOTICE

Dato’ Chairman welcomed the shareholders to the 23rd AGM of the Company, took the chair and called the Meeting to order at 10.00 a.m. Dato’ Chairman then proceeded to introduce the Board members, Chief Financial Officer (“**CFO**”) and Company Secretary.

As informed by the Company Secretary that there being a quorum present, the Dato’ Chairman declared the Meeting duly convened.

Dato’ Chairman notified that the Notice convening the 23rd AGM on 31 March 2022 had been sent to all the shareholders and the said Notice was advertised in the New Straits Times on 31 March 2022 in accordance with the Company’s Constitution. He proposed and the Meeting consented that the Notice be taken as read.

Dato’ Chairman informed that in compliance with the Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Listing Requirements, the resolutions as set out in the Notice will be voted by poll. The polling will be conducted electronically via the remote participation and voting facility provided by ShareWorks Sdn. Bhd. and voting session will commence between 10.00 a.m. until the announcement of end of voting session. In this respect, the Share Registrar, ShareWorks Sdn. Bhd. has been appointed as the Poll Administrator and Sharepolls Sdn. Bhd., the Scrutineer for the poll voting exercise.

Dato’ Chairman informed that the Minority Shareholders Watch Group (“**MSWG**”) had vide its letter dated 14 April 2022 addressed to the Board of Directors (“**Board**”) sought information and clarification on the following matters. On behalf of the Board, Dato’ Chairman thanked MSWG for giving the Company notice of their questions to enable the Board to officially reply to their letter.

For the information of the members present, the following questions from and the corresponding replies to MSWG were read out by the CFO during the meeting:

## **OPERATIONAL & FINANCIAL MATTERS**

1. The Group was profitable at the operating level. However, a one-time non-cash goodwill impairment loss of RM91.0 million for a subsidiary ultimately resulted in it reporting a loss after tax and non-controlling interest (“**net loss**”) of RM85.6 million in Financial Year Ended 30 November 2021 (“**FY2021**”) (Audited Financial Year (“**AFY**”) AFY2020: Net loss of RM8.7 million) (Page 11 & Page 73 of the Annual Report 2021).

Despite recording a profitable business at the operating level, the heavy impairment has severely impacted the Group’s overall financial performance in FY2021. How does the Board plan to address the Group’s financial performance, moving forward?

### **Answer**

The Group is currently working on the existing orderbook of RM2.95 billion which includes the newly secured RM654 million National Robotics and Cybernetics Rehabilitation Centre by PERKESO. At the same time, the Group is also busy tendering and negotiating for new projects amounting to approximately RM2.5 billion.

In terms of financial performance, the 1QFY22 had turned profitable with a net profit of RM3.1 million. The Group was generally positive about the remaining quarters. However, the Group also mindful of the headwinds such as rising raw material costs and labour shortages.

2. Other income decreased significantly from RM5,822,223 in AFY2020 to RM747,168 in FY2021 (Page 73 of the Annual Report 2021).

What are the reasons for the significant decrease in other income?

### **Answer**

Out of the RM5.8 million in other income recognised in AFY2020, RM4.5 million came from rental income of formworks. This was no longer receivable in FY2021 as the related property, plant, and equipment (“**PPE**”) had since been disposed. Gains on the disposal of the said PPE were recognised in AFY2020.

3. Associate Companies & Joint Ventures

- a) Vizione recorded a share of losses of associate companies of RM341,441 in FY2021 (AFY2020: Share of profits of RM598,178 (Page 73 of the Annual Report 2021).

What are the main reasons for the losses incurred by the associate companies in FY2021? What is the outlook for the associate companies’ performance in financial year ending 30 November 2022 (“**FY2022**”)?

**Answer**

The associate company referred to Buildmarque Construction Sdn. Bhd. (“**BCSB**”).

The construction project under BCSB was severely disrupted in FY2021 due to the Covid-19 pandemic. At the same time, some fixed overheads continued to be incurred which ultimately resulted in the loss reported.

On 29 December 2021, BCSB entered into a deed of rescission and termination to mutually terminate the construction project.

- b) The Group recorded a share of loss of joint venture of RM456,905 in FY2021 (AFY2020: Share of profit of RM3,437,336 (Page 73 of the Annual Report 2021).

What are the main reasons for the loss incurred by the joint venture in FY2021? What is the outlook for the joint venture’s performance in FY2022?

**Answer**

The joint venture referred to Wira Syukur Wibawa Sdn. Bhd. (“**WSWSB**”).

In AFY2020, WSWSB had completed the Penang Submarine piping project. In FY2021, there was no revenue recognised in the reporting period. However, WSWSB is executing a new project and the positive contribution is shown in 1QFY2022.

4. Orderbook

- a) What is the Group’s current orderbook?

**Answer**

The Group’s orderbook stood at RM 2.95 billion as at 28 February 2022.

- b) How long will the order book last?

**Answer**

Vizione’s orderbook is estimated to last between 4 to 5 years.

- c) What is the targeted order book replenishment in the next two financial years?

**Answer**

The Group is operating in a dynamic environment where tender results would be hard to predict due to various challenges and competitors in the market. The Group would continue to be active in tendering for various building and other infrastructure construction projects.

Based on the Company's track record, the success rate of the tender ranged from 20%-30%. Considering all of the above, the Group cautiously project that expected to secure approximately RM500 million to RM600 million of orders over the next two financial years.

5. The Group's new healthcare division delivered a strong performance with an operating profit of RM9.0 million in FY2021, in tandem with the robust demand for gloves globally given the prevalence of COVID-19 throughout the year (Page 21 of the Annual Report 2021).

What is the Group's expectation for its new healthcare business performance in the next two financial years?

**Answer**

The operating landscape for the healthcare division is very challenging given the decline in the Average Selling Price ("ASP") and rising raw material costs. In view of this, the Group is focusing on expanding our export business and improving our specialty medical gloves offerings over the next two financial years.

Dato' Chairman thanked the CFO and then proceeded to the agendas for the Meeting.

1. **AUDITED FINANCIAL STATEMENTS ("AFS") FOR FY2021 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Dato' Chairman declared that the AFS for the FY2021 together with the Reports of the Directors and Auditors as received and duly tabled at the 23rd AGM in accordance with Section 340(1)(a) of the Companies Act 2016 ("CA 2016"). Dato' Chairman explained that the AFS were for discussion only, as they did not require shareholders' approval. Hence, the AFS would not be put forward for voting.

2. **PAYMENT OF DIRECTORS' FEES FOR THE FY2021**

**Ordinary Resolution 1** was on the proposed payment of Directors' fees of up to RM210,000.00 for the FY2021.

3. **PAYMENT OF DIRECTORS' BENEFITS FOR THE NON-EXECUTIVE DIRECTORS FY2021**

**Ordinary Resolution 2** was on the proposed payment of Directors' Benefits comprised of Meeting Allowance to the Non-Executive Directors of the Company of up to RM52,000.00 for the FY2021.

4. **RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION**

Dato' Chairman informed that two (2) Directors who retired in accordance with Clause 119 of the Company's Constitution were eligible for re-election. The retiring Directors who offered themselves for re-election under Ordinary Resolutions 2 and 3 were as follows:-

(i) **RE-ELECTION OF MR. LING CHI HOONG**

**Ordinary Resolution 3** was on the proposed re-election of Mr. Ling Chi Hoong as Director of the Company.

(ii) **RE-ELECTION OF MS. TAN LI PENG**

**Ordinary Resolution 4** was on the proposed re-election of Ms. Tan Li Peng as Director of the Company.

**5. RE-ELECTION OF DIRECTORS IN ACCORDANCE WITH CLAUSE 134 OF THE COMPANY'S CONSTITUTION**

Dato' Chairman informed that two (2) Directors who retired in accordance with Clause 134 of the Company's Constitution were eligible for re-election, the retiring Directors who offered themselves for re-election under Ordinary Resolutions 5 and 6 were as follows:-

(i) **RE-ELECTION OF DATO' MOHD ZAIHAN BIN MOHD ZAIN**

**Ordinary Resolution 5** was on the proposed re-election of Dato' Mohd Zaihan bin Mohd Zain as Director of the Company.

(ii) **RE-ELECTION OF DATUK CHONG LOONG MEN**

**Ordinary Resolution 6** was on the proposed re-election of Datuk Chong Loong Men as Director of the Company.

**6. RE-APPOINTMENT OF AUDITORS**

**Ordinary Resolution 7** was on the proposed re-appointment of Messrs. UHY as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

A representative from Messrs. UHY, Mr. Lim, introduced himself to the Members. He informed that Messrs. UHY had indicated their willingness to accept the re-appointment.

**7. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE CA 2016**

**Ordinary Resolution 8** was to provide authority for the Directors to allot and issue shares pursuant to Sections 75 and 76 of the CA 2016.

“**THAT** pursuant to Sections 75 and 76 of the CA 2016 and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to allot and issue shares of the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided always that the aggregate number of shares issued pursuant to this resolution does not exceed twenty percent (20%) of the total number of issued shares of the Company for the time being to be utilised until 31 December 2022

as empowered by Bursa Securities pursuant to Bursa Malaysia Berhad's ("**Bursa Malaysia**") letter dated 23 December 2021 to grant an extension for the additional temporary relief measures to listed issuers and thereafter does not exceed ten percent (10%) of the total number of issued shares of the Company for the time of issuance and such authority under this resolution shall continue in force until the conclusion of the 24th AGM or when it is required by law to be held, whichever is earlier, **AND THAT** the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities."

**8. PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE OR TRADING NATURE**

**Ordinary Resolution 9** was on the proposed renewal of shareholders' mandate for RRPT of a revenue or trading nature.

"**THAT** subject to the provisions of the Main Market Listing Requirements ("**MMLR**") of Bursa Securities, the Company and/or its subsidiary companies (the "**Group**") be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature as set out in Section 3.3 of the circular to shareholders of the Company dated 31 March 2022 provided such transactions are:-

- (a) necessary for the day-to-day operations;
- (b) undertaken in the ordinary course of business and on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public; and
- (c) not detrimental to the minority shareholders of the Company.

**THAT** such approval and authority conferred shall continue to be in force until:-

- (a) the conclusion of the next AGM following this AGM at which the Mandate is passed, at which time it shall lapse, unless by a resolution passed at such AGM whereby the Mandate is renewed; or
- (b) the expiration of the period within which the next AGM after the date is required to be held pursuant to Section 340(2) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier;

**AND THAT** the Board be and is hereby authorised to do all such acts, deeds and things and to execute, sign and deliver or caused to be delivered for and on behalf of the Company in order to implement, finalise and give full effect to the mandate with full powers to assent to any terms, conditions, modifications, variations and/or amendments in any manner as the Board may deem necessary and/or expedient in the best interest of the Company to give effect to this resolution."

## 9. ANY OTHER BUSINESS

The Company Secretary confirmed that the Company had not received any notice for transaction of any other business for today's Meeting.

Dato' Chairman then proceeded with the Question and Answer ("Q&A") session for the Board and Management to deal with the questions from the shareholders.

The following questions were raised by shareholders and the responses made by the Board Members and Management.

### **Question 1**

What are the latest construction projects secured by Vizione.

### **Response to Question 1**

Mr. Bee Jian Ming ("Mr. Bee"), informed that in FY2022, the Company have recently secured a RM654 million contract from Pertubuhan Keselamatan Sosial ("PERKESO") to build its upcoming National Robotics and Cybernetics Rehabilitation Center (phase 1) in Bandar Meru Raya, Perak.

Currently, the Company have obtained the development order and are working on the Residensi Keluarga Malaysia (Residensi Prihatin) project with a GDV of RM500 million.

The Company's joint venture (JV) company with Permata Rebana Sdn. Bhd., Permata Rebana & Vizione Holdings JV Sdn. Bhd. had on 20 April 2022 secured a RM654 million contract from PERKESO for the planning, design, construction, equipping, testing, commissioning and maintenance of PERKESO National Robotics and Cybernetics Rehabilitation Centre (phase 1) in Bandar Meru Raya, Perak.

This vital Robotics and Cybernetics Rehabilitation Centre is set to be a world-class rehabilitation centre by PERKESO and the first of its kind in Malaysia. A pride of PERKESO, the centre shall be equipped with the latest high-tech equipment including neuro robotic technology and supported by professional staff.

Hence, this job win has also demonstrated the track record and capabilities of Vizione and our JV partner.

By leveraging on the Company's strengths and experience, the Company are certainly confident in the timely and quality delivery of the project.

The Company are preparing the ground-breaking for the project.

### **Question 2**

How is the Company managing rising raw material costs such as steel, cement etc.

## **Response to Question 2**

Mr. Bee informed that the Company are mindful of the rising raw material cost, which is affecting the entire construction industry, the Company are proactively managing it by continuously enhancing operational efficiency and procurement process.

The Company foresee that there may be some impact on the bottom line for some of the older contracts. At the same time, the Company are also in the process of negotiating with customers on this in view of the higher raw material prices as well as the increase in the minimum wage.

For contracts the Company secured recently as well as for tender book, costing reflects the higher materials prices while optimizing competitiveness.

Regarding building materials, as the supply chain issues gradually improve, the Company are seeing prices stabilizing which is a good sign.

## **Question 3**

What is the Company's expectation in terms of financial performance for FY2022?

## **Response to Question 3**

Dato' Ng Aun Hooi ("**Dato' Ng**"), replied that look forward to a better year in FY2022 after having overcome unprecedented headwinds over the past year.

The Group anticipates FY2022 performance to be improved over FY2021 premised upon the Company order book of more than RM3.0 billion, greater tender prospects and the economic recovery.

## **Question 4**

What is Vizione's current financial position.

## **Response to Question 4**

Dato' Ng informed that the financial position remains healthy with net cash position and net assets per share of RM0.57 as of end-February 2022.

Furthermore, the proceeds raised from the rights issue amounting to RM81.8 million in March 2021 has put on a better footing.

The Company's current balance sheet will enable the Company to navigate through any headwinds ahead and allows to take on more large-scale projects.

For latest 1QFY22 results, the Company delivered a commendable performance with a double-digit year-on-year increase of 22.0% to RM77.9 million on the back of higher progress billings for ongoing projects in tandem with the economic recovery. Meanwhile, net profit improved to RM3.1 million in 1QFY22 from RM1.0 million a year ago driven by higher operational efficiency especially for the construction division.



**Question 5**

Why is the Company share price is so low.

**Response to Question 5**

Dato' Ng answered that the Company are not in the position to comment on market forces that affect share price movement.

The Company focus has always been on growing business, which would ultimately translate to greater value for shareholders.

However, the Company do believe that the decline in share price was unwarranted as the current headwinds are only temporary while the prospects of the company remain promising.

Rest assured that the Company are working extremely hard to deliver a better set of financial results going forward. Thereafter, the Company hope that the investment community will take notice and see the value in the Company.

There being no questions raised by shareholders. With that, Dato' Chairman concluded the Q&A session.

Dato' Chairman announced the end of the voting session of the Meeting, and then adjourned the Meeting for 20 minutes for shareholders to cast their votes and for the poll votes to be counted by the Poll Administrator in the presence of the appointed Scrutineer.

The Meeting resumed at 10.35 a.m.

Dato' Chairman continued dealt with a few more questions from the shareholders before proceeding to view the results of the Meeting.

**Question 6**

When will the company do the share consolidation?

**Response to Question 6**

It is not in our plan at the moment.

**Question 7**

Have the group invest in any penny stock which less than RM0.10 in Bursa Malaysia Market? If yes, which stock? And the reason of investment on it.

**Response to Question 7**

We are not investing any penny stock.

There were no further questions from the shareholders, Dato' Chairman proceeded to declare the results of the Meeting.

**RESULTS OF THE REMOTE VOTES ON RESOLUTION TABLED AT THE AGM ON 25 MAY 2022**

Resolution	Voted For			Voted Against		
	No. of shares	%	No. of shareholders	No. of shares	%	No. of shareholders
<b>Ordinary Resolution 1</b> Payment of Directors' fees for the FYE 2021	952,926,571	99.9921	30	74,837	0.0079	13
<b>Ordinary Resolution 2</b> Payment of Directors' Benefits for the Non-Executive Directors FYE 2021	952,926,571	99.9921	30	74,837	0.0079	13
<b>Ordinary Resolution 3</b> Re-election of Mr. Ling Chi Hoong	952,975,413	99.9974	33	24,595	0.0026	9
<b>Ordinary Resolution 4</b> Re-election of Ms. Tan Li Peng	952,962,313	99.9971	33	27,695	0.0029	9
<b>Ordinary Resolution 5</b> Re-election of Dato' Mohd Zaihan bin Mohd Zain	952,946,057	99.9954	32	43,951	0.0046	9
<b>Ordinary Resolution 6</b> Re-election of Datuk Chong Loong Men	952,945,413	99.9953	31	44,595	0.0047	10
<b>Ordinary Resolution 7</b> Re-appointment of Auditors	952,967,957	99.9977	33	21,951	0.0023	7

Resolution	Voted For			Voted Against		
	No. of shares	%	No. of shareholders	No. of shares	%	No. of shareholders
<b>Ordinary Resolution 8</b> Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the CA 2016	952,954,171	99.9952	29	45,737	0.0048	12
<b>Ordinary Resolution 9</b> Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions	942,633,071	99.9953	30	43,951	0.0047	9

Dato' Chairman then declared all the resolutions for the day carried.

#### CONCLUSION OF MEETING

There being no other business, the Meeting concluded at 10.50 a.m. with a vote of thanks to the Chair.

**C O N F I R M E D B Y**

**CHAIRMAN**

Date: 25 May 2022