VinVest Capital Holdings Berhad

(Formerly Known as Vivocom Intl Holdings Berhad)
[Registration No. 200201028636 (596299-D)]

Capitalising On Growth

2021 annual report

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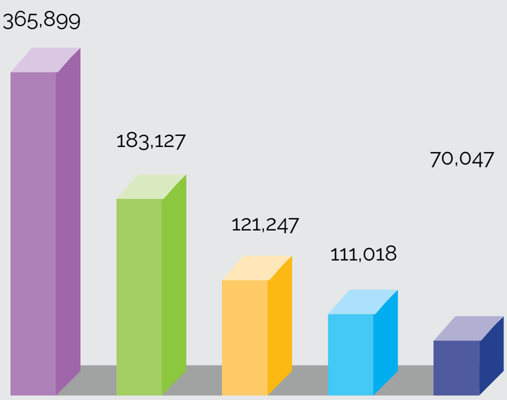
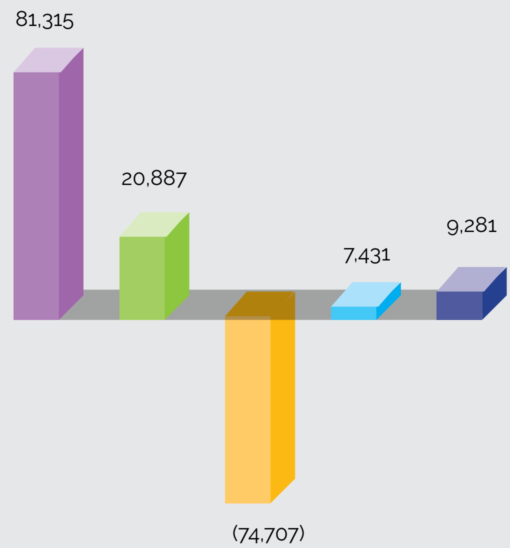
Proxy Form

2016 2017 2018 2020 2021

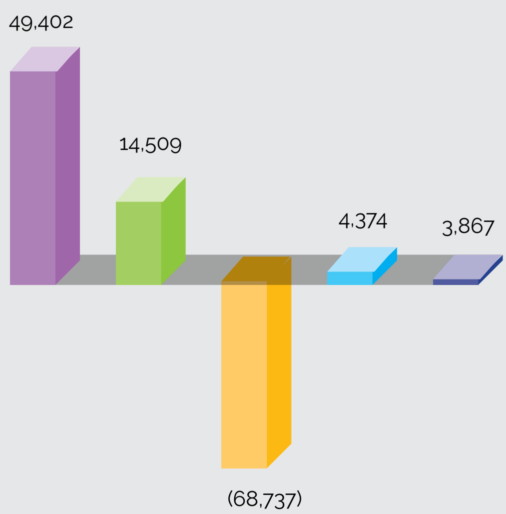
REVENUE (RM'000)



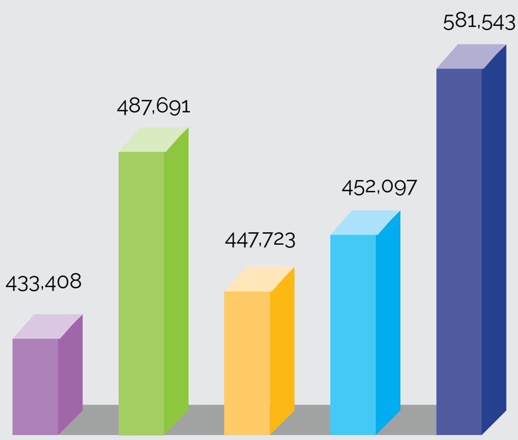
PROFIT BEFORE TAX/ (LOSS BEFORE TAX) (RM'000)



PROFIT/(LOSS) ATTRIBUTABLE TO EQUITY HOLDERS (RM'000)



NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS (RM'000)



Five Years Group Financial Summary	**FYE 31.12.2016**	**FYE 31.12.2017**	**FYE 31.12.2018**	**FYE 30.06.2020**	**FYE 30.06.2021**
FINANCIAL RESULTS (RM'000)					
Revenue	365,899	183,127	121,247	111,018	70,047
Profit before tax/(Loss before tax)	81,315	20,887	(74,707)	7,431	9,281
Profit/(Loss) attributable to equity holders	49,402	14,509	(68,737)	4,374	3,867
KEY BALANCE SHEET DATA (RM'000)					
Total Assets	604,311	609,690	572,540	522,706	788,674
Total Liabilities	151,783	115,555	106,484	51,366	174,826
Net assets attributable to equity holders	433,408	467,691	447,723	452,097	581,543
No. of shares in issue at year end	3,234,221,413	3,393,721,413	5,664,535,688	5,664,539,071	906,455,000
SHARES INFORMATION					
Basic earnings / (Loss) per share (sen)	1.58	0.44	(1.65)	0.08	0.57
Net assets per share attributable to equity holders (RM)	0.13	0.14	0.08	0.08	0.64

Chairman Statement

Dear Shareholders,

On behalf of the Board of Directors of VinVest Capital Holdings Berhad, I hereby present the financial and operation performance of VinVest for the financial year ended 30 June 2021.

The past 12 months have proven to be an eventful period for the Group. During the year, the Group had :-

1) Completed the consolidation of VinVest shares from 5,664,539,071 ordinary shares into 566,451,610 ordinary shares on 4 November 2020;

2) Announced our diversification into sand trading on 26 February 2021 via our newly acquired subsidiary company, Rain International Sdn Bhd, which had secured a sand supply contract worth approximately USD 934.7 million (equivalent to RM3.79 billion);

3) Completed the subscription of 169,936,172 new VinVest shares on 30 March 2021;

4) Completed the acquisition of 45% equity in V Development Sdn Bhd ("V Development") on 30 March 2021;

5) Announced further diversification into trading of iron ore and other minerals on 27 May 2021; and

6) In line with our change of focus from a construction company to a property developer and trading consortium, we changed our company name from Vivocom Intl Holdings Berhad to VinVest Capital Holdings Berhad, which was duly approved on 2 July 2021;

The acquisition of V Development represented as strategic move by the Group to enable it to expand and increase its stake in the Property Development segment, which generally has a bigger and better margin than construction segment. V Development also has various projects in various stages of development which the Group can tap into and gain benefit from.

Whilst Malaysian economy is still struggling against the effects of the pandemic, China had managed to brought Covid-19 under control and had kick-started its economy post-Covid - with super increasing demand for natural resources and building materials for its bustling construction industries, such as sand, iron ore, copper, etc. For a long time, we kept getting requests from our business contacts in China to help them source for these materials. Sensing an opportunity, we decided to venture into the sand and minerals trading, and have spent the last 12 months diligently building our networks of buyers and suppliers all across Asia. We expect this new venture to contribute positively for our next financial year. Further details on our financial and operational performance are outlined in the Management Discussion and Analysis section of this Annual Report.

Moving forward, the Group intends to seek further opportunities, as part our of integration strategy for organic and inorganic growth.

On behalf of the Board, I wish to express our gratitude to our staff for their dedication, diligence, professionalism and commitment to the Group during the trying times. I would also like to take this opportunity to convey our appreciation to our clients, business associates, shareholders and various stakeholders for their continued support, faith and confidence in VinVest.

Thank you.

Ar. Lim Tong Hock
Chairman

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

VinVest is a public company listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa") since 18 January 2005. During the year, the Group added trading of sand, iron ore and other minerals into its core business activities. The core business activities of the Group now comprised :

1. Property Development
2. Construction
3. Aluminium design and fabrication
4. Trading of sand
5. Trading of iron ore and other minerals
6. Telecommunication engineering services

FINANCIAL OVERVIEW

For FYE 30 June 2021, the Group recorded a respectable profit after tax of RM6.6 million, on the back of revenue amounting to RM70.0 million. The operations and performance for the financial year in review was disrupted by the lockdowns imposed by the Government in 2021, which effectively shut-down almost all construction activities in Malaysia for approximately 2 months. This had caused delays and deferment in new project launches and on-going development projects. Notwithstanding the above, we have activated contingency plans to mitigate the disruptions, and revised our schedules accordingly to make up for the loss time as much as possible.

Pursuant to the acquisition of the 45% equity in V Development Sdn Bhd ("V Development"), which was completed on 30 March 2021, the financials of the Group as at 30 June 2021 had consolidated the financials and results of V Development. The timely contributions from V Development had managed to mitigate the impact of the lockdowns on our Group results for FYE 30 June 2021.

Cash reserves stood at RM64.9 million as at 30 June 2021 compared to RM35.4 million as at the 30 June 2020. The increase was mainly due to the consolidation of V Development 's financials.

SEGMENTAL OVERVIEW

Revenue by Segment	FYE 30.6.2021 (12 months)	FPE 30.6.2020 (18 months)	FPE 30.6.2020 (Pro-rated 12 months)	Changes	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(%)
Property Development	9,024	36,022	24,015	(14,991)	(62.4)
Construction	50,223	33,640	22,427	27,796	123.9
Aluminium	5,828	30,799	20,533	(14,705)	(71.6)
Telco	4,972	10,557	7,038	(2,066)	(29.4)
Total	**70,047**	**111,018**	**74,012**	**(3,965)**	**(5.4)**

Property Development

On 30 March 2021, the Company successfully completed the acquisition of 45% equity stake in V Development Sdn Bhd. This strategic acquisition will enable to Group to expand its property development business further and increase its land banks for future development projects. For the current financial year, this segment contributed RM9.0 million, which was mainly derived from our mixed development project in Kuala Lumpur. The higher contribution of RM36.0 million in FPE 30.06.2020 was from the sales of its project in Selangor, which is nearing completion. Moving forward, we expect the contribution from this segment to grow stronger subsequent with the contribution from our newly acquired V Development kicking in.

SEGMENTAL OVERVIEW (CONT'D)

Construction

The higher revenue for the FYE 30.06.2021 for construction is due to the strong and higher progress billings from the on-going construction work for the mixed development project in Kuala Lumpur. The progress was disrupted when the total lockdown or FMCO 3.0 was announced in June 2021. However, we had since been allowed to resume and is ramping up our schedule to mitigate for the lost time.

Aluminium

In FPE 30.6.2020, the aluminium segment completed and closed a few projects, which accounted for the higher revenue. Due to the prolonged effect of the pandemic and lockdown, not many new projects were launched while some current projects were delayed in 2020/2021, which accounted for the lower revenue for FYE 30.06.2021. Notwithstanding that, the transition in to Phase 3 of the Recovery Phase for Selangor and Kuala Lumpur will augur well for the prospect for this segment as some of the delayed projects is expected to resume soon.

Telco

The prolonged effect of the pandemic and lockdown, not many new telco sites were launched as travelling was restricted, especially in Sarawak, where most of our telco operations are situated. This has significantly impacted our revenue for the current year.

REVIEW OF OPERATING ACTIVITIES

During the year, the Group had diversified into trading of sand, iron ore and other minerals. However, as at 30 June 2021, the Group were still finalizing the arrangement for the shipment of sands and other minerals. We expect this new venture to contribute positively for our next financial year.

The operations for the financial year in review was disrupted by the lockdowns imposed by the Government in 2021, which effectively shut-down almost all construction activities in Malaysia for approximately 2 months. This had caused delays and deferment in new project launches and on-going development projects. Notwithstanding that, we were able to mitigate the impact with the consolidation of our new subsidiary company, V Development's results.

FUTURE PROSPECTS

Pursuant to the easing of the lockdown restriction, we have resumed all our business functions and all project sites have resumed operation. Notwithstanding the delays due to the disruption, we have activated contingency plans to mitigate the disruptions, and revised our schedules accordingly to make up for the loss time as much as possible. With the acquisition of V Development, the Group now has a sizeable land banks and development projects to develop and generate income for the next 5 to 10 years. In addition, the Group also has sizeable contracts for the trading of sand and iron ore orders to be fulfilled in the next 24 months. All these are expected to contribute strongly and positively to our performance for next financial year.

Corporate Structure

VinVest Capital Holdings Berhad

- 100% VCOM CONSTRUCTION SDN BHD
  - 78.6% NEATA ALUMINIUM (MALAYSIA) SDN BHD
    - 100% VIVOCOM ENTERPRISE SDN BHD
- 100% VIVOCOM TRADING SDN BHD
- 100% INSTACOM ENGINEERING SDN BHD
- 45% V DEVELOPMENT SDN BHD
  - 100% HANDY GOALS DEVELOPMENT SDN BHD
  - 100% S.B.A PROPERTY MANAGEMENT SDN BHD
  - 100% VINDEV SDN BHD
  - 100% TUAH SEMPENA SDN BHD
  - 70% ALMAVENTURES DEVELOPMENT SDN BHD
  - 97% RAIN INTERNATIONAL SDN BHD

Group Structure

BOARD OF DIRECTORS

Ar. Lim Tong Hock
(Chairman, Independent Non-Executive Director)

Dato' Seri Chia Kok Teong
(Chief Executive Director)

David Hah Wei Onn
(Executive Director)

Tan Chuek Hooi
(Executive Director)

Choo Seng Choon
(Non-Independent Non-Executive Director)

Dato' Azahar bin Rasul
(Senior Independent Non-Executive Director)

Tay Mun Kit
(Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

Tay Mun Kit (Chairman)

Ar. Lim Tong Hock

Dato' Azahar bin Rasul

NOMINATION COMMITTEE

Tay Mun Kit (Chairman)

Ar. Lim Tong Hock

Dato' Azahar bin Rasul

REMUNERATION COMMITTEE

Tay Mun Kit (Chairman)

Ar. Lim Tong Hock

Dato' Azahar bin Rasul

AUDITORS

SBY Partners PLT
(LLP 0026726-LCA & AF0660)
Chartered Accountants
9-C, Jalan Medan Tuanku,
Medan Tuanku
50300 Kuala Lumpur

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
(ACE Market)

COMPANY SECRETARIES

Tan Kah Koon
SSM PC NO.201908001500 (MAICSA 7066666)

Anne Kung Soo Ching
SSM PC NO.201908002507 (MIA 8449)

PRINCIPAL BANKERS

CIMB Bank Berhad
Malayan Banking Berhad
Malaysia Debt Ventures Berhad
RHB Islamic Bank Berhad
Public Bank Berhad
Hong Leong Islamic Bank Berhad

REGISTERED OFFICE

29-2, Level 29, Oval Damansara
685, Jalan Damansara
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel : 03-2770 8163
Fax: 03-2770 8166

SHARE REGISTRAR

149, Jalan Aminuddin Baki
Taman Tun Dr. Ismail
60000 Kuala Lumpur
Tel : 03-7729 5529
Fax: 03-7728 5948

PRINCIPAL PLACE OF BUSINESS

4, Jalan Seri Utara 1
Off Jalan Ipoh
68100, Batu Caves
W.P. Kuala Lumpur

No.4, Lot 20174, 1st Floor
Stutong Avenue
Jalan Setia Raja
93350 Kuching, Sarawak

Board of Directors

Name Of Members	Designation	Nationality
Ar. Lim Tong Hock	Chairman, Independent Non-Executive Director	Malaysian
Dato' Seri Chia Kok Teong	Chief Executive Director	Malaysian
David Hah Wei Onn	Executive Director	Malaysian
Tan Chuek Hooi	Executive Director	Malaysian
Choo Seng Choon	Non-Independent Non-Executive Director	Malaysian
Dato' Azahar bin Rasul	Senior Independent Non-Executive Director	Malaysian
Tay Mun Kit	Independent Non-Executive Director	Malaysian

AR. LIM TONG HOCK

A Malaysian and aged 67, Ar. Lim Tong Hock ("Ar. Lim") was appointed as an Independent Non-Executive Director and as the Chairman of the Board of Directors on 1 April 2015. He is also a member of the Audit & Risk Management, Nomination and Remuneration Committee of the Company.

Ar. Lim Tong Hock began his training as assistant architect in 1980 in the architects' department of Borough of Haringey, London, after obtaining his Bachelor's degree. Subsequently, he worked for Briffa Phillips Chartered Architects in London before returning to Malaysia to join a private architectural practice in Kuala Lumpur in 1984. In 1990, he obtained his corporate membership to practice as an architect and set up his own practice under the name of ADL Architect. He has vast experience in designing and managing projects such as hotels, housing, industrial and institutional buildings.

As at 30 June 2021, he did not hold ordinary shares in the Company.

Ar. Lim attended all the Board meetings held during his tenure in office for the financial year ended 30 June 2021. He has no family relationship with any director or substantial shareholder of the Company.

Ar. Lim has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

DATO' SERI CHIA KOK TEONG

A Malaysian and aged 59, Dato' Seri Chia Kok Teong ("Dato' Seri Chia") was appointed as the Chief Executive Director on 3 January 2020.

Dato' Seri Chia obtained his Bachelor of Economics (Majoring in Accounting) from Monash University, Australia in 1988. Upon graduation, he started his career in Australia before returning to Malaysia, working in various roles ranging from accounting, financial controllership, business development, strategic planning, business advisory and consultancy in several respectable and reputable corporations.

Dato' Seri Chia has more than 30 years of extensive experience in the corporate sector, particularly in the area of corporate management, corporate advisory and strategies including turn-arounds of companies and mergers and acquisition, equities and investment across a wide range of business industries.

As at 30 June 2021, he held ordinary 294,766,934 shares in the Company.

Dato' Seri Chia attended 5 out of 6 Board meetings held during his tenure in office for the financial year ended 30 June 2021. He has no family relationship with any director or substantial shareholder of the Company.

Dato' Seri Chia has no conviction for offences within the past 10 years other than traffic offences.

MR. DAVID HAH WEI ONN

A Malaysian and aged 48, David Hah Wei Onn ("David Hah") was appointed as the Executive Director of the Group on 21 February 2020.

David Hah is a member of the Chartered Institute of Management Accountants, Malaysian Institute of Accountants and Chartered Global Management Accountants.

David has a combined experience of more than 20 years in finance in various industries which included food and beverage, manufacturing, fast moving consumer goods, retails, and property development. He started his career with Golden Arches Restaurant Sdn Bhd which operated the Mcdonald's chain in Malaysia in 1997. He then joined Watson's Personal Care Stores Sdn Bhd, a subsidiary company of Hutchison Whampoa Limited (listed in Hong Kong's Stock Exchange) in 2003 as an accountant. In 2011, he joined the finance team in Country Heights Group of Companies prior to joining the Group in 2017 as its Head of Finance & Accounts.

As at 30 June 2021, he did not hold ordinary shares in the Company.

David Hah attended all the Board meetings held during his tenure in office for the financial year ended 30 June 2021. He has no family relationship with any director or substantial shareholder of the Company.

David Hah has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

MR. TAN CHUEK HOOI

A Malaysian and aged 61, Tan Chuek Hooi ("Mr. Tan") was appointed as the Executive Director of the Group on 21 May 2021.

Mr Tan graduated from University of Windsor, Ontario, Canada in 1983 with a Bachelor of Commerce (Honours) in Business Administration majoring in Accounting and minoring in Business Statistics.

He started his career as an accountant with United Computers Sdn Bhd in 1984. In 1986, he joined Imagineering Sdn Bhd as its Finance Manager, where he was responsible for the implementation of the company's operation procedure. In 1987, he accepted an appointment from Tech Pacific NZ Ltd in Auckland New Zealand, where he acted as its Finance Manager. During his stay, he was in charge of, among others, the company system administration, credit control and financial accounting. After seven years working in New Zealand, he then returned to Malaysia and later joined Tele Dynamics Sdn Bhd as its Financial Controller. He was mainly responsible for maintaining the company's whole financial system which included, among others, treasury function, financial accounting, corporate planning and cash flow management. He joined V Development Sdn Bhd since October 2014 and is responsible for day-to-day operations of the V Development Group. V Development Sdn Bhd is a 45%-owned subsidiary company of the Group.

As at 30 June 2021, he held ordinary 583,333 shares in the Company.

Mr. Tan attended all the Board meetings held during his tenure in office for the financial year ended 30 June 2021. He has no family relationship with any director or substantial shareholder of the Company.

Mr. Tan has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

MR. CHOO SENG CHOON

A Malaysian and aged 47, Choo Seng Choon ("Mr. Choo") was appointed as an Independent Non-Executive Director on 7 September 2011. He served as an Executive Director from 15 May 2015 to 29 July 2019 and was redesignated as a Non-Independent Non-Executive Director on 29 July 2019.

Mr. Choo is a Fellow Member of the Association of Chartered Certified Accountants, a Chartered Member of the Malaysian Institute of Accountants, a Chartered Member of the Institute of Internal Auditors, Malaysia and a Certified Internal Auditor. He also holds a Diploma in Financial Accounting from Tunku Abdul Rahman College, Kuala Lumpur.

He has over 20 years of professional experience that includes internal audits, risk management, investigations, business management consulting, business process re-engineering, corporate governance advisory, due diligence, financial projections and financial audits, and is currently managing his own corporate consultancy firm. He also sits on the board of directors of EA Holdings Berhad and LTKM Berhad.

As at 30 June 2021, he did not hold ordinary shares in the Company.

Mr. Choo attended 4 out of 6 Board meetings held during his tenure in office for the financial year ended 30 June 2021. He has no family relationship with any director or substantial shareholder of the Company.

Mr. Choo has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

DATO' AZAHAR BIN RASUL

A Malaysian aged 59, Dato' Azahar Bin Rasul ("Dato' Azahar") was appointed as the Independent Non-Executive Director and a member of the Audit and Risk Management Committee on 23 March 2012. He is also a member of the Nomination and Remuneration Committee of the Company.

He obtained his Bachelor of Science Degree in Business Administration from Central Michigan University in 1988 and a Master of Science Degree in Accounting from the University of New Haven, Connecticut, USA in 1990. He has over 26 years of experience in the field of corporate accounting, finance, banking and administration. His last employment was with Land & General Berhad as its Senior Manager for Administration and Finance until 1995, when he left to set up his own business. Dato' Azahar also sits on the board of directors of EA Holdings Berhad.

As at 30 June 2021 he did not hold ordinary shares in the Company.

Dato' Azahar attended all Board meetings held during his tenure in office for the financial period year 30 June 2021. He has no family relationship with any directors or substantial shareholder of the Company.

Dato' Azahar has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

MR. TAY MUN KIT

A Malaysian aged 45, Mr. Tay Mun Kit ("Mr. Tay") was appointed as the Independent Non-Executive Director and a member of the Audit and Risk Management Committee on 18 December 2012. He is also a Chairman of the Nomination and Remuneration Committee of the Company. He was appointed as the Chairman of the Audit and Risk Management Committee on 1 April 2015.

Mr. Tay is a Fellow Member of the Association of Chartered Certified Accountants and a Chartered Member of the Malaysian Institute of Accountants. He is the Chief Financial Officer for EA Holdings Berhad, a company involved in the provision of investment holding, management and consultancy services. Prior to joining EA Holdings Berhad, he was attached to an audit firm and has extensive experience in the field of auditing and corporate services.

As at 30 June 2021, he did not hold ordinary shares in the Company.

Mr. Tay attended all the Board meetings held during his tenure in office for the financial year ended 30 June 2021. He has no family relationship with any director or substantial shareholder of the Company.

Mr. Tay has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

The Board of Directors ("the Board") of VinVest Capital Holdings Berhad (formerly known as Vivocom Intl Holdings Berhad) recognises the importance of good corporate governance and is fully committed towards ensuring that the highest standards of corporate governance are implemented and maintained as set out in the Malaysian Code on Corporate Governance ("the Code") throughout the Group as a fundamental part of its responsibilities to protect and enhance shareholders' value.

CORPORATE GOVERNANCE STRUCTURE

The Board has established a system of governance structure which sets out roles, functions, compositions, operations and processes of the Board to promote high standards of corporate governance and to facilitate effective decision making. This structure is found in the Board Charter of the company is available on Group's corporate website at www.vinvest.com.my.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

The Board is responsible of development of corporate objectives, review and approval of corporate plans, performance and the corporate governance of the Group. The Board also responsible for the identification and management of key risk, the adequacy and integrity of internal control systems.

The Board is responsible for the overall corporate governance of the Group, including the following specific roles and responsibilities:

a) Reviewing, approve and monitor the overall strategies and direction of the Group;
b) Overseeing the conduct of the Group of the Group's business to evaluate whether the business is being properly managed;
c) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks
d) Succession planning;
e) Developing and implementing an investor relations programme and shareholder communications policy for the Group; and
f) Reviewing the adequacy and the integrity of the Group's internal controls systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has also delegated specific responsibilities to the Board Committees, Audit and Risk Management Committee, Nomination Committee and Remuneration Committee. Board Committees are entrusted with specific responsibilities to oversee the Group's affairs with authority to act on behalf of the Board in accordance with their respective Terms of Reference. The Chairman of the relevant Board Committees also report to the Board on key issues deliberated by the Board Committees at their respective meetings.

The Company is supported by two (2) suitably qualified and competent Company Secretaries. Both are qualified Chartered Secretaries as per Section 235(2)(a) of the Companies Act 2016. The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of its functions. The Company Secretaries ensures that all Board meetings are properly convened and accurate and proper records of the proceedings and resolutions passed are recorded and maintained in the statutory register of the Company. They also ensure that the Board policies and procedures are followed and rules and regulations, codes or guidance and legislations are complied with.

2. Board Composition

The Board strongly concurred that an effective and well-balanced Board which consists of members with wide range of business, technical and financial background is important to achieve the highest standard of performance, accountability and ethical behaviour as expected by the stakeholders.

The positions of the Chairman and CEO are held by two different individuals and there is a clear division of responsibilities. The Chairman is responsible for the governance, orderly conduct and effectiveness of the Board while the CEO is responsible for managing the Group's business operations and implementation of policies and strategies approved by the Board.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2. Board Composition (continued)

The Board is made up of seven (7) members as follows :

No.	Name of Members	Designation
1	Ar. Lim Tong Hock	Chairman, Independent Non-Executive Director
2	Dato' Seri Chia Kok Teong	Chief Executive Director
3	David Hah Wei Onn	Executive Director
4	Tan Chuek Hooi	Executive Director
5	Choo Seng Choon	Non-Independent Non-Executive Director
6	Dato' Azahar bin Rasul	Senior Independent Non-Executive Director
7	Tay Mun Kit	Independent Non-Executive Director

The Board has a balanced composition of Executive and Non-Executive Independent Directors such that no individual or group of individuals can dominate the Board's decision-making powers and processes. All Board members carry an independent judgment to bear on issues of strategy, performance, resources and standard of conducts. All the Directors have also complied with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on the limit of five (5) directorship in public listed companies.

The profiles of the Directors are presented on pages 8 to 10 of this annual report.

All Board members have full and unrestricted access to information on the Group's business and affairs. All scheduled meetings held during the year were preceded by a formal notice issued by the Company Secretary in consultation with the Chairman. The Board papers contain all relevant information and reports on financial, operational, corporate, regulatory and minutes of meetings. These documents are comprehensive and include qualitative and quantitative information to enable the Board members to make informative decisions. Where required, senior management and external advisors are invited to attend these meetings to explain and clarify on matters tabled.

The Board is regularly updated and advised by the Company Secretaries on new statutory as well as regulatory requirements. The Board has full and unrestricted access to the advice and services of the Company Secretaries as well as the senior management. Where necessary, the Board may obtain independent professional advice at the Company's expenses on the specific issues to enable the Board to make well-informed decisions in discharging their duties on the matters tabled.

The Board meets at least four (4) times a year with additional meetings being held as and when required. For the financial year ended 30 June 2021, 6 Board meetings were held. The Board is satisfied with the level of time committed by its member in discharging their duties and roles as Directors of the Company.

The attendance of the Directors at Board meetings during the financial year are as shown below:

No.	Name	Designation	Attendance	Percentage Of Attendance
1	Ar. Lim Tong Hock	Chairman, Independent Non-Executive Director	6/6	100%
2	Dato' Seri Chia Kok Teong	Chief Executive Director	5/6	83%
3	David Hah Wei Onn	Executive Director	6/6	100%
4	Tan Chuek Hooi (Appointed on 21 May 2021)	Executive Director	1/1	100%
5	Choo Seng Choon	Non-Independent Non-Executive Director	4/6	67%
6	Dato' Azahar bin Rasul	Senior Independent Non-Executive Director	6/6	100%
7	Tay Mun Kit	Independent Non-Executive Director	6/6	100%

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2. Board Composition (continued)

The Board has adopted a nine (9) year policy for Independent Non-Executive Directors. According to MCCG, if the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval. Dato' Azahar bin Rasul, Senior Independent Non-Executive Director had served the Board of Vinvest for more than nine (9) years. Their tenure of service is set out in the Profile of Board of Directors of this Annual Report.

The Board has via the NC conducted an annual performance evaluation and assessment on the Independent Directors and is of the opinion that Dato' Azahar bin Rasul remains objective and independent in expressing their views.

Based on the recommendation of the NC, the Board will be seeking the shareholders' approval in the 19th AGM for Dato' Azahar bin Rasul to continue as Independent Directors of the Company by way of ordinary resolutions. The justifications for their continuation as Independent Directors are disclosed in the Notice of the AGM.

There is currently no woman on the Board. At present, the Board does not have a formal policy on boardroom diversity in meeting the goal of achieving more women participation on Board as recommended by the Code. Notwithstanding this, the Board is committed to ensuring that the directors of the Company possess a broad balance of skills, knowledge, experience, independence and diversity, including gender diversity.

The Board is mindful of the importance for its members to undergo continuous training to be apprised on changes to regulatory requirements and the impact such regulatory requirements have on the Group. All Directors have attended the Mandatory Accreditation Programme ("MAP") as required by Bursa Malaysia Securities Berhad. The Directors are encouraged to continually attend relevant training programmes to equip themselves with the necessary knowledge and to keep abreast with the relevant changes in laws, regulations and business development. All Directors have continuously undergone training programmes to enhance their skills and knowledge.

During the financial period under review, the Directors had attended the following training programmes :-

Directors	Title of seminar/course
Ar. Lim Tong Hock	- Investing in Watt : To Solar Panel or Not to Solar Panel on 28 August 2021 - PAM Public Design Lectures on Placement As An Emerging Form of Architectural Practice on 15 September 2021.
Dato' Seri Chia Kok Teong	- Updates on the New Malaysian Code on Corporate Governance 2021 on 25 May 2021
David Hah Wei Onn	- Updates on the New Malaysian Code on Corporate Governance 2021 on 25 May 2021
Choo Seng Choon	- Managing Tax Audit on 16 June 2021 - Optimising Tax Benefits for Companies and Related Entities on 17 June 2021
Tan Chuek Hooi	- Mandatory Accreditation Program on 26-28 July 2021
Azahar bin Rasul	- Introduction to Personal Data & Privacy Act on 31 March 2021 - Anti-Fraud and Anti-Corruption on 7 September 2021
Tay Mun Kit	- Tax Insight on 18 October 2020

To assist the Board in discharge of their duties effectively, the Board has delegated specific functions to certain committees.

Each committee will operate within its clearly defined terms of reference.

a) Audit and Risk Management Committee

The terms of reference of the Audit and Risk Management Committee are set out on page 17 to 20 of this annual report.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2. Board Composition (continued)

b) Nomination Committee

The Nomination Committee comprises exclusively of independent Non-Executive Directors as follows:

Tay Mun Kit	-	Chairman
Ar. Lim Tong Hock	-	Member
Dato' Azahar bin Rasul	-	Member

The Nomination Committee was set up to provide a formal and transparent procedure for appointment of Directors as well as assessment on effectiveness of individual Directors and the Board as a whole. The Committee has reviewed the Board's mix of skills and experience and other qualities of all the Directors. The annual assessment of the effectiveness of the Board has been performed by the Nomination Committee.

With the current composition, the Committee is of the opinion that the Board has the necessary knowledge, experience, professionalism, integrity, requisite range of skills and competence to enable them to discharge their duties and responsibilities.

Dato' Azahar bin Rasul has been identified by the Board as Senior Independent Non-Executive Director to whom the concerns of the shareholders and other stakeholders may be conveyed.

Nomination Committee attendance were as follows : -

No.	Name of Members	Attendance	Percentage
1	Tay Mun Kit	1/1	100%
2	Dato' Azahar bin Rasul	1/1	100%
3	Ar. Lim Tong Hock	1/1	100%

3. Remuneration

The objective of the Remuneration Committee is to provide a formal and transparent procedure for developing remuneration policy for Directors. The Committee reviews, assesses and recommends to the Board the remuneration packages of the executive directors in all forms which enables the Group to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively. Executive Directors play no part in decision on their own remunerations.

The Remuneration Committee comprises exclusively of Independent Non-Executive Directors as follows:

Tay Mun Kit	-	Chairman
Ar. Lim Tong Hock	-	Member
Dato' Azahar bin Rasul	-	Member

The remuneration packages for the directors are designed to support the Company's strategy and to provide an appropriate incentive to maximise individual and corporate performance, whilst ensuring that overall rewards are market competitive. The Executive Directors' package consists of basic salary, contribution to the national pension fund and benefits-in-kind such as medical care, car allowance and fuel whilst the Non-executive Directors' package primarily consists of fees only.

The remuneration packages for the Directors for the financial year ended 30 June 2021 are as follows :-

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
Salaries and other emoluments	1,743	2
Fees	7	192

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

3. Remuneration (continued)

The number of Directors whose remuneration falls into each band of RM50,000 are set as follows :-

	Executive Directors	Non-Executive Directors
1 - 50,000	-	2
50,001 -,100,000	-	2
150,001 - 200,000	3	-

Remuneration Committee attendance : -

No.	Name of Members	Attendance	Percentage
1	Tay Mun Kit	1/1	100%
2	Dato' Azahar bin Rasul	1/1	100%
3	Ar. Lim Tong Hock	1/1	100%

The Board opines that the disclosure of the Key Senior Management personnel's names and the various remuneration components (salaries, bonuses and other emoluments) would not be in the best interest of the Group given the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues.

4. Board's Performance Assessment

The Board has established formal assessment processes for evaluation of its performance and the performance of its committee and individual directors. These assessment processes comprise Board Assessment, Board Skills Matrix, Individual Directors Assessment, Board Committee Self and Peer Assessment, and Assessment of Independence of Independent Directors and was administered by Nomination Committee.

Based on this assessment, the Board was satisfied with the overall performance of individual Director, Board and Board Committees for the financial period under review.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit & Risk Management Committee

The Board acknowledges its overall responsibilities for maintaining a sound system of risk management and internal control and has delegated its role in the review process to the Audit & Risk Management Committee ("ARMC"). The ARMC comprises three (3) Independent Non-Executive Directors and the Chairman of the ARMC is distinct from the Chairman of the Board. It is a practice for the ARMC to require a former key audit partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the ARMC. For the FYE 30 June 2021, no former key audit partner has been appointed or is a Director of the Company. The ARMC met 4 times during the current financial year. The activities of the ARMC during the financial year are described in the Audit and Risk Management Committee Report found on pages 17 to 20 of this annual report, along with the authority, duties and responsibilities of the ARMC.

2. Risk Management and Internal Control Framework

The Statement on Risk Management and Internal Control is set out on pages 21 to 24 of this annual report detailing the features of the risk management and internal control frameworks of the Group.

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1. Communication with Stakeholders

The Board acknowledges the need for stakeholders to be informed of all material business matters affecting the Group. The Board will ensure the timely release of financial results on a quarterly basis to provide stakeholders with an overview of the Group's performance and operations in addition to the various announcements made during the year. These announcements are also available on the Group's website at www.vinvest.com.my in the investors relation section.

2. Conduct of General Meetings

The Annual General Meeting is the principal forum dialogue with all shareholders. Shareholders are encouraged to participate in the questions and answers session and all the Directors are available to respond to questions during the meeting. Notice of Annual General Meeting and the annual report are sent to shareholders at least 28 days before the date of the meeting, in accordance with the requirements of the Code, enabling shareholders a longer time to review the details of the resolution being proposed for better decision. The notice included details of resolutions to be passed in the general meeting.

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is complemented by the Corporate Governance Report, which is prepared based on the prescribed format as enumerated in Paragraph 15.25(2) of the Listing Requirements for ACE Market of Bursa Malaysia Securities Berhad, to provide a detailed description of the application of the Group's corporate governance practices. The Corporate Governance Report is available on the Group's website, www.vinvest.com.my, as well as on Bursa Malaysia Berhad's website, www.bursamalaysia.com.

COMPLIANCE STATEMENT

The Board believes that the Company has in 2020/2021 followed the Principles and Recommendations of the Code in all material aspects.

This statement is made in accordance with the resolution of the Board dated 28 October 2021.

DIRECTORS' RESPONSIBILITY STATEMENT

This statement is prepared pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The Board is responsible to ensure the financial statements prepared for each financial year have been made in accordance with applicable approved accounting standards and give a true and fair view of the state of affairs of the Group, including cash flow and results as at the end of each financial year.

The Directors are responsible for ensuring that the Group and the Company have maintained proper accounting records which disclose with reasonable accuracy the financial position of the Group and the Company which comply with the provisions of the Companies Act, 2016.

The Directors have general responsibility for taking such steps as are reasonable available to them to safeguard the assets of the Group and the Company and to detect and prevent fraud and other irregularities.

AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS

Chairman	**Tay Mun Kit** (Independent Non-Executive Director)
Members	**Ar. Lim Tong Hock** (Independent Non-Executive Director) **Dato' Azahar bin Rasul** (Senior Independent Non-Executive Director)
Secretary	**Tan Kah Koon** (Company Secretary)

TERMS OF REFERENCE OF AUDIT AND RISK MANAGEMENT COMMITTEE

1. Objective

The primary objectives of the Committee are to assist the Board in discharging its statutory duties and responsibilities relating to accounting and financial reporting practices of the Company and its subsidiaries.

The Committee shall also assist the Board in complying with specified accounting standards and required disclosures as administered by Bursa Securities, relevant accounting standards bodies, and any other laws and regulations as amended from time to time.

The Committee shall also establish a formal and transparent arrangement for maintaining an appropriate relationship with the Company's auditors and overseeing and appraising the quality of audits conducted by the Company's internal and external auditors.

2. Composition

(a) The Audit and Risk Management Committee shall be appointed by the Board from amongst themselves comprising not less than three (3) members where the majority of them shall be composed of independent non-executive directors and the CEO shall not be a member of the Audit and Risk Management Committee.

(b) The Committee shall include at least one (1) person who is a member of the Malaysian Institute of Accountants or possessing such financial related qualification or experience as may be required by Bursa Malaysia Securities Berhad.

(c) The term of office of the Audit and Risk Management Committee is two (2) years and may be re-nominated and appointed by the Board.

(d) The members of the Audit and Risk Committee shall elect a Chairman from amongst themselves who shall be an independent director.

(e) All members of the Audit and Risk Management Committee, including the Chairman, will hold office only so long as they serve as Directors of the Company. Should any member of the Audit and Risk Management Committee cease to be a Director of the Company, his membership in the Audit and Risk Management Committee would cease forthwith.

(f) No Alternate Director of the Board shall be appointed as a member of the Audit and Risk Management Committee.

(g) If the number of members of the Audit and Risk Management Committee for any reason be reduced to below three (3), the Board of Directors shall within three (3) months of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

(h) The Board must review the term of office and performance of the Committee and each of its members at least once every three (3) years to determine whether such Committee and members have carried out their duties in accordance with their terms of reference.

TERMS OF REFERENCE OF AUDIT AND RISK MANAGEMENT COMMITTEE (CONTINUED)

3. Duties and Responsibilities

The duties and responsibilities of the Committee shall include the followings:-

External Audit

(a) To review the nomination of external auditors and their audit fees;
(b) To review the nature, scope and quality of external audit plan/arrangements;
(c) To review quarterly and annual financial statements of the Company, before submission to the Board, focusing in particular on the going concern assumption, compliance with accounting standards and regulatory requirements, any changes in accounting policies and practices, significant issues arising from the audit and major judgmental issues;
(d) To review the external auditors' audit report;
(e) To review with the external auditors, their evaluation of the system of internal accounting controls;
(f) To review the Company's policies and procedures with Management and external auditors to ensure the adequacy of internal accounting and financial reporting controls;
(g) To review any letter of resignation from the external auditors; and
(h) To consider and review whether there is reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment.

Internal Audit

(a) To review the adequacy of scope, functions and resources of the internal audit function;
(b) To review the internal audit programme and results of the internal audit process and where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function;
(c) To review the major findings of internal audit investigations and management's response, and ensure that appropriate actions are taken on the recommendations of the internal audit function; and
(d) To review and approve any appointment, termination or resignation of the internal auditor.

Risk Management and Internal Control

(a) To review the adequacy of the Group's risk management framework and to provide independent assurance to the Board of Directors on the effectiveness of the Company's risk management processes;
(b) To evaluate the quality and effectiveness of the Company's internal controls and management information systems, including compliance with applicable laws, rules and guidelines;
(c) Monitoring and communication of risk assessment results to the Board; and
(d) To recommend to the Board of Directors the Statement of Internal Control and any changes to the said statement.

4. Authority

The Committee shall in accordance with a procedure to be determined by the Board and at the expense of the Company :

(a) have explicit authority to investigate any matter within its terms of reference;
(b) have the resources which the Committee needs to perform the duties;
(c) have full access to any information which the Committee requires in the course of performing its duties;
(d) have unrestricted access to all employees of the Group;
(e) have direct communication channels with the external auditors;
(f) be able to obtain outside legal or independent professional advice in the performance of its duties at the cost of the Company; and
(g) be able to invite outsiders with relevant experience to attend its meetings, if necessary.

TERMS OF REFERENCE OF AUDIT AND RISK MANAGEMENT COMMITTEE (CONTINUED)

5. Meetings and Minutes

The Committee shall hold not less than four (4) meetings a year to review the quarterly results and year end financial statements. In order to form the quorum for each meeting, a minimum of two (2) members present shall be Independent Directors.

In addition to the Committee members, the head of internal audit shall normally attend the meetings. Representatives of the external auditors shall attend meetings where matters relating to the audit of the statutory accounts and/or the external auditors are to be discussed.

Minutes of each meeting shall be kept and distributed to each member of the Committee and also to the other members of the Board. The Committee Chairman shall report on each meeting to the Board.

The Secretary to the Committee shall be the Company Secretary.

6. Internal Audit Function

The Company's internal audit function is outsourced to an independent professional internal audit service provider, which reports directly to the Audit and Risk Management Committee. The Internal Auditors adopt a risk-based approach when preparing its annual audit plan and strategy. The principal role of the internal audit is to conduct independent and regular reviews of the various operations of the Company and to provide objective reports on the state of the internal controls to the Audit and Risk Management Committee. All internal audit reports will be presented to the Audit and Risk Management Committee for deliberation. The Audit and Risk Management Committee would then make the relevant recommendations for the management's further action. The total costs incurred for the outsourced internal audit function during the year was RM12,158.

Summary of Activities

During the financial year ended 30 June 2021, in line with the terms of reference, the Committee carried out the following activities in the discharge of its functions and duties:

1. Meeting with the external auditors to review the audited financial statements for the financial year ended 30 June 2021;
2. Reviewed the audit reports of the Group prepared by the external auditors and considered the major findings by the auditors and management's responses thereto;
3. Reviewed the quarterly and year-end financial results of the Group prior to submission to the Board for consideration and approval;
4. Reviewed the disclosure of related party transactions entered into by the Group;
5. Reviewed the audit plan, nature and scope of the external auditors and considering their audit fee;
6. Reviewed the audit plan, nature and scope as proposed by the internal auditors;
7. Reviewed the audit reports presented by the internal auditors on the findings and recommendations and ensure that they are duly acted upon by the management.
8. Reviewed the Statement on Risk Management and Internal Control to be published in the Annual Report.

MEETING ATTENDANCE

The Committee held four (4) meetings during the financial year ended 30 June 2021. The details of the attendance are as follows:

Directors	No. of meetings attended
Tay Mun Kit	4/4
Dato' Azahar bin Rasul	4/4
Ar. Lim Tong Hock	4/4

DIRECTORS' RESPONSIBILITY STATEMENT

This Statement is prepared pursuant to the Listing Requirements of Bursa Malaysia Securities Berhad for the ACE Market.

The Board is responsible to ensure the financial statements prepared for each financial year have been made in accordance with applicable approved accounting standards and give a true and fair view of the state of affairs of the Group, including cash flow and results as at the end of each financial year.

The Directors are responsible for ensuring that the Group and the Company have maintained proper accounting records which disclose with reasonable accuracy the financial position of the Group and the Company which comply with the provisions of the Companies Act, 2016.

The Directors have general responsibility for taking such steps as are reasonable available to them to safeguard the assets of the Group and the Company and to detect and prevent fraud and other irregularities.

The Malaysian Code of Corporate Governance under Principle 6 states that the Board should establish a sound risk management framework and internal controls systems to safeguard shareholders' investments and the Group's assets.

BOARD RESPONSIBILITIES

The Board acknowledges the importance and responsibilities of maintaining a good system of risk management and internal controls and risk management which includes determining the Group's level of risk tolerance and in conjunction with the management of the Group, the establishment of an appropriate internal control environment and framework, reviewing the integrity, effectiveness and adequacy of these systems to safeguard shareholders' investment and the Group's assets.

The system of risk management and internal control covers not only financial control but also operational and compliance control. The Board believes that this is a continuing process and more importantly a concerted effort by all employees of the Group. As part of its review, the Board will continue taking necessary measures to strengthen its risk management and internal control system to address any weaknesses identified.

SYSTEM OF RISK MANAGEMENT

The Board acknowledged that all areas of the Group's activities involve some degree of risks and recognises that effective risk management is part of good business management practice for the successful achievement of the Group's business objectives.

Day to day operations in respect of commercial, financial, legal compliance and operational aspects of the Group are closely monitored by the Management and they are delegated with the responsibilities to manage identified risks within defined parameters and standards. Significant risks will be highlighted to the Board and deliberation of risks and mitigating responses are carried out. The Risk Management Framework and Risk Management Policies to be adopted by the Board serves as guidance notes to the Management on the systematic approach to assess and manage risk.

Objectives of the Risk Management Framework and Policies are as followings:-

(a) To identify and prioritise potential risk areas and risk events;
(b) To develop methods to evaluate identified risks; and
(c) To develop risk management, risk mitigation and risk response strategies and plans.

SYSTEM OF INTERNAL CONTROL

The key measures implemented in the Group are as follows :-

(i) A well-defined organization structure with distinct lines of accountability that sets out the authority delegated to the board and management committees;

(ii) A process of hierarchical reporting which provides a documented and auditable trail of accountability;

(iii) Documented policies and procedures for all significant processes;

(iv) Regular and comprehensive information provided to management, covering financial and operational performance and key business indicators for effective monitoring and decision making;

(v) Consistent monitoring of results against budget, with major variances being followed up and management action taken, where necessary;

(vi) Close involvement in the daily operation by the senior management; and

(vii) Review of quarterly and annual financial results by the Audit and Risk Management Committee;

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional firm to review the adequacy and integrity of the internal control systems of the Group.

The functions of the internal audit are as follows :-

1. Perform audit work in accordance with the pre-approved internal audit plan.

2. Carry out review on the system of internal controls of the Group.

3. Review and comment on the effectiveness and adequacy of the existing control policies and procedures.

4. Provide recommendations, if any, for the improvement of the control policies and procedures.

5. Review and comment on the implementation status of the recommendation by the internal audit function.

The internal audit function reports directly to the Audit and Risk Management Committee and is independent of the management. The internal audit reports are submitted to the Audit and Risk Management Committee who would review and deliberate on the findings before making the necessary recommendations to the Board to strengthen its system internal control and policies.

CONCLUSION

The Board have received assurance from the Executive Directors that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects based on the risk management and internal control system of the Group.

The Board is committed towards operating a sound system of internal control and effective risk management practices throughout the Group and is of the view that they are adequate to safeguard shareholders' investments and the Group's assets. There were no material losses incurred during the financial period as a result of weaknesses in internal control that would require a separate disclosure in the annual report. The Board will, when necessary, take the necessary steps to further enhance the Company's system of risk management and internal control to adapt to the ever changing and challenging business environment.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement on Risk Management and Internal Control ("SORMIC") pursuant to the scope set out in the Audit and Assurance Guide ("AAPG3"), Guidance for Auditors on Engagements to Report on the SORMIC to the Group for financial year ended 30 June 2021. The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not consistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the system of internal records. The External Auditors report was made solely for, and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purpose or parties. As stated in their report, the External Auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.

AAPG3 does not require the External Auditors to consider whether the Directors' SORMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon.

This Statement was made in accordance with a resolution of the Board dated 28 October 2021.

The Board of Directors ("Board") recognizes the essence of sustainability as a key driver for business continuation and long term growth and acknowledges the increasing relevance of sustainability in our business value. The Board is committed to develop and engage various responsible and sustainable measures in our business operation to promote and continually contribute to the environment, society and economy. However, similar to any major initiative, this will involve an on-going and long-term transformation in corporate culture, strategy and processes. Our main focus on sustainability measures are listed as below:

(a) The Environmental Sustainability

The Group values the importance, impact and implications its business operations have on the environment as a whole and strive to conduct business in the best possible ways to conserve and minimize the impact to the environment. The three (3) main identified efforts are:

(i) Paperless environment

Business entities and staff are encouraged to fully maximize the advancement and benefits of technology for communication, filing and only print physical copy when necessary. The management has also implemented e-leave system to a promote seamless and efficient system to reduce the impact to the environment.

(ii) Recycling

Staffs are encouraged to maximize the usage of papers by printing on both sides while unwanted papers and recyclable items are collected and sent to be recycled. This initiative is in place to support the environmentally friendly effort.

(iii) Energy Consumption

The Group is constantly monitoring the consumption of energy in the workplace. Staff are advised to switch off electricity during lunch break or when equipment are not in used. The Group is also exploring other measures to reduce consumption of energy and wastages.

We also ensure that all business activities at the project sites is carried out in a responsible manner. The respective management team is to ensure that all projects are complied with all relevant authorities' requirements including environmental reporting. All permits, approvals and reporting requirements are obtained, maintained and strictly adhered to according to the law and regulations. Wastes are also identified and handled according to the compliances and regulations by all relevant authorities.

In addition to the existing measures, we are continuously looking to improve and further minimise our business impacts to the environment.

(b) Economic Sustainability

The Group seeks to always uphold and comply the standards of Corporate Governance within the operation of the company in order to meet shareholder expectations and to benefit the stake of the shareholders. The Group also releases quarterly reports and annual report timely to keep stakeholders abreast of the progress of the company.

Vinvest Group work mainly with local enterprises in support of the growth of local businesses and products. Pool of suppliers and subcontractors are sourced locally unless special request, specifications or skills are required by the clients to promote business growth within the country.

The Board and management team believe that product safety and quality assurance will increase competitive edge of the entire Group in the marketplace, therefore the Group continuously emphasis on good workmanship and delivering high quality product as commitment all customers. To achieve such standards, Quality Assurance and Quality Control Department which has been set up in the subsidiary companies play pivotal roles to ensure products and all works carried out is at its best quality possible. The construction division has also taken initiative to adopt ISO standards in its day-to-day operation.

(c) Social Sustainability

Human resource is the strategic asset of the Group. The Group always strives to set up a quality work environment for our dedicated workers in line with the health and safety standards. The Group has a fundamental responsibility and commitment to ensure that all employees work in a safe and healthy environment.

For construction division, the presence of a safety officer is mandatory on site as we strive to achieve the lowest rate of lost- work time injuries and to ensure the safety of all personnel on site. It is also mandatory for staff to attend Occupational Safety and Health Administration (OSHA) courses conducted by external trainers to enhance their understanding and responsibility on employees' health and safety.

At the manufacturing front, enforcement of safe work practices for all production workers in the production areas is also in place. Production work flow is organised in an orderly manner to ensure optimum workers' movement, safety and sustainable work rate. Production debris and hazardous materials are handled in accordance to the safety requirements and regulations to ensure a safe workplace and minimum harm to the environment.

Workforce development is also crucial to increase efficiency and productivity at work. Staff are sent for various training during their employment to enhance their skills and abilities which would be beneficial for the group besides offering excellent opportunities for staff future career development. The Group also appreciate individuality and diversity regardless of gender, ethnicity or cultural background. We do not tolerate discrimination in any form and encourage all staff to reach their full potential.

(a) Utilisation of Proceeds

The status of utilisation of the gross proceeds of RM59.478 million from the Shares Subscription by the Company as at 30 June 2021 are as follows:-

Purposes	Proposed Utilisation (RM'000)	Amount Utilised (RM'000)	Amount Unutilised (RM'000)	Deviation (RM'000)	Intended timeframe for Utilisation	Explanation
Cash consideration for the acquisition of V Development Sdn Bhd	54,000	54,000	-	-	Upon completion	
General working capital	4,138	1,840	2,298	840	Within 12 months from completion	Being additional expenses of RM840,000 incurred
Expenses in connection with the issuance of shares	1,340	2,180	-	(840)	Upon completion	
Total	**59,478**	**58,020**	**2,298**	**(840)**		

(b) Audit and Non-Audit Fees

The amount of audit and non-audit fees paid to the external auditors and their affiliates by the Group and the Company respectively for the financial year are as follows :-

	Company (RM)	Group (RM)
Audit services rendered	90,000	313,700
Non-audit services rendered	8,000	8,000
Total	**98,000**	**321,700**

(c) Material Contracts Involving Directors and Major Shareholders

Save as disclosed below, there were no other material contacts entered into by the Group involving Directors' and major shareholders' interest during the financial year ended 30 June 2021 :

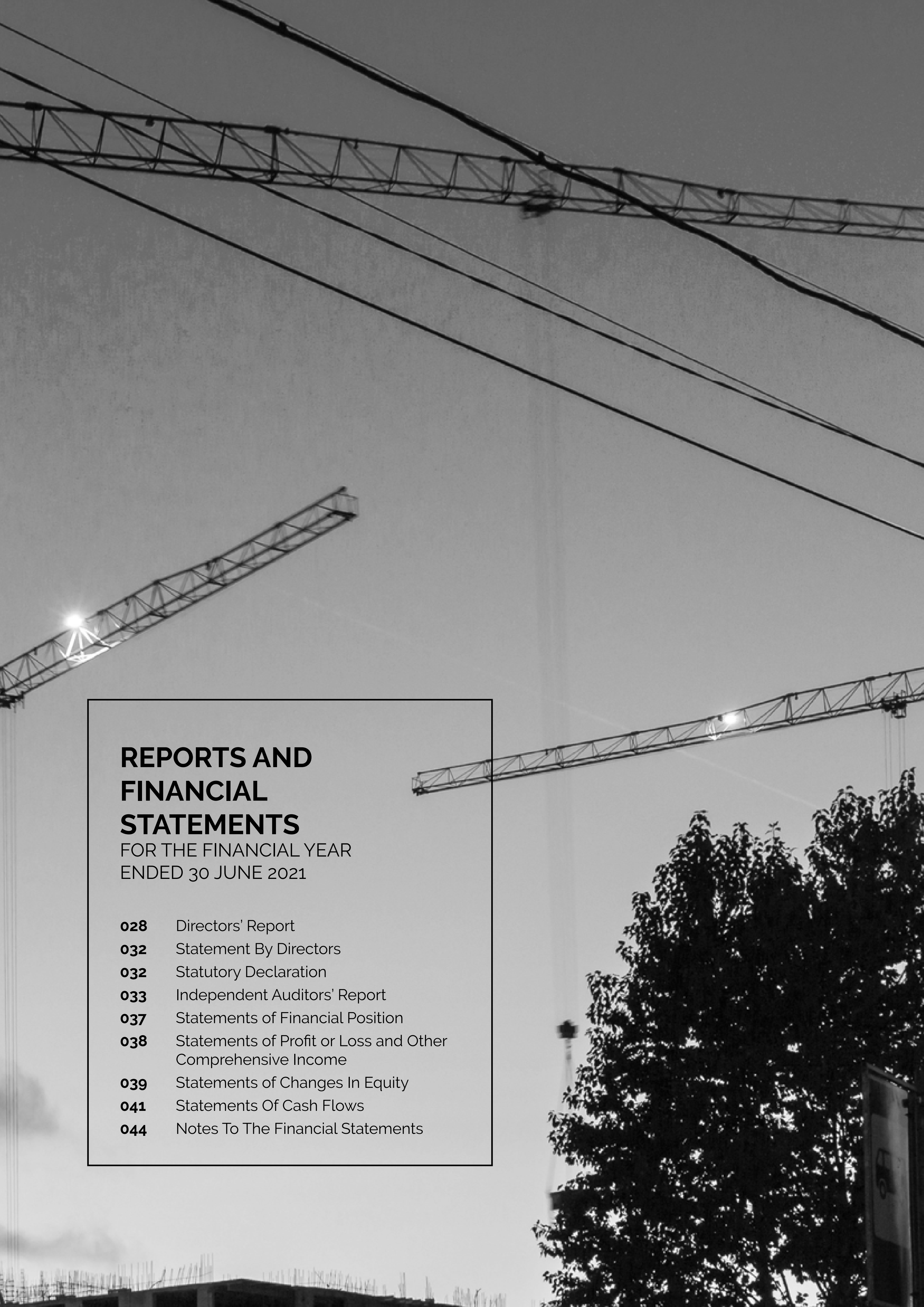
(a) the heads of agreement dated 27 October 2020 entered into between the Company and Dato' Seri Chia Kok Teong pertaining to the acquisition by the Company of 113,535,000 ordinary shares of V Development Sdn Bhd ("V Development"), representing 45.0% equity interest in V Development, for a purchase consideration of RM171,000,000 to be satisfied via a combination of cash payment and issuance of VinVest Shares (the "Acquisition"); and

(b) the share sale agreement dated 5 November 2020 entered into between the Company and Dato' Seri Chia Kok Teong pertaining to the Acquisition;

Relationship of Related Parties
Dato' Seri Chia Kok Teong ("Dato' Seri Chia") is the Chief Executive Director and major shareholder of VinVest. Dato' Seri Chia was also the major shareholder of V Development. As part of good corporate governance, Dato' Seri Chia had abstained from deliberating and voting on the abovementioned Acquisition.

(d) Recurrent Related Party Transactions of Revenue Nature ("RRPT")

The details of the recurrent related parties transactions are disclosed in Note 37 of the Notes to the Financial Statements.



REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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044 Notes To The Financial Statements

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, provision of civil, engineering and construction, aluminium design and fabrication, telecommunication engineering and property development. The principal activities of the subsidiary companies are as set out in Note 8 to the financial statements. There were no significant changes in the nature of these activities during the financial year.

CHANGE OF NAME

On 2 July 2021, the Company changed its name from Vivocom Intl Holdings Berhad to Vinvest Capital Holdings Berhad.

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year		
Attributable to:		
Owners of the Company	3,867,407	245,919
Non-controlling interests	2,727,009	-

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial period. The directors do not recommend the payment of any dividend in respect of the current financial year.

MOVEMENTS ON RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company has consolidated its 5,664,539,071 existing ordinary shares into 566,451,610 new ordinary shares, on the basis of 10 existing ordinary shares into 1 new ordinary share ("Share Consolidation").

During the financial year, the Company has issued the following:

(a) 164,250,000 new ordinary shares as part of consideration to acquire a subsidiary company;
(b) 169,936,172 new ordinary shares under private placement; and
(c) 5,817,218 new ordinary shares under exercise with warrants.

The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures by the Company during the financial year.

WARRANTS 2015/2020

The Company has Renounceable Rights Issue of up to 429,515,979 Rights Shares on the basis of two (2) Rights Shares for every seven (7) existing ordinary shares held, together with up to 214,757,989 free detachable warrants in the Company ("Warrants D") on the basis of one (1) free Warrant D for every two (2) Rights Shares subscribed for at 5.00 p.m. on Monday, 15 June 2015 at an issue price of RM0.10 per Rights Share ("Rights Issue with Warrants").

The salient features and details of the Warrants D are disclosed in Note 20(a) to the financial statements.

The movements of the Warrants D 2015/2020 during the financial year are as follows:-

	At 01.07.2020	Expired	At 30.06.2021
Warrants D 2015/2020	346,786,726	(346,786,726)	-

WARRANTS 2018/2023

The Company has Renounceable Rights Issue of up to 3,010,706,070 Rights Shares on the basis of two (2) Rights Shares for every three (3) existing ordinary shares held, together with up to 1,505,353,035 free detachable warrants in the Company ("Warrants E") on the basis of one (1) free Warrant D for every two (2) Rights Shares subscribed for at 5.00 p.m. on Monday, 30 July 2018 at an issue price of RM0.025 per Rights Share ("Rights Issue with Warrants"). On 4 November 2020, the total number of outstanding Warrants E of 1,132,906,538 has been adjusted to 113,289,563 pursuant to the Share Consolidation.

The salient features and details of the Warrants E are disclosed in *Note 20(b)* to the financial statements.

The movement of the Warrants E 2018/2023 during the financial year are as follows:-

	At 01.07.2020	Consolidation	Exercised	At 30.06.2021
Warrants E 2018/2023	1,132,906,538	(1,019,616,975)	(5,817,218)	107,472,345

DIRECTORS

The directors of the Company in office since the beginning of the financial year to the date of this report are:

AR. Lim Tong Hock
Dato' Azahar Bin Rasul
Dato' Seri Chia Kok Teong
Choo Seng Choon
David Hah Wei Onn
Tay Mun Kit
Tan Chuek Hooi (appointed on 21 May 2021)

The names of the directors of the Company's subsidiary companies in office since the beginning of the financial year to the date of this report, excluding directors who are also directors of the Company are:

Dato' Mohd Sinon Bin Mudakir
Dato' Chia Kok Seng
Anne Kung Soo Ching
Chan Tong Seng
Chean Chuan Fatt
Diong Mee Chai
Hor Peng Kan
Kambayashi Yoshiyuki
Mohd Farhan Bin Mohd Gazali
Mohammad Saroni Bin Morid
Winson Low Eng Sing
Choo Cheng Lit
Fan Ruey Yin (resigned on 19 October 2020)
Low Ping Saeng (resigned on 15 July 2020)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, particulars of interests of directors who held office at the end of the financial year in the shares in the Company during the financial year are as follows:

	← No. of Ordinary Shares				→
	Balance 01.07.2020 / date of appointment	**Consolidated**	**Bought**	**Sold**	**Balance 30.06.2021**
The Company					
Direct Interest					
Dato' Seri Chia Kok Teong	1,305,169,346	(1,174,652,412)	164,250,000	-	294,766,934
Tan Chuek Hooi	583,333	-	-	-	583,333

The other directors holding office at the end of the financial year had no interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial period, no director has received or become entitled to receive a benefit *(other than benefits included in the aggregate amount of emoluments received or due and receivable by directors as shown under Directors' Remuneration section below and Note 34 to the financial statements, or the fixed salary of a full-time employee of the Company)* by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except as disclosed in Note 37 to the financial statements.

Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REMUNERATION

	Group RM	**Company RM**
Executive Directors' remuneration		
- fees	7,000	-
- other emoluments	1,743,417	-
	1,750,417	-
Non-executive Directors' remuneration		
- fees	192,000	192,000
- other emoluments	1,500	1,500
	193,500	193,500
Total directors' remuneration	1,943,917	193,500

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There was no indemnity given to or liability insurance effected for any directors, officers and auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(a) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(b) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year, except as disclosed in Note 39 to the financial statements.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year, which, in the opinion of the directors, will or may affect the ability of the Group and of the Company to meet their obligations when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS AFTER THE FINANCIAL YEAR

The significant events during the financial year and subsequent events after the financial year are disclosed in *Note 41* to the financial statements.

AUDITORS

The auditors' remuneration for the financial year ended 30 June 2021 amounted to RM90,000.

The auditors, Messrs. SBY Partners PLT, Chartered Accountants, have expressed their willingness to continue in office.

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

DATO' SERI CHIA KOK TEONG
Director

DAVID HAH WEI ONN
Director

Kuala Lumpur,
Date: 28 October 2021

Statement By Directors
Pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the directors, the financial statements set out on pages 37 to 105 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2021 and of the financial performance and cash flows of the Group and of the Company for the financial year ended on that date.

Signed in Kuala Lumpur on 28 October 2021.

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

DATO' SERI CHIA KOK TEONG

DAVID HAH WEI ONN

Statutory Declaration
Pursuant to Section 251(1)(b) of the Companies Act 2016

I, David Hah Wei Onn (MIA membership no.: 23902), being the director primarily responsible for the financial management of Vinvest Capital Holdings Berhad *(formerly known as Vivocom Intl Holdings Berhad)*, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements set out on pages 37 to 105 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed, David Hah Wei Onn at Kuala Lumpur on 28 October 2021.

Before me

DAVID HAH WEI ONN

Commissioner for Oaths

KAPT (B) JASNI BIN YUSOFF
PESURUHJAYA SUMPAH
NO. W 645

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Vinvest Capital Holdings Berhad *(formerly known as Vivocom Intl Holdings Berhad)*, which comprise the statements of financial position as at 30 June 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 37 to 105.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk area and rationale	Our response
Goodwill on consolidation *(Note 7 to the financial statements)*	
As at 30 June 2021, the Group's intangible assets amounted to approximately RM313.54 million. The carrying value of intangible assets solely comprises goodwill on consolidation. We focused on this area as the determination of the recoverable amounts of cash generating units ("CGU") are based on value-in-use calculations, which are highly subjective and involving management's judgements on performing cash flow projections based on financial budgets approved by the management.	Our audit procedures included, amongst others: - compared prior period budgets to actual outcomes to assess reliability of management's forecasting process; - assessed and evaluated the key assumptions used in forecasting revenues, operating profits margins and growth rate; - assessed appropriateness of pre-tax discount rates used by management by comparing to the market data, the market weighted average cost of capital and the relevant risk factors; - challenged and made enquiries on the management on the key inputs used in the measurement methods; - performed sensitivity analysis to stress test the key assumptions used in the cash flow projections to evaluate the impact on the impairment assessment; and - agreed the input data used by management to supporting evidence by verifying the actual results and financial budgets approved by the management.

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Risk area and rationale	Our response
Trade receivables, other receivables, contract assets and amount owing by subsidiaries *(Note 11, 14, 15 and 16 to the financial statements)*	
Trade receivables, other receivables, contract assets and amount owing by subsidiaries are subject to significant credit risk exposure. As at 30 June 2021, (a) the Group's and the Company's total trade receivables amounted to approximately RM136.61 million and RM11.43 million respectively; (b) the Group's and the Company's other receivables amounted to approximately RM103.04 million and RM3.85 million respectively; and (c) the Group's contract assets amounted to RM53.36 million. (d) the Company's amount owing by subsidiaries amounted to RM158.40 million. The assessment of recoverability of these amounts involved judgements and estimation uncertainty in analysing historical bad debts, customer concentration, customer creditworthiness, current economic trends, and customer payment terms.	Our audit procedures included, amongst others: - understood the Group's credit risk policy and assumptions in estimating the expected credit losses ("ECL"); - recomputed the probability of default using the historical data and forward-looking information adjustment considering the impact of the Covid-19 pandemic applied by the Group; - challenged and made enquiries on the management on the key inputs used in the measurement methods and the rationale underlying the relationship between the forward-looking information used by the Company; - reviewed the ageing analysis of trade and other receivables. - sighted the post-dated cheques received from the structured entity in regards to the assignment of debts; and - reviewed the collection of receivables subsequent to the financial year.
Revenue and cost of sales from property development activities and construction services *(Note 29 to the financial statements)*	
The amount of revenue of the Group's property development activities and construction services are recognised over the period of contract by reference to the progress towards complete satisfaction of the performance obligation. The progress towards complete satisfaction of performance obligation is determined by reference to proportion of development costs incurred for works performed to date compared to the estimated total costs for each project. We focused on this area because management applies significant judgement in determining the stage of completion, the extent of the contract costs incurred, the estimated total contract revenue and costs.	Our audit procedures included, amongst others: - understood the management's process in preparing the budget and reviewed its feasibility; - assessed the reliability of total budgeted cost by comparing budgeted costs to actual outcomes; - assessed on the management's determination on the satisfaction of a performance obligations; - recomputed on the percentage of completion computation that contribute towards the revenue recognition during the financial year ended 30 June 2021 and assessed management's assessment in determining the percentage of completion; - verified actual construction costs incurred; - assess on the adequacy of the liquidated ascertained damages; and - verified the gross development value against the signed sales and purchase agreements.

Report on the Audit of the Financial Statements (Cont'd)

Information Other Than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Report on the Audit of the Financial Statements (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

Other Matters

(a) The financial statements of the Group and of the Company for the financial period ended 30 June 2020 which were prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards were audited by another firm of Chartered Accountants whose report dated 23 October 2020 expressed an unmodified opinion on the financial statements.

(b) This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content for this report.

SBY PARTNERS PLT
Reg. No: 202106000003 (LLP0026726-LCA) AF: 0660
Chartered Accountants

SUKHPAL SINGH A/L KAUR SINGH
03494/05/2022 J
Chartered Accountant

Kuala Lumpur,
Date: 28 October 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5	15,986,932	15,519,526	5,243,366	5,807,714
Right-of-use assets	6	1,187,841	1,652,972	-	-
Intangible assets	7	313,538,111	146,412,540	-	-
Investment in subsidiary companies	8	-	-	350,067,100	178,067,100
Other investments	9	4,448,336	4,660,404	2,908,743	3,158,743
Finance receivables	10	3,422,039	4,511,735	-	-
Trade receivables	11	2,929,864	10,161,654	-	-
		341,513,123	182,918,831	358,219,209	187,033,557
CURRENT ASSETS					
Inventories	12	1,271,976	1,816,332	-	-
Property development cost	13	86,459,151	-	-	-
Finance receivables	10	1,614,095	2,383,611	-	-
Trade receivables	11	133,681,518	121,245,141	11,432,764	13,207,250
Other receivables, deposits and prepayments	14	103,036,612	154,217,353	3,853,409	1,061,758
Contract assets	15	53,356,784	24,328,059	-	-
Amount owing by subsidiary companies	16	-	-	158,394,246	189,125,728
Current tax assets		2,820,558	401,199	-	-
Fixed deposits with licensed banks	17	4,530,523	6,626,582	-	-
Cash and bank balances	18	60,389,281	28,768,472	30,269,977	20,084,390
		447,160,498	339,786,749	203,950,396	223,479,126
TOTAL ASSETS		788,673,621	522,705,580	562,169,605	410,512,683
EQUITY AND LIABILITIES					
EQUITY					
Share capital	19	543,936,160	415,849,891	543,936,160	415,849,891
Reserves	20	37,606,458	36,247,382	(34,098,482)	(31,836,070)
Total equity attributable to owners of the Company		581,542,618	452,097,273	509,837,678	384,013,821
Non-controlling interests		32,304,762	19,242,789	-	-
TOTAL EQUITY		613,847,380	471,340,062	509,837,678	384,013,821
LIABILITIES					
NON-CURRENT LIABILITIES					
Loans and borrowings	21	43,806,731	5,172,234	-	-
Lease liabilities payables	24	234,063	382,753	-	-
Deferred tax liabilities	25	17,096	-	-	-
Trade payables	26	5,512,663	4,729,612	-	-
		49,570,553	10,284,599	-	-
CURRENT LIABILITIES					
Trade payables	26	20,081,758	17,302,598	267,011	91,906
Other payables and accruals	27	17,183,296	2,206,763	350,861	233,137
Amount owing to subsidiary companies	16	-	-	-	26,029,758
Amount owing to a director	28	51,877,694	15,000	51,347,995	-
Loans and borrowings	21	32,707,006	20,815,975	-	-
Lease liabilities payables	24	185,512	450,287	-	-
Current tax liabilities		3,220,422	290,296	366,060	144,061
		125,255,688	41,080,919	52,331,927	26,498,862
TOTAL LIABILITIES		174,826,241	51,365,518	52,331,927	26,498,862
TOTAL EQUITY AND LIABILITIES		788,673,621	522,705,580	562,169,605	410,512,683

The accompanying notes form an integral part of the financial statements.

		Group		Company	
		From 01.07.2020 to 30.06.2021	**From 01.01.2019 to 30.06.2020**	**From 01.07.2020 to 30.06.2021**	**From 01.01.2019 to 30.06.2020**
	Note	**RM**	**RM**	**RM**	**RM**
REVENUE	29	70,047,067	111,018,028	5,369,125	6,339,846
COST OF SALES		(51,398,910)	(77,907,145)	(2,134,700)	(3,523,789)
GROSS PROFIT		18,648,157	33,110,883	3,234,425	2,816,057
OTHER OPERATING INCOME		7,155,524	6,700,702	216,216	2,338,560
ADMINISTRATIVE EXPENSES		(12,717,972)	(15,938,549)	(2,551,231)	(2,247,631)
SELLING AND DISTRIBUTION EXPENSES		-	(3,605)	-	(3,605)
OTHER OPERATING EXPENSES		(1,643,480)	(4,017,313)	(431,491)	(42,941,433)
PROFIT/(LOSS) FROM OPERATIONS		11,442,229	19,852,118	467,919	(40,038,052)
FINANCE COSTS	30	(2,160,915)	(12,420,827)	-	(54,094)
PROFIT/(LOSS) BEFORE TAXATION	31	9,281,314	7,431,291	467,919	(40,092,146)
INCOME TAX EXPENSE	32	(2,686,898)	(2,147,339)	(222,000)	(364,522)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR/ PERIOD, REPRESENTING TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE FINANCIAL YEAR/PERIOD		6,594,416	5,283,952	245,919	(40,456,668)
Owners of the Company		3,867,407	4,373,865	245,919	(40,456,668)
Non-controlling interests		2,727,009	910,087	-	-
		6,594,416	5,283,952	245,919	(40,456,668)
EARNING/(LOSS) PER SHARE (Sen)					
Basic	33	0.57	0.08		
Diluted	33	0.57	0.08		

The accompanying notes form an integral part of the financial statements.

Group	Note	Share capital RM	Warrant reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
		Attributable to owners of the Company — Non-distributable					
At 1 December 2019		415,849,654	11,481,382	20,392,135	447,723,171	18,332,702	466,055,873
Transactions with owners:							
Warrants exercised	19	237	-	-	237	-	237
Total transactions with owners		237	-	-	237	-	237
Total comprehensive income for the financial period		-	-	4,373,865	4,373,865	910,087	5,283,952
At 30 June/ 1 July 2020		415,849,891	11,481,382	24,766,000	452,097,273	19,242,789	471,340,062
Transactions with owners:							
Issuance of share capital to acquire a subsidiary company	19	65,700,000	-	-	65,700,000	10,334,964	76,034,964
Issuance of share capital pursuant to private placement	19	59,477,660	-	-	59,477,660	-	59,477,660
Capitalisation of listing expenses		-	-	(2,508,331)	(2,508,331)	-	(2,508,331)
Warrants expired	20	-	(4,797,234)	4,797,234	-	-	-
Warrants exercised	19	2,908,609	(343,219)	343,219	2,908,609	-	2,908,609
Total transactions with owners		128,086,269	(5,140,453)	2,632,122	125,577,938	10,334,964	135,912,902
Total comprehensive income for the financial year		-	-	3,867,407	3,867,407	2,727,009	6,594,416
At 30 June 2021		543,936,160	6,340,929	31,265,529	581,542,618	32,304,762	613,847,380

The accompanying notes form an integral part of the financial statements.

Company	Note	← Non-distributable Share capital RM	→ Warrant reserve RM	Accumulated losses RM	Total equity RM
At 1 January 2019		415,849,654	11,481,382	(2,860,784)	424,470,252
Transactions with owners:					
Warrants exercised	19	237	-	-	237
Total transactions with owners		237	-	-	237
Total comprehensive loss for the financial period		-	-	(40,456,668)	(40,456,668)
At 30 June/1 July 2020		415,849,891	11,481,382	(43,317,452)	384,013,821
Transactions with owners:					
Issuance of share capital to acquire a subsidiary company	19	65,700,000	-	-	65,700,000
Issuance of share capital pursuant to private placement	19	59,477,660	-	-	59,477,660
Capitalisation of listing expenses		-	-	(2,508,331)	(2,508,331)
Warrants expired	20	-	(4,797,234)	4,797,234	-
Warrants exercised	19	2,908,609	(343,219)	343,219	2,908,609
Total transactions with owners		128,086,269	(5,140,453)	2,632,122	125,577,938
Total comprehensive income for the financial year		-	-	245,919	245,919
At 30 June 2021		543,936,160	6,340,929	(40,439,411)	509,837,678

The accompanying notes form an integral part of the financial statements.

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	9,281,314	7,431,291	467,919	(40,092,146)
Adjustments for:				
Depreciation of property, plant and equipment	1,863,895	2,702,813	564,348	926,388
Depreciation of right-of-use assets	385,020	708,470	-	-
Impairment/(reversal of impairment) losses on:-				
- goodwill	4,198,086	-	-	-
- trade receivables	(1,626,840)	(11,499,209)	364,311	(1,269,700)
- other receivables	3,091,280	10,456,417	67,179	1,489,018
- contract assets	(2,557,581)	3,002,609	-	-
- cost of investment in subsidiary	-	-	-	24,540,000
- development costs	100,600	-	-	-
- amount owing by subsidiries	-	-	-	18,182,115
Written off:-				
- bad debts - trade	-	574,271	-	-
- prepayment	-	10,000	-	-
- property, plant and equipment	-	119,116	-	-
- right-of-use assets	80,111	-	-	-
- deposits	224,318	-	-	-
Interest income				
- unquoted bond	-	(190,000)	-	(190,000)
- others	(733,433)	(716,986)	(25,132)	(110,387)
Interest expenses	2,118,624	2,673,747	-	54,094
Fair value discount on payables	42,291	743,621	-	-
Fair value discount on receivables	(162,813)	(872,402)	-	-
Fair value (gain)/loss on unit trust	(37,932)	4,992	-	-
Fair value discount on bond	(6,268)	-	-	-
Gain on disposal of property, plant and equipment	(122,114)	(2,998,555)	-	(1,035,442)
Unrealised loss of foreign exchange	8,821	-	-	-
Bad debts recovered	-	(13,005)	-	(13,005)
Dividend income	(184,816)	(554,079)	(184,816)	(554,079)
Loss on disposal of right-of-use assets	-	17,794	-	-
Waiver of debts	-	(404,668)	-	(404,668)
Operating profit before working capital changes	15,962,563	11,196,237	1,253,809	1,522,188
Decrease in inventories	544,356	244,978	-	-
Decrease/(increase) in receivables	112,943,397	(3,351,304)	(1,448,655)	32,631,226
Decrease in payables	(94,727,469)	(33,557,177)	292,829	(1,133,221)
Changes in property deveopment costs	(6,463,798)	-	-	-
Changes in contract assets/contract liabilities	(21,479,083)	1,750,329	-	-
Cash generated from/(used in) operations	6,779,966	(23,716,937)	97,983	33,020,193
Tax paid	(2,804,765)	(4,537,723)	-	(734,906)
Net cash generated from/(used in) operating activities	3,975,201	(28,254,660)	97,983	32,285,287

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Amount owing by subsidiaries	-	-	30,731,482	(83,612,578)
Interest received	733,433	716,986	25,132	110,387
Dividend received	184,816	554,079	184,816	554,079
Withdrawal of fixed deposits pledged to banks	2,096,059	3,156,900	-	-
Net cash outflow from acquisition of subsidiary	(27,523,204)	-	-	-
Acquisition of subsidiary company	-	-	(172,000,000)	-
Purchase of other investment	-	(3,962,706)	-	-
Proceeds from disposal of other investment	256,268	2,456,053	250,000	-
Proceeds from disposal of property, plant and equipment	138,000	10,781,210	-	8,724,000
Proceeds from disposal of right-of-use assets	-	800,000	-	-
Purchase of property, plant and equipment *(Note A)*	(1,519,259)	(299,356)	-	-
Net cash (used in)/generated from investing activities	(25,633,887)	14,203,166	(140,808,570)	(74,224,112)
CASH FLOWS FROM FINANCING ACTIVITIES				
Advances from directors	170,342	15,000	51,347,994	-
Advances from subsidiaries	-	-	(26,029,758)	7,153,611
Repayment of term loans, net	(17,900,104)	(7,446,815)	-	(2,510,796)
Drawdown/(Repayment)of short term borrowings, net	11,917,985	(8,970,428)	-	-
Finance receivables	1,859,212	3,835,864	-	-
Interest paid	(2,118,624)	(2,673,747)	-	(54,094)
Issuance of share capital net of listing expenses	56,969,330	-	122,669,329	-
Payment of lease liabilities	(413,465)	(669,437)	-	-
Exercise of warrants	2,908,609	237	2,908,609	237
Repayment of finance lease payables, net	(78,015)	(983,310)	-	-
Net cash generated from/(used in) financing activities	53,315,270	(16,892,636)	150,896,174	4,588,958
Net increase/(decrease) in cash and cash equivalents	31,656,584	(30,944,130)	10,185,587	(37,349,867)
Cash and cash equivalents at the beginning of the financial year/period	27,273,492	58,217,622	20,084,390	57,434,257
Effect of exchange differences	(8,821)	-	-	-
Cash and cash equivalents at the end of the financial year/period (Note B)	58,921,255	27,273,492	30,269,977	20,084,390

	Group		Company	
	From **01.07.2020** to **30.06.2021** RM	From **01.01.2019** to **30.06.2020** RM	From **01.07.2020** to **30.06.2021** RM	From **01.01.2019** to **30.06.2020** RM
NOTES TO STATEMENTS OF CASH FLOWS				
(A) Purchase of property, plant and equipment				
Aggregate cost	2,163,259	299,356	-	-
Less: Finance lease payables	(644,000)	-	-	-
	1,519,259	299,356	-	-
(B) Cash and cash equivalents comprise				
Cash and bank balances	60,389,281	28,768,472	30,269,977	20,084,390
Fixed deposits with licenced banks	4,530,523	6,626,582	-	-
Bank overdrafts	(1,468,026)	(1,494,980)	-	-
	63,451,778	33,900,074	30,269,977	20,084,390
Less: Fixed deposits pledged as securities	(4,530,523)	(6,626,582)	-	-
	58,921,255	27,273,492	30,269,977	20,084,390

The accompanying notes form an integral part of the financial statements.

1. GENERAL INFORMATION

The Company is a public limited company, incorporated and domiciled in Malaysia and listed on ACE Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The address of the registered office of the Company is 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

The principal activities of the Company are investment holding, provision of civil, engineering and construction, aluminium design and fabrication, telecommunication engineering and property development. The principal activities of the subsidiary companies are as set out in Note 8 to the financial statements. There were no significant changes in the nature of these activities during the financial year.

The address of the principal place of business of the Company is No. 4, Jalan Seri Utara 1, Off Jalan Ipoh, 68100 Kuala Lumpur, Wilayah Persekutuan, Malaysia and No. 4, Lot 20174, 1st Floor, Stutong Avenue, Jalan Setia Raja, 93350 Kuching, Sarawak, Malaysia.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

On 1 July 2020, the Group and the Company adopted the following MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretations issued by the Malaysian Accounting Standards Board, effective for the annual periods beginning on or after 1 July 2020:

Amendments to MFRS 3 Business Combinations - Definition of a Business

Amendments to MFRS 4 Insurance Contracts - Extension of the temporary exemption from applying MFRS 9

Amendments to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Material

Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement and MFRS 7 Financial Instruments: Disclosures - Interest Rate Benchmark Reform

Amendment to MFRS 16 Leases - Covid-19-Related Rent Concessions

The adoption of the above MFRSs, and Amendments to MFRSs did not have any material impacts to the financial statements of the Group and of the Company.

MFRSs, Amendments to MFRSs and IC Interpretations that have been issued but are not yet effective

The Group and the Company have not adopted the following MFRSs, Amendments to MFRSs and IC Interpretations that have been issued but not yet effective:

MFRSs/Amendments to MFRSs/IC Interpretations	Effective for annual periods beginning on or after
Amendments to MFRS 9 Financial Instruments, Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures, MFRS 4 Insurance Contracts and MFRS 16 Leases - Interest Rate Benchmark Reform-Phase 2	1 January 2021
Amendment to MFRS 16 Leases - Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to MFRS 3 Business Combinations – Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, plant and equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

MFRSs, Amendments to MFRSs and IC Interpretations that have been issued but are not yet effective (Cont'd)

MFRSs/Amendments to MFRSs/IC Interpretations	Effective for annual periods beginning on or after
Annual Improvements to MFRS Standards 2018 - 2020 Cycle	1 January 2022
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to MFRS 112 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 10 Consolidated Financial Statements and 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by Malaysian Accounting Standards Board

The adoption of these MFRSs and Amendments to MFRSs that have been issued but not yet effective are not expected to have a material impact to the financial statements of the Group and the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies set out below are consistent with those applied in the previous financial period unless otherwise stated.

(a) Basis Of Consolidation

The financial statements of the Group include the financial statements of the Company and its subsidiary companies made up to the end of the financial year. The financial statements of the subsidiary companies used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

(i) Acquisition method of accounting for non-common control business combinations

Acquisition of subsidiary companies is accounted for by applying the acquisition method. Under the acquisition method of accounting, identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects, for each individual business combination, whether to recognise non-controlling interest in the acquiree (if any) at fair value on the acquisition date, or the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of Consolidation (continued)

(i) Acquisition method of accounting for non-common control business combinations (continued)

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statements of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Subsidiary companies are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

(ii) Non-controlling interest

Non-controlling interest represents the equity in subsidiary companies not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated profit or loss and within equity in the consolidated of financial position, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary company that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(b) Investment In Subsidiary Companies

Subsidiary companies are entities, including structured entities, controlled by the Group. The Group controls the entities when it is exposed, or has rights, to variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities.

In the Company's separate financial statements, investment in subsidiary companies is stated at cost less any impairment, unless the investment is classified as held for sale. The impairment loss is recognised in the profit or loss.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is charged or credited to profit or loss.

(c) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, where applicable.

Freehold land is not depreciated. Other property, plant and equipment are depreciated on a straight-line basis to write off the cost of each asset to their residual values over their estimated useful lives as follows:

Factory	2 - 10%
Computers, telecommunication and electronic equipment	10 - 33%
Machinery and tools	10 - 20%
Motor vehicles	10 - 20%
Office equipment, furniture and fittings	10 - 33%
Base stations and network operation centres	15 years
Renovation	10 - 33%
Scaffolding	10 - 33%

The residual value, useful lives and depreciation method of plant and equipment are reviewed at each end of reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

On disposal of plant and equipment, the difference between the net disposal proceeds and the carrying amount is credited or charged to profit or loss in determining profit from operations.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, goodwill represents the excess of the fair value of the purchase consideration over the Group's share of the fair values of the identifiable assets, liabilities and contingent liabilities of the subsidiary company at the date of acquisition.

If, after reassessment, the Group's interest in the fair values of the identifiable net assets of the subsidiary companies exceeds the cost of the business combinations, the excess i.e. bargain purchase is recognised as income immediately in profit or loss.

(e) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The useful life of intangible assets is assessed to be either finite or indefinite. Intangible assets with finite life are amortised on straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period for an intangible asset with a finite useful life is reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

The estimated useful lives of capitalised development expenditure are over a period of fifteen years. Software license and intellectual property rights both are over a period of twenty years.

Intangible assets with indefinite useful life are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gain or losses arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

(f) Impairment of Non-financial Assets

The carrying amounts of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at each end of the reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' net selling price and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is charged to profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Impairment of Non-financial Assets (continued)

A reversal of an impairment loss on a revalued asset is credited to other comprehensive income. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in profit or loss, a reversal of that impairment loss is recognised as income in profit or loss.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined based on weighted average basis. The cost of raw materials is the aggregate of the original cost of purchases plus the cost of bringing the inventories to their present conditions and locations. The cost of work-in-progress includes cost of raw materials, consumables, direct labour and an appropriate allocation of overhead.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary to make the sale.

(h) Financial Assets

All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of Financial Assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ('FVTOCI'):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss ('FVTPL').

(ii) Amortised Cost and Effective Interest Method

At initial recognition financial assets are measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial Assets (continued)

(ii) Amortised Cost and Effective Interest Method (continued)

For purchased or originated credit-impaired financial assets, the Group and the Company recognise interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "investment income" line item.

(iii) Debt Instruments Classified as FVTOCI

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify their debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- FVTOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements of gains or losses in the carrying amount are taken through other comprehensive income ('OCI'), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Accumulated OCI is reclassified from equity to profit or loss and recognised in other gains/losses upon derecognition of the financial assets. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- FVTPL: Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the profit or loss within other gains/losses in the period in which it arises.

(iv) Equity Instruments

The Group and the Company subsequently measure all equity instruments at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the instruments. Dividends from such instruments continue to be recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gain/losses in the profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVTOCI are not reported separately from other changes in fair value.

(v) Financial Assets at FVTPL

This category comprises only in-the-money derivatives. They are carried in the statements of financial position at fair value with changes in fair value recognised in the profit or loss in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Group and the Company do not have any assets held for trading nor do they voluntarily classify any financial assets as being at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial Assets (continued)

(vi) Impairment of Financial Assets

The Group and the Company recognise a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Any impairment gain or loss arising from such changes is to be recognised in profit or loss.

The Group and the Company always recognise lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(vii) Derecognition of Financial Assets

The Group and the Company derecognise a financial asset when the contractual right to the cash flows from the financial asset expire, or the Group and the Company transfer the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and the Company neither transfer nor retain substantially all of the risks and rewards of ownership and the Group and the Company do not retain control of the financial asset.

In the event the Group and the Company enter into transactions whereby the Group and the Company transfer assets recognised in statements of financial position, but retain either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

(i) Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(i) Financial Liabilities at FVTPL

This category comprises only out-of-the-money derivatives. They are carried in the statements of financial position at fair value with changes in fair value recognised in the profit or loss. The Group and the Company do not have any liabilities held for trading nor have the Group and the Company designated any financial liabilities as being at FVTPL.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial Liabilities (continued)

(ii) Other Financial Liabilities

Other financial liabilities include the following items:

- bank borrowings, where such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statements of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs as well as any interest payable while the liability is outstanding; and

- payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(iii) Derecognition of Financial Liabilities

The Group and the Company derecognise a financial liability when their contractual obligations are discharged or cancelled, or expire. The Group and the Company also derecognise a financial liability when their terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(j) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

All transactions with the owners of the Company are recorded separately within equity.

(k) Contract Assets/Contract Liabilities

(i) Contract Assets

Contract asset represents service contracts cost which comprise of cost related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract. Contract costs includes direct labour, expenses and an appropriate proportion of contract overheads.

Revenue from work done on service contract is recognised based on the stage of completion method. The stage of completion is determined based on proportion of contract costs incurred for work performed to date to the estimated total contract costs.

When the outcome of a contract cannot be estimated reliably, the contract revenue shall be recognised only to the extent of contract costs incurred that is probable to be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the foreseeable loss is recognised as an expense immediately.

The aggregate costs incurred and profit or loss recognised on each contract is compared against the progress billings up to the financial year end. Where costs incurred plus recognised profits (less recognised losses) exceed progress billings, the balance is shown as amounts due from contract customers. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to contract customers.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Contract Assets/Contract Liabilities (continued)

(ii) Contract Liabilities

Contract liabilities represents the Group's obligation to transfer goods or services to customers for which the Group has received the consideration or has billed to the customer. The contract liabilities of the Group comprise of deferred revenue where the Group has billed or has collected the payment before services are provided to the customers.

(l) Lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what the purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer as the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group and the Company is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

Recognition and Measurement

(i) Initial Measurement

As a Lessor

When the Group and the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease.

To clarify each lease, the Group and the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is operating lease.

If an arrangement contains lease and non-lease components, the Group and the Company applies MFRS 15 to allocate the consideration in the contract based on stand-alone selling prices.

When the Group and the Company is an intermediate lessor, it accounts for its interest in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use assets arising from head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group and the Company applies the exemption described above, then it classifies the sublease as an operating lease.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Lease (continued)

Recognition and Measurement (continued)

(i) Initial Measurement (continued

As a Lessee

The Group and the Company recognises a right-of-use assets and a lease liability at the lease commencement date. The right-of-use assets is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group's and Company's incremental borrowing rate is used. Generally, the Group and the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group and the Company is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group and the Company is reasonably certain not to early terminate the contract.

The Group and the Company excludes variable lease payments that linked to future performance or usage of the underlying asset from the lease liability. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group and the Company assesses at lease commencement whether it is reasonably certain to exercise the extension options in determining the lease term.

The Group and the Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and lease of low-value assets. The Group and the Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group and the Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'borrowings' in the statement of financial position.

(ii) Subsequent measurement

As a Lessor

The Group and the Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "revenue".

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Lease (continued)

Recognition and Measurement (continued)

(ii) Subsequent measurement (continued)

As a Lessee

The right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Group and the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use assets or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

When there is lease modification due to increase in the scope of lease by adding the right-to-use one or more underlying assets, the Group and the Company assesses whether the lease modification shall be accounted for as a separate lease or similar to reassessment of lease liability. The Group and the Company accounts for lease modification as a separate lease when the consideration for the lease increases by an amount that commensurate with the stand-alone price for the increase in scope and any appropriate adjustments.

When there is lease modification due to decrease in scope, the Group and the Company decreases the carrying amount of the right-of-use assets and remeasure the lease liability to reflect the partial or full termination of the lease. The corresponding gain or loss shall be recognised in profit or loss. Lease liabilities are remeasured for all other lease modifications with corresponding adjustments to the right-of-use assets.

(m) Revenue Recognition

Revenue which represents income arising in the course of the Group's and the Company's ordinary activities is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group and the Company transfer the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and the Company and their customer have approved the contract and intend to perform their respective obligations, the Group's and the Company's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group and the Company will collect the consideration to which the Group and the Company will be entitled to in exchange of those goods or services.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue Recognition (continued)

Recognition and Measurement

At the inception of each contract with customer, the Group and the Company assess the contract to identify distinct performance obligations, being the units of account that determine when and how revenue from the contract with customer is recognised. A performance obligation is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's and in the Company's customary business practices. A goods or services is distinct if:

- the customer can benefit from the goods or service either on its own or together with other resources that are readily available to the customer; and

- the Group's and the Company's promise to transfer the goods or service to the customer is separately identifiable from other promises in the contract.

If a goods or service is not distinct, the Group and the Company combine it with other promised goods or services until the Group and the Company identify a distinct performance obligation consisting a distinct bundle of goods or services.

Revenue is measured based on the consideration specified in contract with a customer excludes amounts collected on behalf of third parties such as sales and service taxes or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, performance bonuses, penalties or other similar items, the Group and the Company estimate the amount of consideration that they expect to be entitled based on the expected value or the most likely outcome but the estimation is constrained up to the amount that is highly probable of no significant reversal in the future. If the contract with customer contains more than one distinct performance obligation, the amount of consideration is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The consideration allocated to each performance obligation is recognised as revenue when or as the customer obtains control of the goods or services. At the inception of each contract with customer, the Group and the Company determine whether control of the goods or services for each performance obligation is transferred over time or at a point in time. Controls over the goods or services are transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the Group and the Company perform;

- the Group's and the Company's performances create or enhance a customer-controlled asset; or

- the Group and the Company performances do not create an asset with alternative use to the Group and the Company and the Group and the Company have a right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

The revenue recognition policies of the Group's and of the Company's major activities are described below:

(i) Revenue From Construction Contracts

Revenue from contract works is recognised overtime based on a percentage of completion method. Percentage of completion is determined on the proportion of contract costs incurred for work performed to-date against total estimated costs where the outcome of the project can be estimated reliably. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Revenue Recognition (continued)

Recognition and Measurement (continued)

(ii) Revenue From Property Development

Contracts with customers may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured at the fixed transaction price agreed under the sale and purchase agreement.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the actual cost incurred to date on the property development project as compared to the total budgeted cost for the respective development projects.

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the considerations to which it will be entitled to in exchange for the assets sold.

(iii) Revenue From Fabrication and Installation of Aluminium Doors and Windows

Revenue from aluminium contracts include multiple deliverables and more than 12 months is recognised overtime based on a percentage of completion method. Percentage of completion is determined on the proportion of contract costs incurred for work performed to-date against total estimated costs where the outcome of the project can be estimated reliably. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

Revenue from fabrication and installation services is recognised at point in time when services rendered to customers.

(iv) Revenue From Telecommunication Engineering

Revenue from telecommunication engineering is recognised at point in time when services rendered to customers.

(n) Rental Income

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

(p) Employee Benefits

(i) Short Term Employee Benefits

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Company and its subsidiary companies. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur. The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period. Past-service costs are recognised immediately in profit or loss.

(ii) Defined Contribution Plan

The Company's and its subsidiary companies' contributions to defined contribution plans regulated and managed by the government are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Company and its subsidiary companies have no further financial obligations.

(q) Income Tax Expense

Income taxes for the financial year comprise current and deferred taxes.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting year.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting year.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each end of the reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Related Parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (the reporting entity).

A related party is:

(i) a person or a close member of that person's family is related to a reporting entity if that person:

a. has control or joint control of the reporting entity;
b. has significant influence over the reporting entity; or
c. is a member of the key management personnel of the reporting entity or of a holding company of the reporting entity.

(ii) an entity is related to a reporting entity if any of the following conditions applies:

a. the entity and the reporting entity are members of the same group (which means that each holding company, subsidiary company and fellow subsidiary company is related to the others).
b. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
c. both entities are joint ventures of the same third party.
d. one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
e. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
f. the entity is controlled or jointly controlled by a person identified in (i).
g. a person identified in (i)(b) has significant influence over the entity or is a member of the key management personnel of the entity (or of the holding company of the entity).
h. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the holding company of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company and of the subsidiary companies either directly or indirectly. The key management personnel includes all the directors of the Company and directors of the subsidiary companies, members of senior management and chief executive officer of the Company as well as members of senior management and chief executive officers of major subsidiary companies of the Group.

(s) Cash and Cash Equivalents

For the purposes of the statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances, bank overdrafts and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(t) Functional and Foreign Currency

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting year are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Functional and Foreign Currency (continued)

(iii) Foreign Operations

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from the acquisition of foreign operations, are translated into RM for consolidation at the rates of exchange ruling at the end of the reporting year. Revenues and expenses of foreign operations are translated into RM at the average rates for the financial year. All exchanges differences arising from translation are recognised directly to other comprehensive income and accumulated in equity under translation reserve. On disposal of a foreign operation, accumulated translation differences recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to comprehensive income.

(u) Provisions for Liabilities

Provisions for liabilities are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and when a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each end of reporting date and adjusted to reflect the current best estimate.

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

Any reimbursement that the Group or the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the profit or loss, net of any reimbursement.

(v) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group and of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

(w) Borrowing Costs

Borrowing costs, directly attributable to the acquisition and construction of property, plant and equipment are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they incurred.

(x) Earnings Per Ordinary Share ("EPS")

The Group presents basic and diluted earnings per share data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held, if any.

Diluted EPS is determine by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, if any, for the effect of all dilutive potential ordinary shares, which comprise warrants and share options granted to the employees.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision makers to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. An operating segment may engage in business activities for which it has yet to earn revenues.

(z) Warrant Reserve

Amount allocated in relation to the issuance of warrants is credited to warrant reserve which is non-distributable. Warrant reserve is transferred to share capital or retained profits upon the exercise or expiry of the warrants respectively.

(aa) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- in the principal market for the asset or liability; or

- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group and by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available, are used to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: fair value is derived from quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2: fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

Level 3: fair value is estimated using unobservable inputs for the financial assets and liabilities.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below.

(a) Depreciation of Property, Plant and Equipment

The estimates for residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' action in response to the market conditions.

The Group and the Company anticipate that the residual values of their property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The carrying amount of property, plant and equipment are disclosed in Note 5.

(b) Impairment of goodwill

The carrying value of goodwill is reviewed for impairment annually. Impairment is measured by comparing the carrying amount of goodwill with its recoverable amount of the cash-generating units ("CGU"). The measurement of the recoverable amount of CGUs is determined based on the value-in-use method, incorporating the present value of estimated future cash flows expected to arise from the respective CGU's ongoing operations.

Management estimates and judgements are used in the determination of the assumptions made, particularly the cash flow projections, discount rates and the growth rates used as disclosed in Note 7 to the financial statements.

(c) Impairment of Investment in Subsidiary Companies

The carrying value of investment in subsidiary companies is reviewed for impairment. In the determination of the value in use of the investment, the Company is required to estimate the expected cash flows to be generated by the subsidiary companies and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(d) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Company and its subsidiary companies recognise tax liabilities based on their understanding of the prevailing tax laws and estimate of whether such taxes will be due in the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(e) Provision for ECL of Trade Receivables

The Group and the Company use a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

(f) Contingent Liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting internal and external experts to the Group for matters in the ordinary course of business.

(g) Fair Value of Financial Instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting year.

(h) Impairment of Other Receivables

The loss allowances for other financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions as well as forward-looking estimates at the end of each reporting year.

(i) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use, the management is required to make an estimate of the expected future cash flows and also to apply a suitable discount rate in order to determine the present value of those cash flows.

5. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

Group	Freehold land and factory RM	Leasehold land and building RM	Computers, telecom-munication and electronic equipment RM	Machinery and tools RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Base stations and network operation centres RM	Renovation RM	Scaffolding RM	Construction in-progress RM	Total RM
Cost											
At 1 January 2019, previously stated	14,760,000	2,045,122	3,296,454	5,599,380	3,134,652	2,158,663	8,415,967	400,730	333,714	-	40,144,682
Adjustment on initial application of MFRS 16 *(Note 6)*	-	(2,045,122)	-	-	-	-	-	-	-	-	(2,045,122)
Restated	14,760,000	-	3,296,454	5,599,380	3,134,652	2,158,663	8,415,967	400,730	333,714	-	38,099,560
Additions	-	-	26,189	-	122,800	13,269	-	58,522	-	78,576	299,356
Disposals	(8,060,000)	-	(547,408)	(3,579,268)	(786,993)	-	-	-	-	-	(12,973,669)
Written off	-	-	(547,515)	-	(297,845)	(192,518)	-	(129,374)	-	-	(1,167,252)
At 30 June 2020/ 1 July 2020	6,700,000	-	2,227,720	2,020,112	2,172,614	1,979,414	8,415,967	329,878	333,714	78,576	24,257,995
Acquisition of subsidiary	-	-	151,454	-	14,440	126,323	-	63,718	-	-	355,935
Additions	-	-	32,116	1,153,200	694,681	10,253	-	273,009	-	-	2,163,259
Disposals	-	-	-	-	(135,760)	-	-	-	-	-	(135,760)
Reclassification	-	-	-	-	-	-	-	78,576	-	(78,576)	-
At 30 June 2021	6,700,000	-	2,411,290	3,173,312	2,745,975	2,115,990	8,415,967	745,181	333,714	-	26,641,429

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The details of property, plant and equipment are as follows: (Cont'd)

Group	Freehold land and factory RM	Leasehold land and building RM	Computers, telecom-munication and electronic equipment RM	Machinery and tools RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Base stations and network operation centres RM	Renovation RM	Scaffolding RM	Construction in-progress RM	Total RM
Accumulated depreciation											
At 1 January 2019, previously stated	625,542	368,363	3,067,014	3,352,352	2,170,846	934,187	1,776,705	138,567	209,593	-	12,643,169
Adjustment on initial application of MFRS 16 *(Note 6)*	-	(368,363)	-	-	-	-	-	-	-	-	(368,363)
Restated	625,542	-	3,067,014	3,352,352	2,170,846	934,187	1,776,705	138,567	209,593	-	12,274,806
Charge for the financial period	228,900	-	208,622	601,139	323,776	349,068	841,597	54,696	95,015	-	2,702,813
Disposals	(371,442)	-	(547,408)	(3,568,601)	(703,563)	-	-	-	-	-	(5,191,014)
Written off	-	-	(547,515)	-	(270,719)	(175,871)	-	(54,031)	-	-	(1,048,136)
At 30 June 2020/ 1 July 2020	483,000	-	2,180,713	384,890	1,520,340	1,107,384	2,618,302	139,232	304,608	-	8,738,469
Acquisition of subsidiary	-	-	77,471	-	4,573	57,938	-	32,025	-	-	172,007
Charge for the financial year	126,000	-	57,661	514,846	250,298	249,061	561,062	75,861	29,106	-	1,863,895
Disposals	-	-	-	-	(119,874)	-	-	-	-	-	(119,874)
At 30 June 2021	609,000	-	2,315,845	899,736	1,655,337	1,414,383	3,179,364	247,118	333,714	-	10,654,497
Net carrying amount											
At 30 June 2021	6,091,000	-	95,445	2,273,576	1,090,638	701,607	5,236,603	498,063	-	-	15,986,932
At 30 June 2020	6,217,000	-	47,007	1,635,222	652,274	872,030	5,797,665	190,646	29,106	78,576	15,519,526

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Freehold land and factory RM	Computers, telecom-munication and electronic equipment RM	Machinery and tools RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Base stations and network operation centres RM	Total RM
Cost							
At 1 January 2019	8,060,000	251,801	2,300	350,000	31,527	8,415,967	17,111,595
Disposal	(8,060,000)	-	-	-	-	-	(8,060,000)
At 30 June/1 July 2020/30 June 2021	-	251,801	2,300	350,000	31,527	8,415,967	9,051,595
Accumulated depreciation							
At 1 January 2019	331,542	211,505	2,300	350,000	16,883	1,776,705	2,688,935
Charge for the financial period	39,900	40,161	-	-	4,730	841,597	926,388
Disposal	(371,442)	-	-	-	-	-	(371,442)
At 30 June/1 July 2020	-	251,666	2,300	350,000	21,613	2,618,302	3,243,881
Charge for the financial year	-	135	-	-	3,153	561,060	564,348
At 30 June 2021	-	251,801	2,300	350,000	24,766	3,179,362	3,808,229
Net carrying amount							
At 30 June 2021	-	-	-	-	6,761	5,236,605	5,243,366
At 30 June 2020	-	135	-	-	9,914	5,797,665	5,807,714

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(a) The freehold land has been pledged to licensed banks as security for the bank and credit facilities granted to the Group as disclosed in Note 21 to the financial statements.

(b) The property, plant and equipment of the Group acquired under hire purchase terms are as follows:-

	Group	
	2021 RM	2020 RM
Motor vehicles	195,571	253,260
Machinery and tools	231,520	338,375
	427,091	591,635

Certain motor vehicles and machinery and tools are pledged to licensed banks for the related finance lease liabilities as disclosed in Note 22 to the financial statements.

6. RIGHT OF USE ASSETS

The details of right-of-use assets are as follows:

Group	Leasehold land and building RM	Factory RM	Office and shop lot RM	Equipment RM	Total RM
Cost					
As 1 January 2019, previously stated	-	-	-	-	-
Adjustment on initial application of MFRS 16 *(Note 5)*	2,045,122	-	-	-	2,045,122
Adjusted as per MFRS 16	2,045,122	-	-	-	2,045,122
Additions	-	627,557	818,963	55,957	1,502,477
Disposal	(1,011,281)	-	-	-	(1,011,281)
At 30 June/1 July 2020/ 30 June 2021	1,033,841	627,557	818,963	55,957	2,536,318
Accumulated amortisation					
As 1 January 2019, previously stated	-	-	-	-	-
Adjustment on initial application of MFRS 16 *(Note 5)*	368,363	-	-	-	368,363
Adjusted as per MFRS 16	368,363	-	-	-	368,363
Charge for the financial period	37,426	437,763	216,680	16,601	708,470
Disposal	(193,487)	-	-	-	(193,487)
At 30 June/1 July 2020	212,302	437,763	216,680	16,601	883,346
Charge for the financial year	18,320	109,683	238,139	18,878	385,020
Written off	-	80,111	-	-	80,111
At 30 June 2021	230,622	627,557	454,819	35,479	1,348,477
Net carrying amount					
At 30 June 2021	803,219	-	364,144	20,478	1,187,841
At 30 June 2020	821,539	189,794	602,283	39,356	1,652,972

7. INTANGIBLE ASSETS

The details of intangible assets is as follows:

Group	Goodwill RM	Software licenses RM	Intellectual property rights RM	Total RM
Cost				
At 1 January 2019/30 June/ 1 July 2020	185,225,746	4,500,000	4,000,000	193,725,746
Acquisition of subsidiary	12,852,862	-	-	12,852,862
Additions	162,544,120	-	-	162,544,120
At 30 June 2021	360,622,728	4,500,000	4,000,000	369,122,728
Accumulated amortisation				
At 1 January 2019/30 June/ 1 July 2020	-	754,737	1,937,985	2,692,722
Acquisition of subsidiary	4,073,325	-	-	4,073,325
At 30 June 2021	4,073,325	754,737	1,937,985	6,766,047
Accumulated impairment				
At 1 January 2019/30 June/ 1 July 2020	38,813,206	3,745,263	2,062,015	44,620,484
Additions	4,198,086	-	-	4,198,086
At 30 June 2021	43,011,292	3,745,263	2,062,015	48,818,570
Net carrying amount				
At 30 June 2021	313,538,111	-	-	313,538,111
At 30 June 2020	146,412,540	-	-	146,412,540

Company	Software licenses RM	Intellectual property rights RM	Total RM
Cost			
At 1 January 2019/30 June 2020/ 1 July 2020/30 June 2021	4,500,000	4,000,000	8,500,000
Accumulated amortisation			
At 1 January 2019/30 June 2020/ 1 July 2020/30 June 2021	754,737	1,937,985	2,692,722
Accumulated impairment			
At 1 January 2019/30 June 2020/ 1 July 2020/30 June 2021	3,745,263	2,062,015	5,807,278
Net carrying amount			
At 30 June 2021	-	-	-
At 30 June 2020	-	-	-

7. INTANGIBLE ASSETS (CONTINUED)

(a) Goodwill

Goodwill arising from business combination has been allocated to a cash-generating unit ("CGU") for impairment testing purpose. The carrying amounts of goodwill amounted to RM109,449,722 (2020: RM109,449,722), RM36,962,818 (2020: RM36,962,818) and RM167,125,571 (2020: Nil) has been allocated to the investment in Neata Aluminium (Malaysia) Sdn. Bhd., Instacom Engineering Sdn. Bhd. and V Development Sdn. Bhd. and its subsidiary companies, respectively.

The recoverable amount of the CGUs is determined based on the value in use calculations using cash flow projections on financial budgets approved by directors covering a three to five years period. The future cash flows are based on management's three to five years business plan, which is the best estimate of future performance. The pre-tax discount rate applied to the cash flow projections for the five-year period is 5.10% (2020: 5.55%) per annum.

The calculation of value in use for this CGU is most sensitive to the following assumptions:-

(i) Budgeted revenue – Revenue is based on the letter of awards for construction and aluminium design and fabrication and telecommunication and civil and engineering services.

(ii) Budgeted gross margin – Gross margin is based on average values achieved in prior years preceding the start of the budget period. The anticipated growth rate for gross margin is projected to be minimal.

(iii) Growth rates - Based on industry outlook for the segment and directors' past experience.

(iv) Pre-tax discount rate - Discount rate of 5.10% represents the weighted average cost of capital of the CGU.

The value assigned to the key assumptions which represents directors' assessment of future trends in the aluminium fabrication, construction services, telecommunication services and civil and engineering services is based on both external sources and internal sources.

Sensitivity to changes in assumptions

Directors believe that no reasonable possible changes in any of the key assumptions above will cause the carrying values of the CGU to materially exceed its recoverable amount.

(b) Software licences and intellectual property rights

The software licences consist of perpetual and exclusive software licensing rights to use and integrate the acquired software into the Company's projects and to reproduce, market, sell, distribute and sub-licence the software to third parties and end-users.

The intellectual property rights ("IPR") were acquired from a director on a willing buyer and willing seller arrangement. Pursuant to the agreement, the assignor, the director of the Company being the proprietor of the IPR, assigns the IPR to the Company in the work, including all associated product designs, proprietary processes, human capital, customer maintenance contract, development rights and know how processes.

The software licences and IPR are amortised on a straight-line basis over 20 (2020:20) years. The software licences and IPR were fully impaired in the financial year ended 31 December 2016. The amortisation and impairment losses of software licences and IPR were included in the statement of comprehensive income in prior years.

8. INVESTMENT IN SUBSIDIARY COMPANIES

	Company 2021 RM	Company 2020 RM
Unquoted shares, at cost		
At 1 July/1 January	234,384,100	234,384,100
Additions	172,000,000	-
At 30 June	406,384,100	234,384,100
Less: Accumulated impairment losses		
At 1 July/1 January	(56,317,000)	(31,777,000)
Additions	-	(24,540,000)
At 30 June	(56,317,000)	(56,317,000)
	350,067,100	178,067,100

Details of the subsidiary companies are as follows:

Name of subsidiary companies	Country of incorporation/ place of business	Effective equity interest 2021 %	Effective equity interest 2020 %	Principal activities
Direct subsidiaries:				
Instacom Engineering Sdn. Bhd.	Malaysia	100	100	Telecommunication engineering
Neata Aluminium (Malaysia) Sdn. Bhd.	Malaysia	78.6	78.6	Fabrication and installations aluminium doors and windows
Vivocom Trading Sdn. Bhd.	Malaysia	100	100	Trading of construction materials
Vcom Construction Sdn. Bhd.	Malaysia	100	-	Telecommunication engineering
V Development Sdn. Bhd. *	Malaysia	45	-	Property development
Indirect subsidiaries:				
Subsidiary company of Instacom Engineering Sdn. Bhd.:				
Vcom Construction Sdn. Bhd.	Malaysia	-	100	Telecommunication engineering
Subsidiary company of Neata Aluminium (Malaysia) Sdn. Bhd.:				
Vivocom Enterprise Sdn. Bhd.	Malaysia	100	100	Construction services and property development.
Subsidiary companies of V Development Sdn. Bhd.:				
Handy Goals Development Sdn. Bhd. *	Malaysia	100	-	Property development
Vindev Sdn. Bhd. *(formerly known as Kiara 5 Development Sdn. Bhd.)* *	Malaysia	100	-	Property development
S.B.A Property Management Sdn. Bhd. *	Malaysia	100	-	Property development
Tuah Sempena Sdn. Bhd. *	Malaysia	100	-	Property development
Almaventures Development Sdn. Bhd. *	Malaysia	70	-	Property development and related activities
Rain International Sdn. Bhd. *	Malaysia	97	-	Import, export and mining of nature resources

8. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

* *Subsidiary companies not audited by SBY Partners PLT*

There are no significant restrictions on the ability of the subsidiary companies to transfer funds to the Group in the form of cash dividends or repayment of loans and advances.

Impairment loss recognised

Impairment loss was provided for investment in subsidiary companies in which these subsidiary companies had accumulated losses and had deficits in their shareholders' equity. The forecasted financial position, financial performance and cash flows of these subsidiary companies are not expected to generate sufficient recoverable amount to justify the carrying amount of the investment in these subsidiary companies.

Acquisition of subsidiary companies

During the financial year:

(a) the Company acquired 100% equity interest in Vcom Construction Sdn. Bhd. from its subsidiary company for a total consideration of RM1,000,000. As a result, Vcom Construction Sdn. Bhd. became a wholly-owned direct subsidiary of the Company; and

(b) the Company acquired 45% equity interest in V Development Sdn. Bhd. for a total consideration of RM171,000,000, satisfied by cash of RM54,000,000, issuance of ordinary shares of RM65,700,000 and irredeemable preference shares to be issued of RM51,300,000. The directors consider that the Group controls V Development Sdn. Bhd. ("VDSB") even though it owns less than fifty percent (50%) of the voting rights. This is due to the Group having control over the board of the directors of VDSB and the power to govern the relevant activities of VDSB.

The fair values of the identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition of VDSB as follows:

	RM
Non-current assets	4,719,958
Current assets	184,945,505
Current liabilities	(170,874,619)
Fair value of identifiable net assets	18,790,844
Less: Non-controlling interests	(10,334,964)
	8,455,880
Goodwill	162,544,120
Total consideration paid	171,000,000

The effect of the acquisition on cash flows is as follows:

	RM
Total cash consideration paid	54,000,000
Less: Cash and cash equivalents of the subsidiary company acquired	(26,476,796)
Net cash outflows on acquisition	27,523,204

From the date of acquisition, the acquired subsidiary companies have contributed RM9,023,769 and RM2,108,825 to the Group's revenue and profit for the financial year respectively.

8. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

Non-controlling interest

The Group's subsidiary companies that have material non-controlling interests are as follows:

	Neata Aluminium (Malaysia) Sdn. Bhd. RM	V Development Sdn. Bhd. RM	Total RM
2021			
NCI percentage of ownership interest and voting interest	21.40%	55.00%	-
Carrying amount of NCI	20,341,361	11,963,401	32,304,762
Profit allocation to NCI	1,098,572	1,628,437	2,727,009
2020			
NCI percentage of ownership interest and voting interest	21.40%	-	-
Carrying amount of NCI	19,242,789	-	19,242,789
Profit allocation to NCI	910,087	-	910,087

The summary of financial information before intra-group elimination is as follows:

	2021 RM	2020 RM
Summary of financial position		
Non-current assets	18,052,574	17,660,049
Current assets	479,269,944	295,423,531
Non-current liabilities	(49,506,219)	(10,139,894)
Current liabilities	(329,551,292)	(213,024,111)
Net assets	118,265,007	89,919,575
Summary of financial performance		
Revenue	81,337,091	100,445,816
Net profit for the financial year/period	7,242,339	4,252,740
Total comprehensive income for the financial year/period	7,242,339	4,252,740
Summary of cash flows		
Cash inflows/(outflows) from operating activities	87,321,733	(49,862,684)
Cash (outflows)/inflows from investing activities	(81,988,418)	1,478,699
Cash inflows from financing activities	12,710,126	52,704,363
Net increase in cash and cash equivalents	18,043,441	4,320,378

9. OTHER INVESTMENTS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Unquoted bond, at amortised cost				
At 1 July/1 January	3,158,743	2,968,743	3,158,743	2,968,743
Disposal	(250,000)	-	(250,000)	-
Interest gain on bond	-	190,000	-	190,000
At 30 June	2,908,743	3,158,743	2,908,743	3,158,743
Unit trust, at fair value through profit or loss				
At 1 July/1 January	1,501,661	-	-	-
Addition	-	3,962,706	-	-
Disposal	-	(2,456,053)	-	-
Changes in fair value	37,932	(4,992)	-	-
At 30 June	1,539,593	1,501,661	-	-
Total	4,448,336	4,660,404	2,908,743	3,158,743

Unquoted Bond

The Group and the Company invested in unquoted bond from a corporate issuer for RM2,750,000 (2020: RM3,000,000) with fixed profit rate of 6.40% (2020: 6.40%) per annum and has a maturity period of 3 years.

Unit Trust, At Fair Value Through Profit or Loss

The Group has recognised a fair value loss at the reinvestment price ranging from RM0.9727 to RM1.029 (2020: RM0.981 to RM1.0379) per annum.

10. FINANCE RECEIVABLES

	Group	
	2021 RM	2020 RM
At amortised cost		
Non-current	3,422,039	4,511,735
Current	1,614,095	2,383,611
	5,036,134	6,895,346

A wholly-owned subsidiary of the Company, Instacom Engineering Sdn. Bhd. ("IESB") had entered into Teaming Agreements with several contractors ("Contractors") for the purpose of procuring telecommunication projects in construction of telecommunication towers, fibre optic ducting and related infrastructures.

The terms and conditions of the Teaming Agreement state that IESB is responsible for the funding of site procurement, design, funding and construction of the structures of the telecommunication projects. IESB and Contractors are entitled for the rental proceeds receivable from Telecommunications Service Provider ("TSP") for a period of eighty-four (84) months.

Finance receivables are the rental proceeds with the maturity ranging from 1 to 7 years (2020: 1 to 7 years) and are financed by banking facilities as disclosed in Note 21 to the financial statements.

11. TRADE RECEIVABLES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Non-current				
Trade receivables	2,929,864	10,161,654	-	-
Current				
Trade receivables	152,637,362	142,402,096	19,524,710	20,934,885
Less: Impairment	(18,955,844)	(20,582,684)	(8,091,946)	(7,727,635)
Less: Bad debts written off	-	(574,271)	-	-
	133,681,518	121,245,141	11,432,764	13,207,250
Total trade receivables	136,611,382	131,406,795	11,432,764	13,207,250

The Group's and the Company's credit period granted ranges from 30 days to 120 days (2020: 30 days to 120 days). Other credit terms are assessed and approved on a case by case basis.

The reconciliation of trade receivables' movements accumulated impairment losses of the Group and of the Company are as follows:-

	Group RM	Company RM
At 1 January 2019	32,081,893	8,997,335
Reversal of impairment loss during the financial period	(11,499,209)	(1,269,700)
At 30 June/1 July 2020	20,582,684	7,727,635
Impairment loss during the financial year	-	364,311
Reversal of impairment loss during the financial year	(1,626,840)	-
At 30 June 2021	18,955,844	8,091,946

Included in trade receivables as at financial year ended retention sum of RM8,430,043 (2020: RM15,363,920) relating to construction contracts. Retention sum is unsecured, interest-free and is expected to be collected as follows:-

	Group	
	2021 RM	2020 RM
Within 12 months	6,312,659	5,202,266
More than 1 year and less than 2 years	717,812	2,590,756
More than 2 years and less than 5 years	-	3,934,807
More than 5 years	1,399,572	3,636,091
	2,117,384	10,161,654
	8,430,043	15,363,920

Analysis of retention sum on impairment loss and deferred payment terms with discount rate of 5.10% (2020: 5.55%) per annum being the weighted average cost of capital of the Group is as follows:-

	Group	
	2021 RM	2020 RM
Nominal value	11,593,429	18,206,138
Impairment loss	(1,801,381)	(1,317,400)
Discounted	(1,362,005)	(1,524,818)
	8,430,043	15,363,920

11. TRADE RECEIVABLES (CONTINUED)

The reconciliation of retention sum receivables' movements accumulated impairment losses of the Group is as follows:

	Group RM
At 1 January 2019	1,754,444
Reversal of impairment loss during the financial period	(437,044)
At 30 June/1 July 2020	1,317,400
Impairment loss during the financial year	483,981
At 30 June 2021	1,801,381

12. INVENTORIES

	Group 2021 RM	2020 RM
At cost:		
Aluminium parts	1,271,976	1,816,332
<u>Recognised in profit or loss</u>		
Inventories recognised as cost of sales	1,915,298	8,058,285

13. PROPERTY DEVELOPMENT COST

	Group 2021 RM	2020 RM
Land costs	59,927,026	-
Development costs	26,532,125	-
	86,459,151	-
At 1 July	-	-
Acquisition of subsidiary	80,095,953	-
Cost incurred during the financial year/period	11,334,886	-
Cost recognised to profit or loss	(4,871,088)	-
Less: Impairment	(100,600)	-
At 30 June	86,459,151	-

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Other receivables	100,635,837	142,893,379	5,409,606	2,550,776
Less: Accumulated impairment losses	(16,021,853)	(12,930,573)	(1,556,197)	(1,489,018)
	84,613,984	129,962,806	3,853,409	1,061,758
Deposits	15,695,525	23,781,856	-	-
	100,309,509	153,744,662	3,853,409	1,061,758
Prepayments	2,727,103	472,691	-	-
	103,036,612	154,217,353	3,853,409	1,061,758

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

Other receivables that are individually determined to be impaired relate to receivables that are in significant financial difficulties and have defaulted on payments and the directors are of the opinion that these are not recoverable.

Included in the other receivables is an assignment of debts of RM73,309,687 (2020: RM88,860,226). In previous financial period, the Company's subsidiaries have entered into an assignment of debts with a non-related structured entity. During the financial year, the company's subsidiary companies have entered into a revised acceptance of instalments plan for a repayment period of 12 months.

Movements in the accumulated impairment losses are as follows:

	Group RM	Company RM
At 1 January 2019	2,474,156	-
Impairment loss during the period	10,456,417	1,489,018
At 30 June/1 July 2020	12,930,573	1,489,018
Impairment loss during the year	3,091,280	67,179
At 30 June 2021	16,021,853	1,556,197

15. CONTRACT ASSETS

	Group	
	2021 RM	2020 RM
Contract assets	55,889,597	29,418,453
Less: Impairment loss	(2,532,813)	(5,090,394)
	53,356,784	24,328,059

The construction revenue is recognised progressively based on the actual cost incurred to date on the construction projects as compared to the total budgeted cost for the respective projects.

The contract assets primarily relate to the Group's right to consideration for work completed on construction contracts but not yet billed at the reporting date. The contract liabilities primarily relate to the advance consideration received from customers for construction contracts, which revenue is recognised overtime during the construction.

	Group	
	2021 RM	2020 RM
Represented by:-		
Contract assets		
Aggregate construction contract costs incurred to date	267,994,240	398,900,928
Add: Attributable profits	165,014,584	154,776,097
	433,008,824	553,677,025
Less: Progress billings	(377,119,227)	(524,258,572)
	55,889,597	29,418,453
Less: Impairment	(2,532,813)	(5,090,394)
	53,356,784	24,328,059

The reconciliation of contract assets' movements in accumulated impairment losses of the Group is as follows:-

	Group RM
At 1 January 2019	2,087,785
Impairment loss during the period	3,002,609
At 30 June/1 July 2020	5,090,394
Impairment loss during the year	(2,557,581)
At 30 June 2021	2,532,813

16. AMOUNT OWING BY/(TO) SUBSIDIARIES

	Company	
	2021 RM	2020 RM
Amount owing by subsidiaries		
Non-trade balances		
Gross amount	176,576,361	207,307,843
Less: Impairment	(18,182,115)	(18,182,115)
	158,394,246	189,125,728
Amount owing to subsidiaries		
Non-trade balances		
At cost	-	26,029,758

Amount owing by/(to) subsidiaries is unsecured, interest-free and recoverable/(repayable) on demand.

The reconciliation of amount owing by subsidiaries' movements in accumulated impairment losses of the Company is as follows:-

	Company RM
At 1 January 2019	-
Impairment loss during the period	18,182,115
At 30 June/1 July 2020/30 June 2021	18,182,115

17. FIXED DEPOSITS WITH LICENSED BANK

The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates of 1.60% to 4.82% (2020: 1.85% to 4.82%) per annum. Fixed deposits were pledged with licensed banks as security for banking facilities granted to the Group as disclosed in Note 21 to the financial statements.

18. CASH AND BANK BALANCES

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Cash on hand	11,116	9,447	-	-
Cash at banks	44,435,132	28,695,226	30,204,859	20,020,591
Cash at bank held under Housing Development	14,411,211	-	-	-
Short term investment funds	1,531,822	63,799	65,118	63,799
	60,389,281	28,768,472	30,269,977	20,084,390

19. SHARE CAPITAL

	Group and Company			
	2021	2020	2021	2020
	Number of ordinary shares		RM	RM
Issued share capital:				
At 1 June 2020/1 January 2019	5,664,539,071	5,664,535,688	415,849,891	415,849,654
Consolidation	(5,098,087,461)	-	-	-
Ordinary shares issued via private placement	169,936,172	-	59,477,660	-
Ordinary shares issued to acquire a subsidiary company	164,250,000	-	65,700,000	-
Exercise of warrants	5,817,218	3,383	2,908,609	237
At 30 June	906,455,000	5,664,539,071	543,936,160	415,849,891

19. SHARE CAPITAL (CONTINUED)

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

During the financial year, the Company has consolidated its 5,664,539,071 existing ordinary shares into 566,451,610 new ordinary shares, on the basis of 10 existing ordinary shares into 1 new ordinary share ("Share Consolidation").

During the financial year, the Company has issued the following:

(a) 164,250,000 new ordinary shares as part of consideration to acquire a subsidiary company;

(b) 169,936,172 new ordinary shares under private placement; and

(c) 5,817,218 new ordinary shares under exercise with warrants.

The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company.

In the previous financial period, the Company had exercised warrants the following:

(a) 3,383 new ordinary shares under exercise new warrants

The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company.

20. RESERVES

	Group and Company	
	2021	**2020**
	RM	**RM**
Warrants		
At 1 July 2020/1 January 2019	11,481,382	11,481,382
Expiry of warrants	(4,797,234)	-
Exercised of warrants	(343,219)	-
At 30 June	6,340,929	11,481,382

Warrants reserve represents the proceeds from the issuance of warrants which is non-distributable. The warrants reserve is transferred to the share capital account upon the exercise of warrants and the warrants reserve in relation to the unexercised warrants at the expiry of the warrants will be transferred to retained earnings.

(a) Warrants D 2015/2020

The Company has Renounceable Rights Issue of up to 429,515,979 Rights Shares on the basis of two (2) Rights Shares for every seven (7) existing ordinary shares held, together with up to 214,757,989 free detachable warrants in the Company ("Warrant D") on the basis of one (1) free Warrant D for every two (2) Rights Shares subscribed for at 5.00 p.m. on Monday, 15 June 2015 at an issue price of RM0.10 per Rights Share ("Rights Issue with Warrants").

A total of 192,704,997 free detachable warrants have been issued pursuant to the Right Issue of one (1) free warrant for every two (2) subscribed Rights Share at an issue price of RM0.10 each on 15 June 2015. The warrants were granted listing and quotation on the ACE Market of Bursa Malaysia Berhad on 14 July 2015.

Each warrant carries the entitlement to subscribe for one (1) new share in the Company at an exercise price of RM0.07 and at any time during the exercise period up to the date of expiry on 8 July 2020. Any warrants not exercised during the exercise period will thereafter lapse and ceased to be valid for any purpose.

The new shares to be issued arising from the exercise of warrants shall, upon allotment and issuance, rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other form of distribution ("Distribution") that may be declared, made or paid for which the entitlement date for the Distribution precedes the date of allotment and issuance of the new shares arising from the exercise of warrants.

20. RESERVES (CONTINUED)

(a) Warrants D 2015/2020 (continued)

On September 2016, 48,164,860 additional Warrants D issued pursuant to the adjustments arising from the Bonus Issue with warrants. On 30 July 2018, 105,962,425 additional Warrants D issued pursuant to the adjustments arising from the Rights Issue with free warrants.

The movement of Warrants D is as follows:-

	Group and Company	
	Unit	RM
At 1 July 2020/1 January 2019	346,786,726	4,797,234
Unexercised warrants after expired	(346,786,726)	(4,797,234)
At 30 June	-	-

(b) Warrants E 2018/2023

The Company has Renounceable Rights Issue of up to 3,010,706,070 Rights Shares on the basis of two (2) Rights Shares for every three (3) existing ordinary shares held, together with up to 1,505,353,035 free detachable warrants in the Company ("Warrant E") on the basis of one (1) free Warrant E for every two (2) Rights Shares subscribed for at 5.00 p.m. on Monday, 30 July 2018 at an issue price of RM0.025 per Rights Share ("Rights Issue with Warrants").

A total of 1,132,906,538 free detachable warrants have been issued pursuant to the Rights Issue of one (1) free warrant for every two (2) subscribed Rights Share at an issue price of RM0.025 each on 30 July 2018. The warrants were granted listing and quotation on the ACE Market of Bursa Malaysia Berhad on 29 August 2018.

Each warrant carries the entitlement to subscribe for one (1) new share in the Company at an exercise price of RM0.05 and at any time during the exercise period up to the date of expiry on 22 August 2023. Any warrants not exercised during the exercise period will thereafter lapse and ceased to be valid for any purpose.

The new shares to be issued arising from the exercise of warrants shall, upon allotment and issuance, rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, rights, allotments and/or other form of distribution ("Distribution") that may be declared, made or paid for which the entitlement date for the Distribution precedes the date of allotment and issuance of the new shares arising from the exercise of warrants.

On 4 November 2020, the total number of outstanding Warrants E of 1,132,906,538 has been adjusted to 113,289,563 pursuant to the Share Consolidation.

The movement of Warrants E is as follows:-

	Group and Company	
	Unit	RM
At 1 July 2020/1 January 2019	1,132,906,538	6,684,148
Consolidation	(1,019,616,975)	-
Exercised warrants	(5,817,218)	(343,219)
At 30 June	107,472,345	6,340,929

21. LOANS AND BORROWINGS

		Group	
	Note	2021 RM	2020 RM
Non-current			
Secured:			
Finance lease payables	*22*	634,811	326,397
Term loans	*23*	43,171,920	4,845,837
		43,806,731	5,172,234

21. LOANS AND BORROWINGS (CONTINUED)

		Group and Company	
		Unit	RM
Current			
Secured:			
Finance lease payables	*22*	264,690	177,011
Term loans	*23*	20,706,514	1,048,062
Bankers' acceptances	*(i)*	10,267,776	17,078,500
Bank overdrafts	*(ii)*	1,468,026	1,494,980
Revolving credits	*(iii)*	-	1,017,422
		32,707,006	20,815,975
Total loans and borrowings		76,513,737	25,988,209

(i) The bankers' acceptances are secured by way of:-

(a) pledged of fixed deposits;

(b) joint and several guarantee by the directors of the Group and of the Company; and

(c) first fixed charge over two landed properties owned by a third party.

The bankers' acceptances bear effective interest at rate ranging from 3.69% to 8.35% (2020: 3.95% to 7.20%) per annum.

(ii) The bank overdrafts are secured by way of:-

(a) pledged of fixed deposits; and

(b) joint and several guarantee by the directors of the Group.

The bank overdrafts bear effective interest at rate 8.10% (2020: 8.10%) per annum.

(iii) The revolving credits are secured by way of:-

(a) an irrecovable letter of instruction to credit all contract payment due from a customer and owing to the Group to a non-operating account;

(b) open all monies debenture fixed and floating charge over all present and future assets and undertakings of the Group; and

(c) joint and several guarantee by the directors of the Group.

The revolving credit bear effective interest at rate 8.35% (2020: 8.35%) per annum.

22. FINANCE LEASE PAYABLES

	Note	Minimum lease payments RM	Future finance charges RM	Net present value RM
Group				
2021				
Shown under current liabilities				
Within 1 year	*21*	301,818	(37,128)	264,690
Shown under non-current liabilities				
Between 2 to 5 years	*21*	693,576	(58,765)	634,811
		995,394	(95,893)	899,501

22. FINANCE LEASE PAYABLES (CONTINUED)

	Note	Minimum lease payments RM	Future finance charges RM	Net present value RM
Group				
2020				
Shown under current liabilities				
Within 1 year	*21*	222,788	(45,777)	177,011
Shown under non-current liabilities				
Between 2 to 5 years	*21*	327,846	(1,449)	326,397
		550,634	(47,226)	503,408

The finance lease payables bear effective interest at rates ranging from 2.67% to 2.69% (2020: 3.39% to 6.45%) per annum.

23. TERM LOANS

	Note	Group 2021 RM	Group 2020 RM
Current	*21*		
Within 1 year		20,706,514	1,048,062
Non-current	*21*		
Between 2 to 5 years		30,776,307	901,908
After 5 years		12,395,613	3,943,929
		43,171,920	4,845,837
Total term loans		63,878,434	5,893,899

The term loans are secured by way of:

(a) pledged of freehold land of the Group;

(b) facility agreement;

(c) all monies legal charge or all monies deed of assignment and power of attorney over the land for development as referred to Note 13;

(d) debenture by way of fixed and floating charge over the entire current and future assets of the subsidiary;

(e) assignment of performance bond by main contractor of the subsidiary in favour of the bank;

(f) deed of assignment over the proceeds received from Dewan Bandaraya Kuala Lumpur in relation to the property development project of the subsidiary as referred to Note 13; and

(g) jointly and several guarantee by the directors of the Group and of the Comapany.

The term loans bear effective interest at rate ranging from 3.40% to 7.10% (2020: 4.90% to 7.50%) per annum.

24. LEASE LIABILITIES PAYABLES

The lease liabilities payables are repayable as follows:-

	Group	
	2021	**2020**
	RM	**RM**
Shown under current liabilities		
Within 1 year	185,512	450,287
Shown under non-current liabilities		
Between 2 to 5 years	234,063	382,753
	419,575	833,040

The lease liabilities payables bears effective interest rate at 5% (2020: 5%) per annum.

25. DEFERRED TAX LIABILITIES

	Group	
	2021	**2020**
	RM	**RM**
At 1 June/1 January	-	(252,949)
Realised in profit or loss (Note 32)	17,096	252,949
At 30 June	17,096	-

The deferred tax liabilities are in respect of taxable temporary differences arising from the qualifying property, plant and equipment's total capital allowances claimed in excess of corresponding accumulated depreciation.

26. TRADE PAYABLES

	Group		Company	
	2021	**2020**	**2021**	**2020**
	RM	**RM**	**RM**	**RM**
Non-current				
Trade payables	5,512,663	4,729,612	-	-
Current				
Trade payables	20,081,758	17,302,598	267,011	91,906
Total trade payables	25,594,421	22,032,210	267,011	91,906

The credit terms to the Group and the Company of trade payables granted ranged from 30 to 90 days (2020: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Included in trade payables are retention sums of RM7,916,223 (2020: RM10,763,422) relating to construction contracts. Retention sum is unsecured, interest-free and is expected to be collected as follows:-

	Group	
	2021	**2020**
	RM	**RM**
Within 1 year	2,403,560	6,033,810
More than 1 year and less than 2 years	1,909,259	1,323,582
More than 2 years and less than 5 years	1,874,938	2,562,373
More than 5 years	1,728,466	843,657
	7,916,223	10,763,422

26. TRADE PAYABLES (CONTINUED)

Analysis of retention sum on deferred payment terms with discount rate of 5.10% (2020: 5.55%) per annum, being the weighted average cost of capital of the Group is as follows:-

	Group	
	2021 RM	2020 RM
Nominal value	8,487,784	11,377,274
Discounted	(571,561)	(613,852)
	7,916,223	10,763,422

27. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Other payables	2,188,142	1,016,848	260,861	137,137
Deposit received	1,706,536	117,123	-	-
	3,894,678	1,133,971	260,861	137,137
Accruals	13,288,618	1,072,792	90,000	96,000
	17,183,296	2,206,763	350,861	233,137

28. AMOUNT OWING TO A DIRECTOR

The amount owing to a director is unsecured, interest free and repayable on demand.

29. REVENUE

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Major products and service lines				
Construction services	50,222,757	33,639,532	-	-
Property development	9,023,769	36,022,058	-	-
Aluminium design and fabrication	5,828,241	30,798,916	-	-
Telecommunication engineering	4,972,300	10,557,522	5,369,125	6,339,846
Total	70,047,067	111,018,028	5,369,125	6,339,846
Timing and recognition:-				
- at point in time	8,327,412	17,026,336	5,369,125	6,339,846
- over time	61,719,655	93,991,692	-	-
Total	70,047,067	111,018,028	5,369,125	6,339,846

29. REVENUE (CONTINUED)

Transaction price allocated to remaining performance obligations

As of 30 June 2021, the aggregate amount of the transaction price allocated to remaining performance obligations is RM592,913,987. The Group will recognise this amount of revenue as performance obligations are satisfied, which is expected to occur over the next 3 years.

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and to not disclose information about remaining performance obligations that have original expected durations of one year or less.

The following information reflects the typical transactions of the Group and the Company:-

Nature of goods and services	Timing of recognition	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Construction services	Revenue from construction contracts is recognised overtime using the cost incurred method.	Credit period of 30 days from the invoice date.	Variation orders.	Not applicable.	Defect liability period up to 24 months is given to the contract customers.
Property development	Revenue from property development is recognised overtime using stage of completion method.	Credit period of 30 days from the invoice date.	Variation orders.	Not applicable.	Defect liability period up to 12 months is given after the property sold.
Aluminium design and fabrication	Revenue from contracts is recognised overtime using the cost incurred method.	Credit period of 30 to 90 days from the invoice date.	Variation orders.	Not applicable.	Defect liability period up to 30 months is given to the contract customers.
	Revenue from fabrication and installation services is recognised at a point in time when services rendered to customers.	Credit period of 30 to 90 days from the invoice date.	Trade discounts.	No returns or refunds policy.	Not applicable.
Telecom-munication engineering	Revenue from telecommunication engineering and related services is recognised at a point in time when services rendered to customers.	Credit period of 30 to 120 days from the invoice date.	Trade discounts.	No returns or refunds policy.	Not applicable.

30. FINANCE COSTS

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Bank overdraft	93,944	141,713	-	5
Bankers' acceptance and revolving credit	835,106	1,657,947	-	2,534
Fair value discount on payables	42,291	743,621	-	-
Finance lease	43,738	83,063	-	-
Term loans	1,103,401	724,778	-	51,555
Lease liabilities	41,595	66,246	-	-
Factoring	-	9,003,459	-	-
Other interest charges	840	-	-	-
	2,160,195	12,420,827	-	54,094

31. PROFIT/(LOSS) BEFORE TAXATION

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Profit/(loss) before taxation is stated *after charging:*				
Auditors' remuneration				
- current year	313,700	312,000	90,000	96,000
- overprovision in prior year	(5,978)	-	-	-
Depreciation of property, plant and equipment	1,863,895	2,702,813	564,348	926,388
Depreciation of right-of-use assets	385,020	708,470	-	-
Fair value discount on payables	42,291	743,621	-	-
Impairment/(reversal of impairment) losses on:-				
- goodwill	4,198,086	-	-	-
- trade receivables	(1,626,840)	(11,499,209)	364,311	(1,269,700)
- other receivables	3,091,280	10,456,417	67,179	1,489,018
- contract assets	(2,557,581)	3,002,609	-	-
- development costs	100,600	-	-	-
- cost of investment in subsidiaries	-	-	-	24,540,000
- amount owing by subsidiaries	-	-	-	18,182,115
Loss on foreign exchange				
- realised	1,165	-	-	-
- unrealised	8,821	-	-	-
Loss on disposal of right-of-use assets	-	17,794	-	-
Written off of:-				
- property, plant and equipment	-	119,116	-	-
- right-of-use assets	80,111	-		
- receivables - trade	-	574,271	-	-
- deposits	224,318	-	-	-
- prepayment	-	10,000	-	-
Rental of machinery and vehicles	1,304,433	168,584	-	-
Rental of office and warehouses	62,250	287,829	-	-
Employee benefit expenses *(Note 34)*	6,463,012	12,032,966	193,500	791,556
Fair value loss on unit trust	-	4,992	-	-
and crediting:				
Bad debts recovered	-	(13,005)	-	(13,005)
Dividend income	(184,816)	(554,079)	(184,816)	(554,079)
Fair value discount on receivables	(162,813)	(872,402)	-	-
Fair value gain on unit trust	37,932	-	-	-
Gain on disposal of property, plant and equipment	(122,114)	(2,998,555)	-	(1,035,442)
Gain on disposal of other investment	(6,268)	-	(6,268)	-
Deposit forfeited	(12,000)	-	-	-
Interest income	(733,433)	(906,986)	(25,132)	(300,387)
Rental income	(103,337)	(66,200)	-	-
Waiver of debts	-	(404,668)	-	(494,668)

32. INCOME TAX EXPENSE

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Malaysian income tax:				
- current year's/period's provision	2,714,973	2,507,822	222,000	447,953
- over provision in respect of prior period/year	(45,171)	(107,534)	-	(83,431)
	2,669,802	2,400,288	222,000	364,522
Deferred tax *(Note 25)*:				
- origination and reversal of temporary differences	17,096	(252,949)	-	-
	2,686,898	2,147,339	222,000	364,522

Income tax is calculated based on the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profits for the financial year/period. Taxation for other jurisdiction is calculated at the rate prevailing in the respective jurisdictions.

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Profit/(loss) before taxation	9,281,314	7,431,291	467,919	(40,092,146)
Income tax expense at Malaysian statutory tax rate of 24% (2020: 24%)	2,227,516	1,783,510	112,301	(9,622,115)
• Adjustments for the following tax effects:				
- expenses not deductible for tax purposes	1,416,652	1,419,738	155,559	10,774,589
- income not subject to tax	(1,284,156)	(644,819)	(45,860)	(381,484)
- deferred tax assets not recognised during the financial year/period	372,057	745,810	-	-
- utilisation of deferred tax assets not recognised in respect of prior year	-	(796,417)	-	(323,037)
	504,553	724,312	109,699	10,070,068
• Over provision of taxation in respect of prior year	(45,171)	(107,534)	-	(83,431)
• Over provision of deferred tax liability in respect of prior year	-	(252,949)	-	-
	2,686,898	2,147,339	222,000	364,522

32. INCOME TAX EXPENSE (CONTINUED)

The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group	
	2021 RM	2020 RM
Excess of accumulated depreciation claimed over corresponding capital allowances	(153,414)	-
Unutilised capital allowances	6,196,062	79,628
Unabsorbed business losses	18,886,569	23,299,352
	24,929,217	23,378,980

33. EARNINGS PER SHARE

Earnings Per Share

The basic earnings per ordinary share as at 30 June 2021 is arrived at by dividing the Group's profit attributable to owners of the Company by the weighted average number of ordinary shares issued and calculated as follows:

	Group	
	From 01.07.2020 to 30.06.2021	From 01.01.2019 to 30.06.2020
Profit attributable to owners of the Company (RM)	3,867,407	4,373,865
Weighted average number of ordinary shares (units)	683,426,100	5,664,537,180
Basic earnings per share (Sen)	0.57	0.08

Diluted Loss Per Share

In the previous financial period, the Group has no dilution in its loss per ordinary share as there are no dilutive potential ordinary shares.

In the current financial year, the outstanding Warrants have been excluded from the computation of diluted loss per ordinary share as the exercise of Warrants to ordinary share would be anti-dilutive.

34. EMPLOYEE BENEFIT EXPENSES

The employee benefit expenses recognised in profit or loss are as follows:

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Salaries, bonus, wages and allowances	5,351,436	10,395,929	193,500	754,724
Defined contribution plan	743,130	1,374,810	-	36,832
Other employee benefit	368,446	262,227	-	-
	6,463,012	12,032,966	193,500	791,556

34. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

Included in employee benefit expenses are directors' remuneration who are also the key management personnel of the Group and of the Company:

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Executive Directors				
Directors' remuneration				
- fees	7,000	325,850	-	-
- other emoluments	1,743,417	1,825,987	-	178,100
Non-Executive Directors				
Directors' remuneration				
- fees	192,000	282,730	192,000	282,730
- other emoluments	1,500	-	1,500	-

35. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the liabilities of the Group arising from the financing activities, including both cash and non-cash changes as follows: -

	At 01.07.2020 RM	Net Cash Flows RM	Non-cash Changes RM	At 30.06.2021 RM
Group				
Bankers' acceptances	17,078,500	(6,810,724)	-	10,267,776
Revolving credits	1,017,422	(1,017,422)	-	-
Finance lease payables	503,408	396,093	-	899,501
Term loan	5,893,899	57,984,535	-	63,878,434
Lease liabilities	833,040	(413,465)	-	419,575

	At 01.01.2019 RM	Net Cash Flows RM	Non-cash Changes RM	At 30.06.2020 RM
Group				
Bankers' acceptances	25,891,754	(8,813,254)	-	17,078,500
Revolving credits	1,174,596	(157,174)	-	1,017,422
Finance lease payables	1,486,718	(983,310)	-	503,408
Term loan	13,340,714	(7,446,815)	-	5,893,899
Lease liabilities	-	833,040	-	833,040

36. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Director as chief operating decision maker in order to allocate resources to segments and to assess their performance.

The Group is organised into main business segments as follows:

(a) Investment holding
(b) Telecommunication engineering
(c) Aluminium design and fabrication
(d) Construction services and property developments
(e) Others

36. OPERATING SEGMENTS (CONTINUED)

For the purpose of making decisions about resource allocation, the Executive Director assesses the performance of the operating segments based on operating profits or losses which is measured differently from those disclosed in the financial statements.

The Executive Director is of the opinion that all inter-segment transactions are entered into in the normal course of business and are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

Business segments

Group 2021	Provision of telecommunication engineering and services as well as investment holding RM	Telecommunication engineering and services RM	Telecommunication engineering and services RM	Trading of construction materials RM	Fabrication and installations of aluminium doors and windows RM	Construction services RM	Property develop-ment RM	Others RM	Elimination RM	Total RM
Revenue										
External revenue	4,972,300	2,322,588	-	-	5,828,241	51,391,237	5,532,701	-	-	70,047,067
Inter-company	396,825	-	-	-	-	15,093,844	3,491,068	-	(18,981,737)	-
Total revenue	5,369,125	2,322,588	-	-	5,828,241	66,485,081	9,023,769	-	(18,981,737)	70,047,067
Results										
Segment operating profit	1,432,357	(757,097)	(19,923)	(11,178)	(2,267,362)	10,383,315	7,391,987	6,037	82,700	16,240,836
Depreciation of property, plant and equipment	(564,348)	(140,235)	-	(33)	(581,890)	(381,253)	(196,136)	-	-	(1,863,895)
Depreciation of right-of-use assets	-	(37,198)	-	-	(109,683)	(238,139)	-	-	-	(385,020)
Finance costs	-	(56,951)	-	-	(630,549)	(640,572)	(844,912)	-	-	(2,172,984)
Interest income	25,132	45,524	-	-	371,918	177,405	113,454	-	-	733,433
Other non-cash expenses *(Note i)*	(425,222)	(5,488)	-	-	(2,763,261)	4,230,422	(4,307,507)	-	-	(3,271,056)
Profit(loss) before taxation	467,919	(951,445)	(19,923)	(11,211)	(5,980,827)	13,531,178	2,156,886	6,037	82,700	9,281,314
Income tax expense	(222,000)	-	-	-	-	(2,416,837)	(48,061)	-	-	(2,686,898)
Profit/(loss) after taxation	245,919	(951,445)	(19,923)	(11,211)	(5,980,827)	11,114,341	2,108,825	6,037	82,700	6,594,416

36. OPERATING SEGMENTS (CONTINUED)

Business segments (continued)

Group 2021	Provision of telecom-munication engineering and services as well as investment holding RM	Telecom-munication engineering and services RM	Telecom-munication engineering and services RM	Trading of construction materials RM	Fabrication and installations of aluminium doors and windows RM	Con-struction services RM	Property develop-ment RM	Others RM	Elimination RM	Total RM
Assets										
Segment assets	562,169,605	15,903,462	987,721	814,760	54,435,163	263,022,520	179,548,542	-	(604,566,821)	472,314,952
Goodwill	-	-	-	-	-	-	4,581,450	-	308,956,661	313,538,111
Tax recoverable	-	66,000	-	-	1,064,984	-	1,689,574	-	-	2,820,558
Total assets	562,169,605	15,969,462	987,721	814,760	55,500,147	263,022,520	185,819,566	-	(295,610,160)	788,673,621
Other information										
Additions to property, plant and equipment	-	13,474	-	-	273,009	1,153,200	723,576	-	-	2,163,259
Liabilities										
Segment liabilities	51,965,867	7,833,260	5,000	1,549,671	15,794,243	185,576,819	104,725,286	-	(272,358,064)	95,092,082
Loans and borrowings	-	113,679	-	-	7,687,317	9,523,928	59,188,813	-	-	76,513,737
Tax payables	366,060	-	-	-	-	1,848,563	1,005,799	-	-	3,220,422
Total liabilities	52,331,927	7,946,939	5,000	1,549,671	23,481,560	196,949,310	164,919,898	-	(272,358,064)	174,826,241

36. OPERATING SEGMENTS (CONTINUED)

Group 2020	Investment holding RM	Telecommunication engineering and services RM	Aluminium design and fabrication RM	Construction services and property development RM	Other RM	Elimination RM	Total RM
Revenue							
External revenue	-	10,557,522	30,798,916	69,661,590	-	-	111,018,028
Inter- company	-	1,528,472	-	316,283	-	(1,844,755)	-
Total revenue	-	12,085,994	30,798,916	69,977,873	-	(1,844,755)	111,018,028
Results							
Segment operating profit	-	(98,870,620)	3,099,605	15,876,045	-	100,643,753	20,748,783
Depreciation of property, plant and equipment	-	(1,146,663)	(860,245)	(695,905)	-	-	(2,702,813)
Depreciation of right-of-use assets	-	(54,027)	(437,763)	(216,680)	-	-	(708,470)
Finance costs	-	(532,017)	(4,159,771)	(7,729,039)	-	-	(12,420,827)
Interest income	-	486,177	380,870	39,939	-	-	906,986
Other non-cash expenses *(Note i)*	-	58,831,378	(419,730)	1,160,695	-	(57,964,711)	1,607,632
Profit before taxation	-	(41,285,772)	(2,397,034)	8,435,055	-	42,679,042	7,431,291
Income tax expense	-	(340,419)	252,949	(2,059,869)	-	-	(2,147,339)
Profit after taxation	-	(41,626,191)	(2,144,085)	6,375,186	-	42,679,042	5,283,952
Assets							
Segment assets	144,620,850	286,890,601	75,888,252	249,442,978	2,716	(380,953,556)	375,891,841
Goodwill	146,412,540	-	-	-	-	-	146,412,540
Tax recoverable	-	47,000	-	354,199	-	-	401,199
Total assets	291,033,390	286,937,601	75,888,252	249,797,177	2,716	(380,953,556)	522,705,580
Other information							
Additions to property, plant and equipment	-	1,001,970	83,076	14,310	-	(800,000)	299,356
Liabilities							
Segment liabilities	-	35,289,042	25,626,397	181,341,843	7,500	(217,177,719)	25,087,063
Loans and borrowings	-	2,028,524	11,414,814	12,544,871	-	-	25,988,209
Tax payables	-	144,061	146,235	-	-	-	290,296
Total liabilities	-	37,461,627	37,187,446	193,886,714	7,500	(217,177,719)	51,365,568

36. OPERATING SEGMENTS (CONTINUED)

i. Other non-cash expenses consist of the following items:-

	Group	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Impairment/(Reversal of impairment) losses on:-		
- goodwill	4,198,086	-
- trade receivables	(1,626,840)	(11,499,209)
- other receivables	3,091,280	10,456,417
- development costs	100,600	-
- contract assets	(2,557,581)	3,002,609
Loss on foreign exchange		
- realised	1,165	-
- unrealised	8,821	-
Loss on disposal of right-of-use assets	-	17,794
Gain on disposal of property, plant and equipment	(122,114)	(2,998,555)
Gain on disposal of other investment	(6,268)	-
Written off:-	-	
- right-of-use assets	80,111	-
- deposits	224,318	-
- property, plant and equipment	-	119,116
- bad debts - trade	-	574,271
- prepayments	-	10,000
Bad debt recovery	-	(13,005)
Fair value discount on retention sum payables	42,291	-
Fair value discount on retention sum receivables	(162,813)	(872,402)
Waiver of debts	-	(404,668)
Total	3,271,056	(1,607,632)

<u>Geographical information</u>

No information is prepared on the geographical segments as the Group's entities are solely operated in Malaysia.

37. RELATED PARTY DISCLOSURE

(a) Identities of related parties

(i) The Group has related party relationship with companies in which directors have financial interest and its key management personnel; and

(ii) The Company has related party relationships with its subsidiary companies and key management personnel.

37. RELATED PARTY DISCLOSURE (CONTINUED)

(b) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company carried out the following transactions with the related parties during the financial year as follows:

(i) Transaction with related party of which a director of the Company:

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Related companies				
Purchase of goods	-	(30,706,567)	-	-
Contract revenue	-	70,987,862	396,825	1,957,000
Development costs	40,452,353	-	-	-
Rental income	-	331,737	-	-
Subsidiaries				
Purchases of goods/services	-	(1,768,755)	-	-
Sales of goods/services	-	1,844,755	-	1,393,694
Rental income	-	20,000	-	-
Rental expense	-	(20,000)	-	-
Disposal of fixed assets	-	(889,212)	-	-
Purchase of fixed assets	-	889,212	-	-
Consultancy fee	-	(76,000)	-	-

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

(ii) Compensation of key management personnel

	Group		Company	
	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM	From 01.07.2020 to 30.06.2021 RM	From 01.01.2019 to 30.06.2020 RM
Short-term employee benefit expenses				
Executive Director:-				
- fees	7,000	325,850	-	-
- other emoluments	1,743,417	1,825,987	-	178,100
	1,750,417	2,151,837	-	178,100
Non-executive Directors:-				
- fees	192,000	282,730	192,000	282,730
- other emoluments	1,500	-	1,500	-
	193,500	282,730	193,500	282,730
	1,943,917	2,434,567	193,500	460,830

38. FINANCIAL INSTRUMENTS

The Group's activities are exposed to interest rate risk, foreign currency risk, equity price risk, credit risk and liquidity and cash flows risks. The Company's activities are exposed to credit risk and liquidity and cash flows risks. The Group's and the Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance.

(a) Financial Risk Management Policies

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing their interest rate risk, foreign currency risk, equity price risk, credit risk, and liquidity and cash flows risks. The Group's and the Company's policies in respect of the major areas of treasury activities are as follows:

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposures to interest rate risk arise mainly from interest-bearing financial assets and liabilities. The Group's policies are to obtain the most favourable interest rates available.

Interest Rate Risk Sensitivity Analysis

The interest rate risk sensitivity analysis on the fixed rate financial instruments is not disclosed as the interest-bearing financial instruments carry fixed interest rate and are measured at amortised cost.

The following table details the sensitivity analysis on the floating rate instruments to a reasonably possible change in the interest rate as at the end of the reporting year, with all other variables held constant: -

	Group	
	2021	**2020**
	Increase/ (decrease)	**Increase/ (decrease)**
	RM	**RM**
Effects on profit after taxation/equity		
Increase of 100 basis points	(584,693)	(203,841)
Decrease of 100 basis points	584,693	203,841

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of the Group's entities.

The currencies giving rise to this risk are primarily USD. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The net unhedged financial assets of the Group that are not denominated in RM are consists of cash at bank held in USD amounted to RM672,897.

38. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Policies (continued)

(ii) Foreign Currency Risk (continued)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting year, with all other variables held constant:

	Group	
	2021 RM Increase/ (Decrease)	**2020 RM Increase/ (Decrease)**
Effects on profit after taxation/equity		
Strengthened by 5%		
- USD	24,823	-
Weakened by 5%		
- USD	(24,823)	-

(iii) Equity Price Risk

The Group is exposed to equity price risk arising from its investment in quoted shares. The quoted shares in Malaysia are listed on Bursa Malaysia. The Group does not has exposure to commodity price risk.

Equity Price Risk Sensitivity Analysis

The following table details the sensitivity analysis on the profit of loss to a reasonably possible price movements as at the end of the reporting year, with all other variables held constant: -

	Group	
	2021 Increase/ (decrease) RM	**2020 Increase/ (decrease) RM**
Effects on profit after taxation/equity		
Increase in price by 10%	(117,009)	(114,126)
Decrease in price by 10%	117,009	114,126

(iv) Credit Risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's exposures to credit risk arises principally from trade and other receivables. The Company's exposures to credit risk arises principally from advances to subsidiary companies. There are no significant changes as compared to previous financial period.

- Trade and other receivables

  Risk management objectives, policies and processes for managing the risk

  The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties and financial institutions.

  At the end of each reporting year, the Group assesses whether any of the trade and other receivables are credit impaired.

38. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Policies (continued)

(iv) Credit Risk (continued)

- Trade and other receivables (continued)

Risk management objectives, policies and processes for managing the risk (continued)

The gross carrying amount of credit impaired trade and other receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not has assets or sources of income that could generate sufficient cash flows to repay the amounts that subject to write-off. Nonetheless, trade and other receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous financial period.

Exposure to credit risk, credit quality and collateral

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount in the statements of financial position as at the end of the reporting year.

Concentration of credit risk

At the reporting date, the amount owing by 2 (2020: 6) and 4 (2020: 4) major customers constituting approximately 66% (2020: 73%) and 100% (2020: 81%) of the total outstanding trade receivables of the Group and of the Company respectively. Credit risk and receivables are monitored on an ongoing basis. These procedures substantially mitigate credit risk of the Group and of the Company.

Recognition and measurement of impairment loss

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At the end of each reporting year, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The following table provides information about the exposure to credit risk for trade receivables as at the end of the reporting year:

	Group	
	2021	**2020**
	RM	**RM**
Not past due	56,799,248	21,071,759
Past due but not impaired:		
- 1 to 30 days	2,259,554	4,641,771
- 31 to 60 days	2,297,728	1,701,155
- 61 to 90 days	56,299,008	1,972,342
	60,856,290	8,315,268
Impaired	18,955,844	102,019,768
	136,611,382	131,406,795

38. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Policies (continued)

(iv) Credit Risk (continued)

- Trade and other receivables (continued)

Recognition and measurement of impairment loss (continued)

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

Trade receivables that are past due but not impaired are unsecured in nature. They are creditworthy receivables.

At the end of the reporting year, trade receivables that are individually impaired were those that have defaulted in payments. These receivables are not secured by any collateral or credit enhancement.

(v) Liquidity and Cash Flows Risks

Liquidity and cash flow risks are the risks that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group's and the Company's exposure to liquidity and cash flows risks arise mainly from general funding and business activities. The Group and the Company practise risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following tables set out the maturity profile of the financial liabilities as at the end of the reporting year based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting year):

Group 2021	Weighted Average Effective Rate %	Contractual Carrying Amount RM	On Demand Undis-counted Cash Flows RM	Or Within 1 Year RM	1 - 5 Years RM	Over 5 years RM
Trade payables	-	25,594,421	25,594,421	20,081,758	3,784,197	1,728,466
Other payables	-	17,183,296	17,183,296	17,183,296	-	-
Amount owing to a director	-	51,877,694	51,877,694	51,877,694	-	-
Finance lease payables	2.67 - 7.18	899,501	995,394	301,818	693,576	-
Term loan	3.40 - 7.00	63,878,434	63,878,434	20,706,514	30,776,307	12,395,613
Other bank borrowings	3.69 - 8.35	11,735,802	11,735,802	11,735,802	-	-
Lease liabilities	5.00	419,575	479,265	59,690	185,512	234,063
		171,588,723	171,744,306	121,946,572	35,439,592	14,358,142

38. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial Risk Management Policies (continued)

(v) Liquidity and Cash Flows Risks (continued)

Group 2020	Weighted Average Effective Rate %	Contractual Carrying Amount RM	On Demand Undiscounted Cash Flows RM	Or Within 1 Year RM	1 - 5 Years RM	Over 5 years RM
Trade payables	-	22,032,210	22,032,210	17,302,598	3,885,955	843,657
Other payables	-	2,206,763	2,206,763	2,206,763	-	-
Amount owing to a director	-	15,000	15,000	-	-	-
Finance lease payables	3.39 - 6.45	503,408	550,634	222,788	327,846	-
Term loan	4.90 - 7.50	5,893,899	6,204,770	1,048,062	901,908	3,943,929
Other bank borrowings	3.95 - 8.35	19,590,902	19,796,950	19,590,902	-	-
Lease liabilities	5.00	833,040	874,692	450,287	382,753	-
		51,075,222	51,681,019	40,829,400	5,490,462	4,787,586

Company 2021	Weighted Average Effective Rate %	Contractual Carrying Amount RM	On Demand Undiscounted Cash Flows RM	Or Within 1 Year RM
Trade payables	-	267,011	267,011	267,011
Other payables	-	350,861	350,861	350,861
Amount owing to a director	-	51,347,995	51,347,995	51,347,995
		51,965,867	51,965,867	51,965,867
2020		**RM**	**RM**	**RM**
Trade payables	-	91,906	91,906	91,906
Other payables	-	233,137	233,137	233,137
Amount owing to subsidiaries	-	26,029,758	26,029,758	26,029,758
		26,354,801	26,354,801	26,354,801

(b) Capital Risk Management

The Group and the Company manage their capital to ensure that the Group and the Company will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt for the Group and the Company are calculated as trade and other payables plus lease liabilities plus amount owing to a director and loans and borrowings less fixed deposits with licensed banks and cash and bank balances.

38. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Capital Risk Management (continued)

The debt-to-equity ratios of the Group and of the Company as at the end of the financial year/period were as follows:

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Trade payables	25,594,421	22,032,210	267,011	91,906
Other payables	17,183,296	2,206,763	350,861	233,137
Lease liabilities	419,575	833,040	-	-
Amount owing to a director	51,877,694	15,000	51,347,995	-
Loan and borrowings	76,513,737	25,988,209	-	-
	171,588,723	51,075,222	51,965,867	325,043
Less: Fixed deposits with licensed banks	(4,530,523)	(6,626,582)	-	-
Less: Cash and bank balances	(60,389,281)	(28,768,472)	(30,269,977)	(2,824,496)
	106,668,919	15,680,168	21,695,890	(2,499,453)
Total equity	613,847,380	471,340,062	509,837,678	384,013,821
Debt-to-equity ratio	0.17	0.03	0.04	N/A

N/A: The cash and cash equivalents of the Group and of the Company are sufficient to settle all the debts of the Group and of the Company as at the financial year/ period end.

There were no changes in the Group's and the Company's approach to capital management during the financial year/ period.

(c) Classification of Financial Instruments

	Group		Company	
	2021 RM	2020 RM	2021 RM	2020 RM
Financial Assets				
Measured at FVTPL				
Other investments				
- Investment in quoted shares	1,539,593	1,501,661	-	-
Measured at amortised cost				
Other investments	2,908,743	3,158,743	2,908,743	3,158,743
Finance receivables	5,036,134	6,895,346	-	-
Trade receivables	136,611,382	131,406,795	11,432,764	13,207,250
Other receivables and deposits	100,309,509	153,744,662	3,853,409	1,061,758
Contract assets	53,356,784	24,328,059	-	-
Amount owing by subsidiaries	-	-	158,394,246	189,125,728
Fixed deposits with licensed banks	4,530,523	6,626,582	-	-
Cash and bank balances	60,389,281	28,768,472	30,269,977	20,084,390
	363,142,356	354,928,659	206,859,139	226,637,869

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Classification of Financial Instruments (continued)

	Group		Company	
	2021	**2020**	**2021**	**2020**
	RM	**RM**	**RM**	**RM**
Financial Liabilities				
Measured at amortised cost				
Trade payables	25,594,421	22,032,210	267,011	91,906
Other payables	3,894,678	1,133,971	260,861	137,137
Lease liabilities	419,575	833,040	-	-
Amount owing to a director	51,877,694	15,000	51,347,995	-
Amount owing to subsidiaries	-	-	-	26,029,758
Loan and borrowings	76,513,737	25,988,209	-	-
	158,300,105	50,002,430	51,875,867	26,258,801

(d) Fair Values of Financial Instruments

The carrying amounts of the financial assets and financial liabilities of the Group and of the Company reported in the financial statements approximated their fair values due to the relatively short term nature, except for:-

(i) the investment in unquoted shares which is measured at FVTOCI. However, it was not practicable to estimate the fair value of investment in unquoted shares due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured; and

(ii) the investment in quoted shares which is measured at fair value.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instruments. These estimates are subjective in nature, involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(e) Fair Value Hierarchy

The fair value measurement hierarchies used to measure assets and liabilities carried at fair value in the statements of financial position as at 30 June 2021 are as follows:

(i) Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

(ii) Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

(iii) Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

	Level 1	**Level 2**	**Level 3**	**Total**
Group	**RM**	**RM**	**RM**	**RM**
2021				
Financial Assets				
Other investments				
- Investment in quoted shares	1,539,593	-	-	1,539,593

38. FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair Value Hierarchy (continued)

(iii) Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities. (continued)

Group	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2020				
Financial Assets				
Other investments				
- Investment in quoted shares	1,501,661	-	-	1,501,661

The Group and the Company do not have any financial liabilities nor any financial assets carried at fair value and classified as Level 2 and Level 3 as at 30 June 2021.

39. CONTINGENT LIABILITES

Company

The Company provides corporate guarantees up to a total amount of RM38,404,000 (2020: RM38,404,000) to licensed banks for banking facilities granted to certain subsidiaries. Accordingly, the Company is contingently liable to the extent of the facilities utilised.

40. MATERIAL LITIGATIONS

(i) Arbitration Proceedings between Coneff Corporation Sdn. Bhd. ("Coneff") vs Vivocom Enterprise Sdn. Bhd. ("VESB")

VESB, an indirect wholly-owned subsidiary of the Company, was appointed by Coneff vide a Letter of Award dated 19 January 2016 to construct the building known as the D'idaman Project.

This arbitration claim was instituted by Coneff against VESB on 2 November 2018 for alleged damages and rectification works for a sum of RM59,387,164.00 for defects in the piling work and rectification of the defects in piling work in the D'idaman project. VESB lodged a counterclaim on 7 November 2020 against Coneff for a sum of RM62,526,288.75 being certified sums, rental of pile sheets, damages, loss of profit, interest etc.

The solicitors on record of this matter acting for VESB is of the opinion that VESB has a viable case for the following claims:

(a) The sum of RM24,028,725.56 plus RM1,441,723.53 constituting 6% services tax ("ST") thereon as this sum was certified;

(b) The sum of RM3,509,550.77 exclusive of ST is also payable as there is no dispute on the sum within 3 months from receipt of the final account on 24 May 2017 plus 6% ST;

(c) The sum of RM278,388.32 for rental of piles sheet at the site on behalf of Coneff from 1 March 2017 to 30 September 2017 were incurred on behalf of Coneff; and

(d) Interest on the above amounts calculated at the rate of Maybank Base Lending Rate plus 1% until the full and final settlement of the sums.

In addition, the solicitors on record of this matter acting for VESB is also of the opinion that VESB's claims are reasonably strong as Coneff breached the contract by failing to provide VESB with the security documents of RM80,000,000.00.

The arbitration was fixed for hearing on 13, 14, 15, 20, 21, 22 October 2020 but vacated due to CMCO. Hearing dates remain to be fixed as at the date of this report.

40. MATERIAL LITIGATIONS (CONTINUED)

(ii) Mazlan Bin Chik & Ors v Datuk Bandar Kuala Lumpur ("DBKL") & Almaventures Development Sdn. Bhd.

The suit commenced on 8 March 2021 via the filing of a writ summon and statement of claim by the plaintiffs, whom all 17 of them were former vendors conducting business in Pasar Besar Gombak ("Plaintiffs"). The Plaintiffs claim originated from DBKL's plan demolish the building of Pasar Besar Gombak and to construct a 10 floors commercial building on the same land, in which the Plaintiffs were asked to vacate their business premise to make way for the demolition and construction.

The Plaintiffs' claim against Datuk Bandar Kuala Lumpur ("1st Defendant") and Almaventures Development Sdn Bhd ("2nd Defendant" or "Almaventures") (a 70%-owned indirect subsidiary of the Company) include loss of income, moving costs and compensation from DBKL which amounts to:

(a) a total claim amounting to RM3,099,730.00 as at 28 February 2021;

(b) court order granted to the Plaintiffs to be given new business premises in the same spot;

(c) court order for Plaintiffs to be given prior chances to choose business space before other vendors who are not originally having their business in the Pasar Besar Gombak;

(d) 5% interest arising from RM3,099,730.00 from judgement date until full settlement;

(e) cost; and

(f) other relief which the court deems fit.

On 26 April 2021, the 1st Defendant filed a Notice of Application to strike out the Plaintiffs' claim under Order 18 Rule 19(a) of the Rules of Court 2012.

As Almaventures had not been able to enter into appearance on time, on 5 May 2021, the 2nd Defendant filed a Notice of Application for an order inter alia as follows:

(a) all actions against Almaventures are to be postponed pending the decision of this application;

(b) Almaventures is given extension of time to file its Statement of Defendant within 14 days from the date of the order; and

(c) other orders and/or relief which the court deems fit and reasonable.

Both the notice of applications filed by the Defendants are still in affidavit stages. A case management had been held on 16 June 2021, the court had ordered the parties to file written submissions and bundles of authorities for both Enclosure 10 (Plaintiffs' judgment in default application against Almaventures) and Enclosure 30 (Almaventures' application to file defence and any subsequent cause papers) on or before 19 July 2021. The Plaintiffs' solicitors had on 19 July 2021 filed a letter requesting extension of time to file the written submissions and bundles of authorities for the Enclosure 10 and 30. The court instructed the parties to file the submissions and bundles of authorities simultaneously on 16 August 2021 and Almaventures had filed the same on 17 July 2021.

On 30 August 2021, the Court allowed Enclosure 30 with cost in the cause and dismissed Enclosure 10. The Court instructed the Plaintiffs to transfer the case to Session Court as the total claim for the case does not exceed RM1.0 million.

The case has been transferred to Session Court of Kuala Lumpur.

On 8 October 2021, Almaventures has served Enclosure 57 (Notice of application and supporting affidavit).

On 13 October 2021, the court ordered Plaintiffs to file an Affidavit in Reply for Enclosure 57 on or before 26 October 2021 and Almaventures to file a reply to Plaintiffs' Affidavit in Reply on or before 9 November 2021. The court had ordered the parties to file written submissions simultaneously on 23 November 2021. The next case management will be held on 15 December 2021.

In solicitor's opinion, Almaventures has a good chance of success. Any agreements made was solely between the Plaintiffs and DBKL. Almaventures has never deal with or agree to any demands raised by the Plaintiffs.

40. MATERIAL LITIGATIONS (CONTINUED)

(iii) Neata Aluminium (Malaysia) Sdn. Bhd. ("Neata"), a 78.6%-owned subsidiary of the Company vs Castmet Sdn. Bhd. ("Casmet") and Tujuan Gemilang Sdn. Bhd. ("Tujuan")

Castmet had vide a letter of award dated 1 June 2015 and executed on 25 June 2015 and a further letter of award dated 26 January 2016, appointed Neata as nominated sub-contractor for the design, supply and installation of aluminium doors and windows in a development project at PT48541, Persiaran Bestari, Cyber 10, Cyberjaya, Mukim Dengkil, Daerah Sepang, Selangor Darul Ehsan ("Project").

In proceedings under the Contruction Industry Payment & Adjudication Act 2012 ("CIPAA") instituted by Neata against Castmet for work done in the Project in the sum of RM648,092.94 for Phase III being payment for valuation certificate no. 24 in Phase III, Castmet raised the defence that Tujuan, being the Employer, is obliged to pay Neata and not Castmet. This allegation culminated in an award dated 3 August 2020, in which the adjudicator agreed with Castmet and found that the obligation to pay Neata was exclusive to Tujuan owing to a clause in the above letters of award which stated that payments will be made by cheques issued by Tujuan. Concurrently during the CIPAA proceedings, Castmet also filed a Writ and Statement of Claim on 14 May 2020 to determine this same issue but withdrew the same with liberty to file afresh once the outcome of the CIPAA proceedings was Castmet's favour.

Neata has challenged the adjudicator's decision of which this matter was fixed for hearing on 9 June 2021. On 9 June 2021, the court has stayed the adjudication decision dated 3 August 2020 with costs to be borne by Castmet.

Further, Neata had instituted a suit against both Castmet and Tujuan to finally determine the issue on 2 September 2020, claiming against both Castmet and Tujuan for work done in the Project in sum of RM648,92.94 being certified sum under valuation certificate no.24 dated 19 August 2016 and RM705,662.60 being the retention sum. Castmet has filed a defence alleging that Tujuan bears the responsibility of paying Neata, while Tujuan has filed a defence alleging that there is no privity of contract between Tujuan and Neata. Castmet has also filed an interlocutory application to stay proceedings and to refer the matter to arbitration while Tujuan has filed an interlocutory application to strike out the matter. This matter was fixed for further submission on 15 June 2021 regarding Castmet's application to stay the matter pending arbitration and Tujuan's application to strike out the matter against them.

On 15 June 2021, the court dismissed Castmet's application to stay the matter pending arbitration. The court also struck off Neata's claim against Tujuan but ordered Castmet to pay Tujuan's costs of RM10,000.00. The decision on costs was delivered on 2 July 2021. The matter is now fixed for trial against Castmet alone on 7 and 8 of April 2022 and 5 and 6 May 2022. The court has therefore decided that the adjudicator's decision in the proceedings instituted by Neata against Castmet was wrong.

Castmet has filed an appeal against the decision on 15 June 2021. The matter is fixed for hearing on 15 March 2022.

In solicitor's opinion, Neata has a strong chance of success against Castmet as the amount claimed has been certified and the retention sums are due as the defect liability periods have expired. Castmet has hinted in its defence that there are liquidated ascertained damages to be imposed against Neata but did not give any particulars of these liquidated ascertained damages.

(iv) Legal Suit between Neata and China Construction Yangtze River (Malaysia) Sdn. Bhd. ("CCYMSB")

By a Letter of Appointment dated 26 January 2018, CCYMSB appointed Neata as a nominated sub-contractor for aluminium and glazing works for the development project known as Harbor City Melaka ("HCM Project").

Neata has issued a Notice of Adjudication under the CIPAA on 2 March 2020 against CCYMSB for the principal sum of RM2,629,147.21 and interest running thereon and on all late payments calculated on the amounts due, from the due dates until full and final settlement in respect of works done for the Project.

Neata has lodged its adjudication claim on 4 May 2021.

40. MATERIAL LITIGATIONS (CONTINUED)

(iv) Legal Suit between Neata and China Construction Yangtze River (Malaysia) Sdn. Bhd. ("CCYMSB") (continued)

CCYMSB has lodged its adjudication response and Neata has lodged its adjudication reply on 23 June 2021.

On 25 August 2021, the adjudicator has given an award in favour of Neata whereby CCYMSB shall pay Neata the adjudicated sum of RM2,629,147.21 and the cost of the adjudication of RM45,164.80 on or before 8 September 2021.

CCYMSB failed to comply with the award and Neata has on 16 September 2021 filed an Originating Summons to enforce the award.

On 30 September 2021, the court allowed CCYMSB to file an application to set aside the CIPAA award and CCYMSB shall file the application by 15 October 2021. The matter is fixed for hearing on 7 December 2021.

(v) Legal Suit between Neata and Paramount Promenade Sdn. Bhd. ("Paramount")

By a Letter of Appointment dated 23 December 2015, Paramount appointed Neata as nominated sub-contractor for aluminium and glazing works for the commercial development project known as Phase 2 – Commercial Development (Retail Podium, Block B, C, D, E, F & G) on Part of Lot 58413, 58414, 58415 & 58416, Mukim Kuala Lumpur, Wilayah Persekutuan, Kuala Lumpur for M/S Suez Domain Sdn Bhd ("Paramount Promenade Project").

Neata has issued a Notice of Adjudication under the CIPAA on 6 May 2020 against Paramount for RM543,645.74 and interest running calculated on all late payment sums from due date until the date payment was made and on all outstanding payments from the due date until full and final settlement in respect of works done for the Paramount Promenade Project.

The CIPAA proceedings was sent for registration on 16 February 2021. However, this matter was subsequently withdrawn on 9 March 2021 as Paramount has ceased operations. Subsequently, Neata decided to reinstate the CIPAA proceedings, to obtain an award against Paramount and then demand payment on the award against the principal employer under Section 30 of CIPAA.

In solicitor's opinion, this would be successful provided that the principal employer has paid Paramount the sum owed to Neata.

41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS AFTER THE FINANCIAL YEAR.

During the financial year,

(a) V Development Sdn. Bhd., a subsidiary of the Company has acquired 1,455,000 ordinary shares capital of Rain International Sdn. Bhd. ("RISB"), a company incorporated in Malaysia, representing 97% of the entire issued and paid-up share capital of RISB for total consideration of RM1,455,000. RISB has secured an agreement for the supply of marine sand for a period of 3 years ("the Project");

(b) the Company made an announcement on the proposal of private placement of up to 10% of the total number of issued shares of the Company and proposal of bonus issue of warrants of up to 371,773,359 free warrants in the Company ("Warrants F") on the basis of 1 Warrants F for every 3 new ordinary shares held by the entitled shareholders of the Company. On 13 October 2021, Bursa Securities has granted the Company an extension of time until 19 April 2022 to complete the implementation of this proposed private placement;

(c) the Company has entered into a subscription agreement with EA Holdings Berhad ("EAH") for the proposed subscription of 1,100,000,000 new ordinary shares in EAH, representing 24.6% equity interest in EAH at an issue price of RM0.0211 per subscription share, to be fully satisfied via the issuance of 62,645,075 new ordinary shares of the Company at an issue price of RM0.3705 per consideration share ("Proposed Subscription"). As of the date of this report, the Proposed Subscription is conditional approval from shareholders of the Company at an extraordinary general meeting to be convened on 18 November 2021; and

41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS AFTER THE FINANCIAL YEAR. (CONTINUED)

(d) On 11 March 2020, the World Health Organisation declared the Coronavirus ("COVID-19") outbreak as a pandemic in recognition of its rapid spread across the globe. On 16 March 2020, the Malaysian Government has imposed the Movement Control Order ("MCO") starting from 18 March 2020 to curb the spread of the COVID-19 outbreak in Malaysia.

On 1 June 2021, the Government of Malaysia has further imposed the Full Movement Control Order ("FMCO") so as to contain the pandemic.

The Group and the Company have performed assessments on the overall impact of the situation on the Group's and the Company's operations and financial implications, including the recoverability of the carrying amount of assets and subsequent measurement of assets and liabilities, and concluded that there is no material adverse effect on the financial statements for the financial year ended 30 June 2021.

The Group and the Company will continuously monitor the impact of COVID-19 and take appropriate and timely measures to minimise the impact of the outbreak on the Group and the Company's operations.

Subsequent to the financial year,

(a) On 1 July 2021, the Company had entered into heads of agreement ("HOA") with Strattner Alternative Credit Fund LP, upon the terms and subject to the conditions contained in the HOA, that shall invest up to USD350,000,000 (equivalent to RM1.452 billion) to subscribe for the Company's ordinary shares.

42. COMPARATIVE FIGURES

(a) The comparative figures were for a period of eighteen months and may not be comparable with current financial year's figures.

(b) The comparative figures were audited by another firm of Chartered Accountants. The following entries were made to the statement of financial position and statement of cash flows of prior period due to reclassification made to conform with the current year's presentations as follows:

Group	As previously reported 30.06.2020 RM	Reclas-sification RM	As restated 30.06.2020 RM
Statements of financial position (extracted):			
Non current assets			
Receivables	10,161,654	(10,161,654)	-
Trade receivables	-	10,161,654	10,161,654
Current assets			
Receivables	275,462,494	(275,462,494)	-
Trade receivables	-	121,245,141	121,245,141
Other receivables, deposits and prepayments	-	154,217,353	154,217,353
Non current liabilities			
Payables	4,729,612	(4,729,612)	-
Trade payables	-	4,729,612	4,729,612
Current liabilities			
Payables	19,509,361	(19,509,361)	-
Trade payables	-	17,302,598	17,302,598
Other payables	-	2,206,763	2,206,763

42. COMPARATIVE FIGURES (CONTINUED)

Company	As previously reported 30.06.2020 RM	Reclas- sification RM	As restated 30.06.2020 RM
Statements of financial position (extracted):			
Current assets			
Receivables	14,269,008	(14,269,008)	-
Trade receivables	-	13,207,250	13,207,250
Other receivables, deposits and prepayments	-	1,061,758	1,061,758
Current liabilities			
Payables	325,043	(325,043)	-
Trade payables	-	91,906	91,906
Other payables	-	233,137	233,137

43. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 28 October 2021 by the Board of Directors.

Total number of issued shares	:	906,455,000
Class of shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share

SIZE OF SHAREHOLDINGS AS AT 8 October 2021

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of shares	% of issued capital
Less than 100	3,580	18.3	77,268	0.0
100 - 1,000	3,050	15.6	1,668,559	0.2
1,001 - 10,000	7,805	39.9	38,234,687	4.2
10,001 - 100,000	4,506	23.0	144,685,641	16.0
100,001 and below 5%	621	3.2	200,262,379	22.1
5% and above	3	0.0	521,526,466	57.5
TOTAL	**19,565**	**100.0**	**906,455,000**	**100.0**

SUBSTANTIAL SHAREHOLDERS AS AT 8 October 2021

Name	Direct Interest	%	Deemed Interest	%
Dato' Seri Chia Kok Teong	294,766,934	32.5	-	-
Golden Key Portfolio Sdn Bhd	169,936,172	18.7		
Ang Li-Hann	56,823,360	6.3	-	-

DIRECTORS' SHAREHOLDING AS AT 8 October 2021

Name	Direct Interest	%	Deemed Interest	%
Ar. Lim Tong Hock	-	-	-	-
Dato' Seri Chia Kok Teong	294,766,934	32.5	-	-
Tan Chuek Hooi	583,333	0.1		
David Hah Wei Onn	-	-	-	-
Choo Seng Choon	-	-	-	-
Dato' Azahar bin Rasul	-	-	-	-
Tay Mun Kit	-	-	-	-

LIST OF 30 LARGEST SHAREHOLDERS AS AT 8 OCTOBER 2021

NO.	NAME	NO. OF SHARES	%
1	GOLDEN KEY PORTFOLIO SDN. BHD.	169,936,172	18.7%
2	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD UOB KAY HIAN SECURITIES (M) SDN BHD FOR CHIA KOK TEONG	164,250,000	18.1%
3	DATO' SERI CHIA KOK TEONG	126,216,934	13.9%
4	ANG LI-HANN	56,823,360	6.3%
5	FAN RUEY YIN	13,000,000	1.4%
6	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEONG SOO HAN	10,000,000	1.1%
7	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	9,010,350	1.0%
8	LAI WEE KIAT	4,104,500	0.5%
9	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH SWEE SIM	4,000,000	0.4%
10	SEE JOVIN	3,000,000	0.3%
11	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH SWEE SIM (MY4051)	2,900,000	0.3%
12	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHAMMAD SOBRI BIN SAAD	2,800,000	0.3%
13	CHEONG SOO HAN	2,325,000	0.3%
14	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOW CHOON FUTT (E-TCS)	1,918,000	0.2%
15	LEONG WEI LUN	1,790,000	0.2%
16	CHEE CHAN SAU	1,710,000	0.2%
17	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	1,582,400	0.2%
18	YAP MENG HENG	1,580,000	0.2%
19	TING CHEK HUA	1,480,000	0.2%
20	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ANG MING TAT	1,451,100	0.2%
21	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHAMMAD SOBRI BIN SAAD	1,450,000	0.2%
22	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR TAN HONG XIN	1,387,200	0.2%
23	LAU HOOI LIN	1,300,000	0.1%
24	CHUA SIEW CHEN	1,210,000	0.1%
25	NUR SABRINA BINTI SAHARUDDIN	1,201,166	0.1%
26	CHAI WAI ANN	1,200,000	0.1%
27	LOW TEE CHOW	1,173,850	0.1%
28	LEE CHOOI SIA	1,150,000	0.1%
29	LAM AH MEI	1,140,000	0.1%
30	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOR SEK CHOON	1,100,000	0.1%

Type of Securities	Warrants 2018/2023
Voting Rights	One vote per warrant in respect of a meeting of warrant holders

DISTRIBUTION OF WARRANTHOLDINGS AS AT 8 OCTOBER 2021

	No. of holders	%	No. of Warrants	%
Less than 100	1,139	27.9	26,244	0.0
100 - 1,000	654	16.0	344,755	0.3
1,001 - 10,000	1,219	29.9	5,928,555	5.5
10,001 - 100,000	876	21.5	30,366,693	28.3
100,001 and below 5%	191	4.7	53,341,426	49.6
5% and above	2	0.0	17,464,672	16.3
TOTAL	**4,081**	**100.0**	**107,472,345**	**100.0**

DIRECTORS' WARRANTHOLDING AS AT 8 OCTOBER 2021

Name	Direct Interest	%	Deemed Interest	%
Ar. Lim Tong Hock	-	-	-	-
Dato' Seri Chia Kok Teong	-	-	-	-
Tan Chuek Hooi	-	-	-	-
David Hah Wei Onn	-	-	-	-
Choo Seng Choon	-	-	-	-
Dato' Azahar bin Rasul	-	-	-	-
Tay Mun Kit	-	-	-	-

LIST OF 30 LARGEST WARRANT E HOLDERS AS AT 8 OCTOBER 2021

NO.	NAME	NO. OF WARRANTS	%
1	ANG LI-HANN	11,364,672	10.6
2	GOLDEN OASIS RESOURCES SDN BHD	6,100,000	5.7
3	UOB KAY HIAN NOMINEES EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	2,403,415	2.2
4	SJ SEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAU YAU YAN (SMT)	1,643,000	1.5
5	TAN BOON SIANG	1,200,000	1.1
6	HONG TEEK LEE	1,137,600	1.1
7	MICHELLE NG QIAN YING	1,024,000	1.0
8	HLIB NOMINEES (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR NG SHIH CHIOW	1,000,000	0.9
9	SOO TECK LEE	973,000	0.9
10	TEE KIAM LOOW	905,000	0.8
11	NICHOLAS NG YU HAN	878,800	0.8
12	LAM AH MEI	730,000	0.7
13	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI KUM LIN	727,300	0.7
14	KIAN SIEW SIN	650,000	0.6
15	LAILA BINTI ISMAIL	640,000	0.6
16	TAN KIAN BOON	600,000	0.6
17	CHEAH YEAT MAY	566,500	0.5
18	YAP SOOK LEE	557,000	0.5
19	LEONG POOI YEE	550,000	0.5
20	SIN CHIN CHOON	550,000	0.5
21	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG SAY KHEONG	540,000	0.5
22	BAHRUDIN BIN ZAKARIA	520,000	0.5
23	DALJIT SINGH MONGA	500,000	0.5
24	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KING SENG	500,000	0.5
25	LEONG KWAI YING	500,000	0.5
26	YEE WAI HAN	500,000	0.5
27	ANIS HAFIZA BIN HASSAN	490,000	0.5
28	TEE HOCK HOONG	470,000	0.4
29	NORZAMRIN BIN SHIDAN	465,000	0.4
30	FAN FONG CHYEW	450,000	0.4

NOTICE IS HEREBY GIVEN that the 19th Annual General Meeting of **VINVEST CAPITAL HOLDINGS BERHAD** (Formerly Known as Vivocom Intl Holdings Berhad) ("**VinVest**" or the "**Company**") which will be held as a fully virtual meeting conducted through live streaming and remote voting using the remote participation and voting facilities at the online meeting platform of Vote2U Online provided by Agmo Digital Solutions Sdn Bhd ("**AGMO**") in Malaysia via its website at https://web.vote2u.my on Tuesday, 28 December 2021 at 11:00 a.m, or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following ordinary resolution:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2021 and the Reports of Directors and Auditors thereon. **Please refer to Explanatory Note (i)**

2. To approve the payment of Directors' fees amounting to RM192,000 from 1 July 2020 to 30 June 2021 **Resolution 1**

3. To approve the payment of Directors' fees amounting to RM250,000 for the financial year ending 30 June 2022. **Resolution 2**

4. To re-elect the Director who retires in accordance with Article 123 of the Company's Constitution as follows :-

   (a) Tan Chuek Hooi **Resolution 3**

5. To re-elect the Director who retires in accordance with Article 126 of the Company's Constitution as follows :-

   (a) Ar. Lim Tong Hock **Resolution 4**
   (b) Choo Seng Choon **Resolution 5**

6. To re-appoint Messrs. SBY Partners PLT as auditors of the Company and to authorize the Directors to fix their remuneration. **Resolution 6**

AS SPECIAL BUSINESS

7. **Ordinary Resolution**

   Authority to issue shares **Resolution 7**

   "THAT, subject always to the Companies Act 2016, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to Section 75 and Section 76 of the Companies Act 2016, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issue shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

8. **Ordinary Resolutions**

   Retention of Dato' Azahar Bin Rasul as an Independent Non-Executive Director **Resolution 8**

   "THAT authority be and is hereby given to Dato' Azahar Bin Rasul, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Independent Non-Executive Director of the Company."

   Retention of Tay Mun Kit as an Independent Non-Executive Director **Resolution 9**

   "THAT authority be and is hereby given to Tay Mun Kit, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Independent Non-Executive Director of the Company."

9. To transact any other business for which due notice shall have been given.

By Order of the Board

ANNE KUNG SOO CHING (MIA 8449) (SSM PC No. 201908002507)
TAN KAH KOON (MAICSA 7066666) (SSM PC No. 201908001500)
Company Secretaries

Kuala Lumpur
29 October 2021

Notes:-

1. ***IMPORTANT NOTICE***
Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. The online meeting platform can be recognised as the meeting venue or place under Section 327(2) of Companies Act 2016 provided that the online platform is located in Malaysia.

2. *Shareholders/proxies **WILL NOT BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the meeting.*

3. *Shareholders of the Company are to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the meeting via the Remote Participation and Voting Facilities ("RPV") provided by Agmo Digital Solutions Sdn Bhd ("AGMO") via its Vote2U Online website at https://web.vote2u.my . Please follow the Procedures for RPV provided in the Administrative Details for the meeting and read the notes below in order to participate remotely via RPV.*

4. *A shareholder of the Company who is entitled to attend, participate, speak and vote at the meeting via RPV is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his/her stead. Where a shareholder appoints more than one (1) proxy in relation to the meeting, the appointments shall be invalid unless he/ she specifies the proportions of his/ her holding to be represented by each proxy. The proxy may but need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting shall have the same rights as the shareholder to speak at the meeting.*

5. *Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*

6. *A shareholder of the Company who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this meeting via RPV must request his/ her proxy to register himself/ herself for RPV at Vote2U Online website at https://web.vote2u.my. **Please follow the Procedures for RPV in the Administrative Details for the meeting**.*

7. *The appointment of a proxy may be made by electronic means or in a hard copy form in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote:*
   i. *By electronic form*
   The proxy form can be submitted via fax at 03-2770 8166 or email to vinvest.meeting@gmail.com or by electronically lodged.
   ii. *Online via Vote2U Online*
   Register via Vote2U Online website at https://web.vote2u.my (applicable to individual shareholders only). Kindly refer to the Administrative Details on the procedures for electronic lodgment of proxy form via Vote2U Online.
   iii. *In hard copy form*
   In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

8. *Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.*

9. *Last date and time for lodging the Proxy Form is Monday, 27 December 2021, 11:00 a.m.*

10. *Any authority pursuant to which such an appointment is made by a power of attorney or appointment of corporate representative must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

11. *For the purpose of determining a shareholder who shall be entitled to attend the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 89 of the Company's Constitution and Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at Friday, 17 December 2021. Only a depositor whose name appears therein shall be be entitled to participate the said meeting or appoint a proxy to attend, participate, speak and/ or vote on his/her stead.*

PERSONAL DATA PRIVACY:-

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, participate, speak and vote at the meeting and/ or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Explanatory notes

(i) Item 1 of the Agenda - Audited Financial Statement for the financial year ended 30 June 2021

The item is meant for discussion only, as the provision of Section 340(1) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item is not put forward for voting.

(ii) Ordinary Resolution 7 - Proposed Authority to issue shares

The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 75 of the Companies Act 2016 at the 19th AGM of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the 18th AGM of the Company held on 29 December 2020 (hereinafter referred to as the "Previous Mandate").

The General Mandate will enable the Directors of the Company to issue shares any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting. The proceeds raised from the General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

(iii) Ordinary Resolutions 8 and 9 - Retention of Dato' Azahar Bin Rasul and Mr. Tay Mun Kit as an Independent Non-Executive Directors

The proposed Resolution 8 is for the purpose of retaining Dato' Azahar Bin Rasul, who has served the Company for more than nine (9) years as an Independent Non-Executive Director of the Company and has met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities Berhad ACE Market Listing Requirements. The Board, therefore, considers him to be independent and recommends that he should be retained as an Independent Non-Executive Director of the Company.

The proposed Resolution 9 is for the purpose of retaining Mr. Tay Mun Kit as an Independent Non-Executive Director of the Company when he reaches his cumulative term of nine (9) years on 18 December 2021. As at the date of the Notice of the AGM of the Company, Mr. Tay Mun Kit has served the Company for almost nine (9) years as an Independent Non-Executive Director of the Company. He has met the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities Berhad ACE Market Listing Requirements. The Board, therefore, considers him to be independent and recommends that he should be retained as an Independent Non-Executive Director of the Company.

Pursuant to Paragraph 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad :-

1. Details of individuals who are standing for election as Directors

The profile of the Directors standing for re-election is stated on Page 8 to 10 of this Annual Report.

2. Statement relating to the general mandate for issue of securities in accordance with Rule 6.04(3) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

Detail of the General Mandate for the Authority to issue shares pursuant to Section 75 of the Companies Act 2016 are set out in Explanatory Notes (ii) of the Notice of AGM.

General Meeting	:	Annual General Meeting
Day, Date, and Time of Meeting	:	Tuesday, 28 December 2021 at 11.00 a.m.
Remote Participation and Voting Facilities	:	https://web.vote2u.my
Meeting Venue	:	Online Meeting Platform of Vote2U at https://web.vote2u.my
Domain Registration Numbers with MYNIC	:	D6A471702

We continue to exercise prudence in this situation where COVID-19 outbreak is still ongoing and strictly complying to the decree of the Government of Malaysia ("Government") and the Guidance and Frequently Asked Questions of the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia ("**SC**") ("**Guidance Note and FAQs**").

Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. Hence, **VINVEST CAPITAL HOLDINGS BERHAD's** (Formerly Known as Vivocom Intl Holdings Berhad) ("**VinVest**" or the "**Company**") meeting will be held as fully virtual meeting via live streaming and online remote voting using Remote Participation and Voting ("RPV") facilities provided by Vote2U at https://web.vote2u.my

Kindly note that the quality of the live streaming is highly dependent on the bandwidth and stability of the internet connection of shareholders and proxies. Hence, you are to ensure that internet connectivity throughout the duration of the meeting is maintained.

Entitlement to Participate and Vote Remotely

Shareholders whose names appear on the Record of Depositors ("ROD") as at 17 December 2021 shall be eligible to attend, participate and vote remotely in the meeting, or appoint proxy(ies)/ the Chairman of the general meeting to attend, participate and/or vote on his/her behalf.

PROCEDURES TO PARTICIPATE IN RPV FACILITIES

Please follow the procedures to participate in RPV facilities as summarised below:

BEFORE MEETING DAY

A:	**REGISTRATION**	
	Description	**Procedure**
i.	Shareholders to Register with Vote2U - Individual Shareholders	a. Access website at https://web.vote2u.my b. Select "***Sign Up***" to sign up as user. c. Read and indicate your acceptance of the 'Privacy Policy' and 'Terms & Conditions' by clicking on a small box . Then select "***Next***". d. Fill-in your details – (i) ensure your email address is valid & (ii) create your own password. Then select "Continue". e. Upload a clear copy of your MyKAD for Malaysian (front only) or passport for non-Malaysian (page with photo). f. Registration as user completed. g. An email notification will be sent to you. *Note:* *If you have already signed up/registered as a user with Vote2U previously, you are not required to register again.*

PROCEDURES TO PARTICIPATE IN RPV FACILITIES (CONTINUED)

BEFORE MEETING DAY (CONTINUED)

B:	REGISTRATION OF PROXY	
i.	Submit Proxy Form (hard copy) - Individual Shareholders - Corporate Shareholders - Authorised Nominee - Exempt Authorised Nominee	a. Fill-in the details on the hard copy Proxy Form by providing the following information: o Proxy(ies) & Corporate Representative - Name - Number of MyKAD for Malaysian or passport for non-Malaysian - Address and email address - ensure email address is valid b. Corporate Representative only - deposit the hard copy of Proxy Form together with the following document to the address as stated on the Proxy Form: A copy of Certificate of Appointment as corporate representative c. Individual shareholders, authorised nominee and exempt authorised nominee - deposit the hard copy Proxy Form to the address as stated on the Proxy Form. d. Submitted Proxy Form will be verified. e. After verification, proxy(ies) and corporate representative will receive email notification with temporary credentials, i.e. email address & password, to log in to Vote2U.

REVOCATION OF PROXY

	Description	Procedure
i.	Revoke a Proxy - Individual Shareholders - Corporate Shareholders - Authorised Nominee - Exempt Authorised Nominee	a. Email to the Company Secretaries at bizvibeconsultancy@gmail.com to revoke the appointment of your proxy(ies). *Note:* *Applicable to individual shareholders/corporate shareholders/authorised nominee/exempt authorised nominee who have appointed proxy(ies)/corporate representative using hard copy Proxy Form.*

ON GENERAL MEETING DAY

1.	Log in to https://web.vote2u.my with your registered email address and password.	
	For proxy(ies) and corporate representative, log in with the temporary credentials in the email which you have received from Vote2U.	
2.	Vote2U will be opened for log in one (1) hour before the commencement of the general meeting you are attending.	
3.	When you are logged in, select the general meeting event you are attending. On the main page, you are able to access the following:	
	Description	**Procedures**
i.	Live Streaming	a. Select "Watch Live" button to view the live streaming.
ii.	Ask Question (real-time)	a. Select "Ask Question" button to pose a question. b. Type in your question and select "Submit" *Note:* *The Chairman of the general meeting/Board of Directors will endeavour to respond to questions submitted by remote shareholders and proxies and corporate representatives during the meeting.*
iii.	Remote Voting	a. On the main page, scroll down and select "Confirm Details & Start Voting". b. To vote, select your voting choice from the options provided. A confirmation screen will appear to show your selected vote. Select "Next" to continue voting for all resolutions. c. After you have completed voting, a Voting Summary page appears to show all the resolutions with you voting choices. Select "Confirm" to submit your vote. *Note:* *Once you have confirmed and submitted your votes, you are not able to change your voting choices.*

PROCEDURES TO PARTICIPATE IN RPV FACILITIES (CONTINUED)

ON GENERAL MEETING DAY (CONTINUED)

	Description	Procedures
iv.	View Voting Results	a. On the main page, scroll down and select "View Voting Results".
v.	End of RPV	a. Upon the announcement by the Chairman of the general meeting on the closure of the said meeting, the live streaming will end. b. You may log out from Vote2U.

ADDITIONAL INFORMATION

Voting Procedure

Pursuant to paragraph 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at a general meeting will be conducted by poll. The Company has appointed Agmo Digital Solutions Sdn. Bhd. as the poll administrator to conduct the polling process and Aegis Communication Sdn. Bhd. as the independent scrutineers to verify the results of the poll.

Meeting Venue

Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. The online meeting platform can be recognised as the meeting venue or place under Section 327(2) of Companies Act 2016 provided that the online platform is located in Malaysia.

No e-Voucher, Gift, and Food Voucher

There will be no e-Voucher, gift, and food voucher for shareholders, proxies and corporate representatives who participate in the meeting.

Enquiry

a. For enquiries relating to the general meeting, please contact our Share Registrar during office hours (9:00 a.m. to 5:00 p.m.) on Mondays to Fridays (except public holidays) as follows:

   Telephone No. : 03-7729 5529
   Email : insurban@gmail.com

b. For enquiries relating to RPV facilities or issues encountered during registration, log in, connecting to the live streaming and online voting facilities, please contact Vote2U helpdesk during office hours (9:00 a.m. to 5:00 p.m.) on Mondays to Fridays (except public holidays) as follows:

   Telephone No. : 03-7664 8520 / 03-7664 8521
   Email : vote2u@agmostudio.com

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Form of Proxy

VINVEST CAPITAL HOLDINGS BERHAD
(Formerly Known as Vivocom Intl Holdings Berhad)
[Registration No. 200201028636 (596299-D)]
(Incorporated in Malaysia)

CDS Account No.:	
No. of Shares Held:	

I/ We .... *NRIC/ Company no. ....
(FULL NAME IN BLOCK CAPITAL)

of ....
(FULL ADDRESS)

telephone no. .... email address .... being a member/members of **VINVEST CAPITAL HOLDINGS BERHAD** (Formerly Known As Vivocom Intl Holdings Berhad)

Name of proxy & NRIC No.	No. of shares	%
1.		
2.		

or failing him/her

Name of proxy & NRIC No.	No. of shares	%
1.		
2.		

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Nineteenth Annual General Meeting ("19th AGM") of the Company to be held on Tuesday, 28 December 2021 at 11.00 a.m. and at any adjournment thereof in the manner indicated below in respect of the following Resolutions :

	RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees amounting to RM192,000 from 1 July 2020 to 30 June 2021		
2.	To approve the payment of Directors' fees amounting to RM250,000 for the financial year ending 30 June 2022.		
3.	To re-elect the Director, Tan Chuek Hooi, who retires in accordance with Article 123 of the Company's Constitution.		
4.	To re-elect the Director, Ar. Lim Tong Hock, who retires in accordance with Article 126 of the Company's Constitution.		
5.	To re-elect the Director, Choo Seng Choon, who retires in accordance with Article 126 of the Company's Constitution.		
6.	To re-appoint Messrs. SBY Partners PLT as auditors of the Company and to authorize the Directors to fix their remuneration.		
	AS SPECIAL BUSINESS		
7.	Authority to issue shares		
8.	Retention of Dato' Azahar Bin Rasul as an Independent Non-Executive Director		
9.	Retention of Tay Mun Kit as an Independent Non-Executive Director		

Please mark with " X " in either box if you wish to direct the proxy how to vote. If no mark is made the proxy may vote on the resolutions or abstain from voting as the proxy thinks fit.

* Strike out whichever is not desired

Signed this .... day of 2021

....
Signature(s) of Member(s)

....
Affix Company's Seal (if applicable)

Notes:-

1. ***IMPORTANT NOTICE***
Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. The online meeting platform can be recognised as the meeting venue or place under Section 327(2) of Companies Act 2016 provided that the online platform is located in Malaysia.
2. *Shareholders/proxies* ***WILL NOT BE PHYSICALLY PRESENT*** *at the Broadcast Venue on the day of the meeting.*
3. *Shareholders of the Company are to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the meeting via the Remote Participation and Voting Facilities ("RPV") provided by Agmo Digital Solutions Sdn Bhd ("AGMO") via its Vote2U Online website at https://web.vote2u.my. Please follow the Procedures for RPV provided in the Administrative Details for the meeting and read the notes below in order to participate remotely via RPV.*
4. *A shareholder of the Company who is entitled to attend, participate, speak and vote at the meeting via RPV is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his/her stead. Where a shareholder appoints more than one (1) proxy in relation to the meeting, the appointments shall be invalid unless he/she specifies the proportions of his/her holding to be represented by each proxy. The proxy may but need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting shall have the same rights as the shareholder to speak at the meeting.*
5. *Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA") which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
6. *A shareholder of the Company who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this meeting via RPV must request his/her proxy to register himself/ herself for RPV at Vote2U Online website at https://web.vote2u.my.* ***Please follow the Procedures for RPV in the Administrative Details for the meeting.***
7. *The appointment of a proxy may be made by electronic means or in a hard copy form in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote:*
   i. *By electronic form*
   The proxy form can be submitted via fax at 03-2770 8166 or email to vinvest.meeting@gmail.com or by electronically lodged.

ii. <u>Online via Vote2U Online</u>
Register via Vote2U Online website at <u>https://web.vote2u.my</u> (applicable to individual shareholders only). Kindly refer to the Administrative Details on the procedures for electronic lodgment of proxy form via Vote2U Online.

iii. <u>In hard copy form</u>
In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

8. *Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.*
9. *Last date and time for lodging the Proxy Form is Monday, 27 December 2021, 11:00 a.m.*
10. *Any authority pursuant to which such an appointment is made by a power of attorney or appointment of corporate representative must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
11. *For the purpose of determining a shareholder who shall be entitled to attend the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 89 of the Company's Constitution and Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at Friday, 17 December 2021. Only a depositor whose name appears therein shall be be entitled to participate the said meeting or appoint a proxy to attend, participate, speak and/ or vote on his/ her stead.*

PERSONAL DATA PRIVACY:-
By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, participate, speak and vote at the meeting and/ or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Please fold here

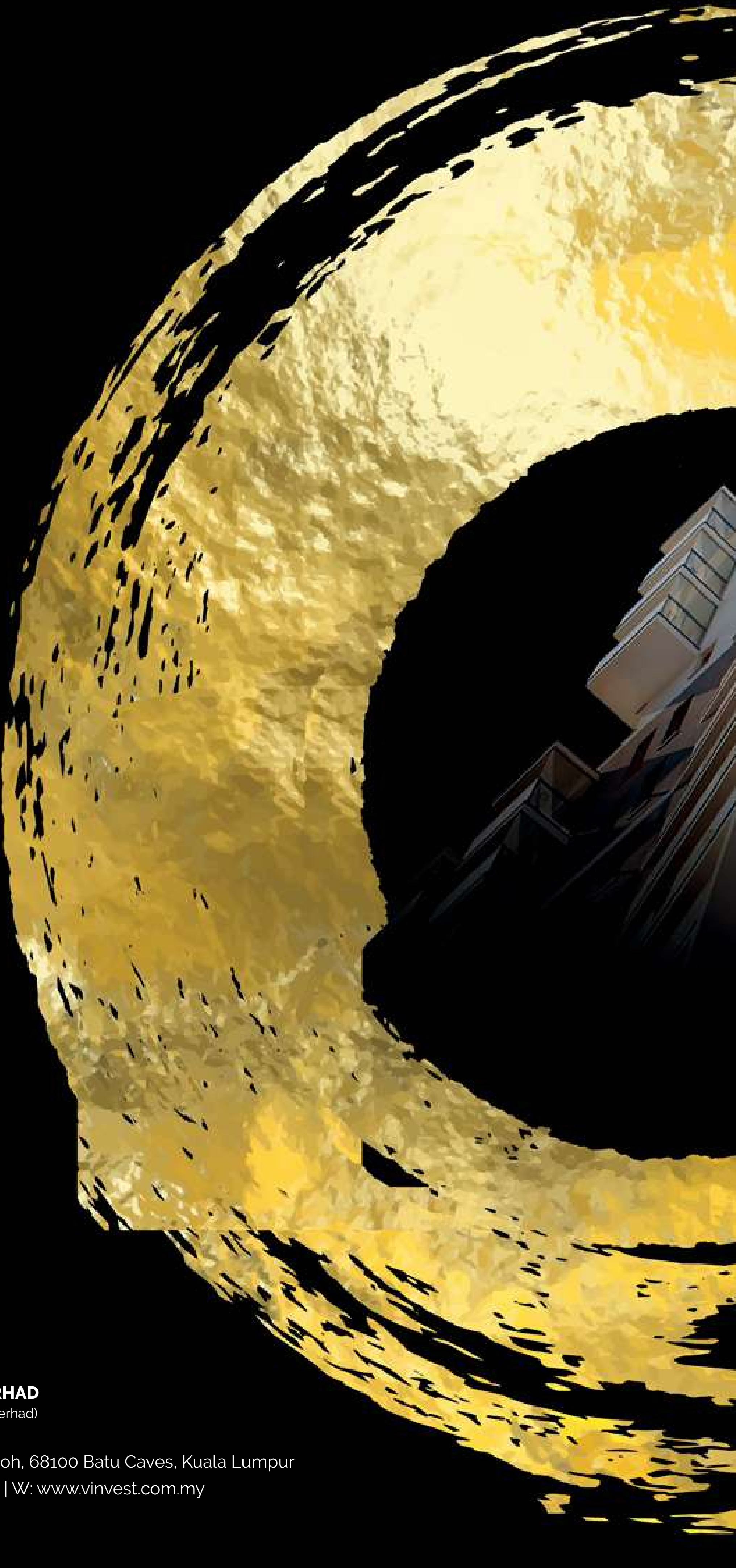
AFFIX
STAMP

THE COMPANY SECRETARIES

VINVEST CAPITAL HOLDINGS BERHAD
(Formerly Known as Vivocom Intl Holdings Berhad)
[Registration No. 200201028636 (596299-D)]

29-2, Level 29, Oval Damansara,
685, Jalan Damansara,
Taman Tun Dr. Ismail,
60000 Kuala Lumpur

Please fold here



VINVEST CAPITAL HOLDINGS BERHAD
(Formerly Known as Vivocom Intl Holdings Berhad)
[Registration No. 200201028636 (596299-D)]

No.4, Jalan Seri Utara 1, Off Jalan Ipoh, 68100 Batu Caves, Kuala Lumpur
T: 603 6259 0111 | F: 603 6252 8899 | W: www.vinvest.com.my