

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
(formerly known as Vivocom Intl Holdings Berhad)
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2022

	----- Individual Quarter -----		----Cumulative Quarter----	
	Current year quarter 31 March 2022	Preceding year corresponding quarter 31 March 2021	Current year to date 31 March 2022	Preceding year corresponding period 31 March 2021
	RM'000	RM'000	RM'000	RM'000
Revenue	20,766	21,885	47,636	54,924
Cost of Sales	(14,371)	(17,226)	(30,272)	(43,003)
Operational depreciation and amortization	(2)	(150)	(9)	(450)
Gross Profit	6,393	4,509	17,355	11,471
Other operating income	163	244	282	859
Administrative Expenses	(2,665)	(2,533)	(9,939)	(6,361)
Depreciation and amortization	(409)	(299)	(1,250)	(791)
Operating Profit	3,482	1,921	6,448	5,178
Finance cost	(1,419)	(214)	(3,989)	(863)
Profit Before Tax	2,063	1,707	2,459	4,315
Taxation	(112)	(708)	(431)	(1,771)
Profit After Tax	1,951	999	2,028	2,544
Other comprehensive income	-	-	-	-
Total comprehensive profit	<u>1,951</u>	<u>999</u>	<u>2,028</u>	<u>2,544</u>
Profit/(Loss) attributable to :				
Equity holders of the Company	(711)	655	(1,138)	1,674
Non-controlling interests	2,662	344	3,166	870
	<u>1,951</u>	<u>999</u>	<u>2,028</u>	<u>2,544</u>
Total comprehensive income/(loss) attributable to :				
Equity holders of the Company	(711)	655	(1,138)	1,674
Non-controlling interests	2,662	344	3,166	870
	<u>1,951</u>	<u>999</u>	<u>2,028</u>	<u>2,544</u>
Weighted average no. of ordinary shares in issue ('000)	969,100	579,685	934,348	571,569
Earnings/(Loss) per share (sen):-				
a) Basic	(0.07)	0.11	(0.12)	0.29

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2021.

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
(formerly known as Vivocon Intl Holdings Berhad)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	As at 31 March 2022 (Unaudited) RM'000	As at Preceding Financial Year Ended 30 June 2021 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	13,858	15,987
Right-of-use assets	1,138	1,188
Goodwill on consolidation	313,538	313,538
Other investment	24,475	4,448
Receivables	7,320	6,352
	<u>360,329</u>	<u>341,513</u>
Current assets		
Inventories	1,192	1,272
Property Development cost	80,048	86,459
Receivables	233,130	238,332
Amount due from customers	64,130	53,357
Tax recoverable	25	2,821
Deposits with licensed banks	7,554	4,531
Cash And Cash Equivalents	52,515	60,389
	<u>438,594</u>	<u>447,161</u>
Total Assets	<u><u>798,923</u></u>	<u><u>788,674</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	567,146	543,936
Other reserves	6,341	6,341
Retained profits	29,956	31,266
Shareholders' equity	<u>603,443</u>	<u>581,543</u>
Non-controlling interests	35,471	32,305
Total equity	<u>638,914</u>	<u>613,848</u>
Non-Current liabilities		
Borrowings	42,641	43,807
Lease Liability	23	234
Deferred tax liabilities	17	17
Payables	5,513	5,513
	<u>48,194</u>	<u>49,571</u>
Current liabilities		
Payables	26,089	37,265
Amount owing to directors	51,305	51,878
Bank overdraft	1,300	1,468
Borrowings	30,130	31,239
Lease Liability	135	185
Provision for taxation	2,856	3,220
	<u>111,815</u>	<u>125,255</u>
Total liabilities	160,009	174,826
Total equity and liabilities	<u><u>798,923</u></u>	<u><u>788,674</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.67</u>	<u>0.64</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2021.

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
(formerly known as Vivocom Intl Holdings Berhad)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2022

	Current year to date 31 March 2022 (Unaudited) RM'000	Preceding year corresponding period 31 March 2021 (Unaudited) RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Taxation	2,028	4,315
Adjustments for Non-cash items	<u>5,045</u>	<u>1,616</u>
Operating profit before working capital changes	7,073	5,931
Changes in working capital		
Net change in property development costs	6,411	(80,096)
Net change in inventories and work-in-progress	80	271
Net change in trade and other receivables	4,234	32,379
Net change in trade and other payables	(11,437)	(687)
Net change in amount due from customers	(10,773)	3,112
Net change in directors account	(573)	-
Net cash used in operations	<u>(4,985)</u>	<u>(39,090)</u>
Tax recovered	2,194	101
Net cash used in from operating activities	<u>(2,791)</u>	<u>(38,989)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Placement of fixed deposits	1,407	(23,649)
Net cashflow from acquisition of subsidiary	-	(27,523)
Acquisition of plant and equipment	-	(2,295)
Interest income	203	488
Net cash generated from investing/(used in) investing activities	<u>1,610</u>	<u>(52,979)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issuance of shares	-	57,298
Conversion of Warrants	-	2,904
Borrowings	(2,443)	50,578
Lease payables	(261)	(152)
Interest paid	(3,989)	(863)
Net cash generated from/(used in) used in financing activities	<u>(6,693)</u>	<u>109,765</u>
Net Change in Cash and Cash Equivalents	(7,874)	17,797
Cash and Cash Equivalents at beginning of the period	60,389	28,768
Cash and Cash Equivalents at end of the period	<u><u>52,515</u></u>	<u><u>46,565</u></u>
Represented by :		
Cash and bank balances	<u>52,515</u>	<u>46,565</u>
CASH FLOW FROM FINANCING ACTIVITIES	<u><u>52,515</u></u>	<u><u>46,565</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with audited financial statements of the Group for the financial year ended 30 June 2021.

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)**(formerly known as Vivocon Intl Holdings Berhad)****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED
31 MARCH 2022**

	<----Non-distributable---->		Distributable		Non- controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Warrants Reserve RM'000	Retained Profits RM'000	Total RM'000		
As at 30 June 2021 (Audited)	543,936	6,341	31,266	581,543	32,305	613,848
Issuance of new shares	23,210	-	(172)	23,038	-	23,038
Total comprehensive income for the period	-	-	(1,138)	(1,138)	3,166	2,028
As at 31 March 2022	567,146	6,341	29,956	603,443	35,471	638,914
As at preceding year corresponding quarter 31 March 2021						
As at 30 June 2020 (Audited)	415,850	11,481	24,766	452,097	19,243	471,340
Expiration of Warrants 2015/2020 (Warrants D)	-	(4,797)	4,797	-	-	-
Subscription of shares during the year	57,297	-	-	57,297	-	57,297
Acquisition of subsidiary company	65,700	-	-	65,700	14,605	80,305
Conversion of Warrants	2,904	(343)	343	2,904	-	2,904
Total comprehensive income for the period	-	-	1,674	1,674	870	2,544
As at 31 March 2021	541,751	6,341	31,580	579,672	34,718	614,390

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group financial year ended 30 June 2021.

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
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NOTES TO THE QUARTERLY REPORT

PART A: EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARDS (“FRS”) 134: INTERIM FINANCIAL REPORTING

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and is in compliance with Malaysian Financial Reporting Standards ("MFRS") 134: Interim Financial Reporting.

The condensed consolidated interim financial report should be read in conjunction with the audited financial statements of the Group for the Financial Year Ended ("FYE") 30 June 2021 and the accompanying explanatory notes attached to the interim financial report.

A2. Accounting policies

The significant accounting policies adopted by the Group in this interim report are consistent with those adopted in the Audited Financial Statements of the Group for the FYE 30 June 2021, except for the adoption of the new and revised MFRSs, amendments and interpretations, effective for the annual periods on or after 1 July 2021. The adoption of these new and revised MFRSs, amendments and interpretations are not expected to have any material impact on the financial statements of the Group upon their initial application.

A3. Qualification on the Auditors’ Report of preceding annual financial statements

There was no audit qualification to the annual audited financial statements of the Group for the FYE 30 June 2021.

A4. Seasonal or cyclical factors

The business operations within the industry are not affected by seasonal and cyclical factors.

A5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial quarter under review and financial year-to-date.

A6. Changes in estimates of amounts reported

There were no changes in estimates that have had a material effect on the current financial quarter under review and financial year-to-date.

A7. Issuance or repayment of debt and equity securities

There were no issuance or repayment of debt or equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the current financial quarter under review and financial year-to-date other than as disclosed below :

- a) On 30 November 2021, 62,645,075 ordinary shares of the Company were issued pursuant to the Subscription Agreement with EA Holdings Berhad.

As at 31 March 2022, 107,472,345 Warrants E have not been exercised.

A8. Dividend paid

There was no dividend paid nor declared for the current financial quarter under review.

A9. Segmental information

The Group is organised into the following operating segments:-

- a. Property Development
- b. Construction
- c. Aluminium design and fabrication (“Aluminium”)
- d. Telecommunication Engineering Services (“Telco”)

Quarter ended 31 March 2022	Property Development (RM'000)	Construction (RM'000)	Aluminium (RM'000)	Telco (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
Revenue from external customers	18,349	13,421	2,086	331	(13,421)	20,766
Cost of sales	(13,698)	(12,278)	(1,816)	(2)	13,421	(14,373)
Segment profit	4,651	1,143	270	329	-	6,393
Profit before taxation						2,063
Income tax expenses						(112)
Profit after tax						1,951
Other comprehensive income						-
Total comprehensive income						1,951

The Group's segmental information by geographical location is not shown as the activities of the Group are in Malaysia.

A10. Valuation of property, plant and equipment

The Company has not carried out valuation on its property, plant and equipment in the current financial quarter under review and financial year-to-date.

A11. Capital commitments

There are no material capital commitments in respect of property, plant and equipment as at 31 March 2022.

A12. Capital Expenditure

There were no major additions and disposals of the property, plant and equipment during the current financial quarter under review and financial year-to-date.

A13. Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter under review.

A14. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets since the last audited financial statements of the Group for the FYE 30 June 2021.

A15. Subsequent material events

There are no material events subsequent to the financial period ended 31 March 2022 that has not been reflected in this interim financial report.

A16. Significant related party transactions

There were no related party transactions during the current financial quarter under review.

PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1. Review of the performance of the Company

	Individual Period				Cumulative Period			
	Current Year Quarter 31.03.22 (RM'000)	Preceding Year Corresponding Quarter 31.03.21 (RM'000)	Changes		Current Year To-Date 31.03.22 (RM'000)	Preceding Year Corresponding Period 31.03.21 (RM'000)	Changes	
			(RM'000)	(%)			(RM'000)	(%)
Revenue	20,766	21,885	(1,119)	(5.1)	47,636	54,924	(7,288)	(13.3)
Operating Profit	3,482	1,921	1,561	81.3	6,448	5,178	1,270	24.5
Profit before tax	2,063	1,707	356	20.9	2,459	4,315	(1,856)	(43.0)
Profit/(Loss) after tax	1,951	999	952	95.3	2,028	2,544	(516)	20.3
Profit/(Loss) attributable to Company	(711)	655	(1,366)	(208.5)	(1,138)	1,674	(2,812)	(168.0)

For the current financial and cumulative quarter ended 31 March 2022, the Group recorded revenue of RM20.766 million and RM47.636 million respectively. The nation-wide lockdown which was implemented from June 2021 until September 2021 had impacted our revenue and operations as most of our project sites were closed off and only minimal maintenance works were undertaken during the period. However, as at the date of this report, all the sites have been gradually re-opened and operations have returned to normal.

Revenue by segment:

	Individual Period				Cumulative Period			
	Current Year Quarter 31.03.22 (RM'000)	Preceding Year Corresponding Quarter 31.03.21 (RM'000)	Changes		Current Year To-Date 31.03.22 (RM'000)	Preceding Year Corresponding Period 31.03.21 (RM'000)	Changes	
			(RM'000)	(%)			(RM'000)	(%)
Property Development	18,349	-	18,349	-	41,140	1,913	39,227	2,050.5
Construction	13,421	18,882	(5,461)	(28.9)	27,081	46,810	(19,729)	(42.1)
Aluminium	2,086	2,273	(187)	(8.2)	5,492	4,267	1,225	28.7
Telco	331	730	(399)	(54.7)	1,004	1,934	(930)	(48.1)
Inter-company elimination	(13,421)	-	(13,421)	-	(27,081)	-	(27,081)	-
Total	20,766	21,885	(1,119)	(5.1)	47,636	54,924	(7,288)	(13.3)

Property Development

For the current and cumulative financial quarter, the property development segment contributed RM18.349m and RM41.140m respectively, which was mainly derived from its on-going mixed development project in Kuala Lumpur. The revenue was higher as compared to previous year's due to the consolidation of the contribution from the newly acquired subsidiary company, V Development Sdn Bhd.

Construction

For the current and cumulative financial quarter, the construction segment contributed RM13.421m and RM27.081m respectively, which was mainly derived from its on-going mixed development project in Kuala Lumpur. The lower revenue was due to closing of the project sites due to the lockdown imposed by the government between June 2021 to September 2021. Only minimal maintenance works were performed during that period.

Aluminium

For the current and cumulative financial quarter, the aluminium segment contributed RM2.086m and RM5.492m respectively. The higher revenue was due to higher roll-out under a new project.

Telco

For the current and cumulative financial quarter, the telco segment contributed RM0.331m and RM1.004m respectively. The lower revenue was due to the on-going Covid-19 pandemic, which hampered new sites from being commissioned by customers.

B2. Comparison to the results of the preceding quarter

	Current Year Quarter 31.03.22 (RM'000)	Immediate Preceding Quarter 31.12.21 (RM'000)	Changes	
			(RM'000)	(%)
Revenue	20,766	17,390	3,376	19.4
Operating Profit	3,482	3,986	(504)	12.6
Profit before tax	2,063	2,590	(527)	20.3
Profit after tax	1,951	2,270	(319)	14.1
Profit/(Loss) attributable to equity holders of the Company	(711)	1,229	(1,940)	157.9

For the current financial ended 31 March 2022, the Group recorded higher revenue as compared to the immediate preceding financial quarter due to higher progress in the on-going mixed development project in Kuala Lumpur. The lower profits were due to higher operational cost incurred.

B3. Prospects for 2022

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 our land banks for future development projects.

On 27 May 2021, the Company further announced that it proposed to diversify into the sales and trading of iron ore and other minerals, and that it had received a Letter of Intent to supply iron for a period of 24 months, with the option to renew for a further 24 months.

The Board expects the above developments to contribute positively to the earnings of the Group once the shipments for the above trading item commence.

B4. Profit forecast and profit estimate

The Group has not issued any profit forecast or profit estimate for the current financial quarter under review or in any public documents.

B5. Taxation

	Current Quarter 31.03.22 (RM'000)	Cumulative Period-to-Date 31.03.22 (RM'000)
Current tax	112	431
	112	431

For the current and cumulative quarter, the effective tax rates are 5.4% and 17.5% respectively. The effective tax rates differed from the statutory tax rates as certain subsidiary companies of the Group were in tax loss positions.

B6. Status of corporate proposals

As at the date of issuance of this interim financial report, save as disclosed below, there are no corporate proposals announced but not completed :-

- b) On 3 March 2021, on behalf of the Board, UOB Kay Hian Securities (M) Sdn Bhd announced that the Company proposes to undertake the following corporate exercises:-
 - i. a private placement of up to 10% of the total number of issued shares of Vivocom ("Vivocom Share(s)") to third party investor(s) to be identified later ("Proposed Private Placement"); and
 - ii. a bonus issue of up to 371,773,359 free warrants in the Company ("Warrant(s) F") on the basis of 1 Warrant F for every 3 existing Vivocom Shares held by the entitled shareholders of the Company on an entitlement date to be determined and announced later ("Proposed Bonus Issue of Warrants").

On 20 April 2021, Bursa Malaysia had approved the listing and quotation of the abovementioned proposed placement shares and proposed new warrants. The timeframe to implement the above proposals had lapsed on 19 April 2022 and the Company did not seek any further extension of time for the implementation of the proposals.

B7. Status of utilisation of proceeds

As at the date of this report, the Company had fully utilized the proceeds raised from its fund-raising activities.

B8. Group borrowings and debt securities

The Group's borrowings as at 31 March 2022 are as follows:-

	Short Term	Long Term
Secured	(RM'000)	(RM'000)
Bank overdraft	1,300	-
Term Loans	19,015	42,641
Project revolving credit	11,115	-
Lease Liability	135	23
Total	31,565	42,664

B9. Material Litigation

There is no further update on the material litigation involving the Group as at the date of issuance of this announcement.

B10. Dividends

No interim dividends have been declared during the current financial quarter under review.

B11. Profit for the period

	Current Quarter Ended 31.03.22 (RM'000)	Cumulative Period-to-date 31.03.22 (RM'000)
This is arrived at after (charging)/crediting :-		
Interest income	-	203
Interest expense	(1,419)	(3,989)
Depreciation and amortization	(411)	(1,259)

Other disclosure items pursuant to Note 16 of Appendix 9B of the ACE Market Listing Requirements of Bursa Securities are not applicable.

B12. Earnings per share**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of shares in issue for the period.

		Current Period Quarter 31.03.22 (RM'000)	Cumulative Period To-Date 31.03.22 (RM'000)
Loss attributable to the equity holders of the Company	(RM'000)	(711)	(1,138)
Weighted average number of shares in issue	('000)	969,100	934,348
Basic loss per share	(Sen)	(0.07)	(0.12)

(b) Diluted earnings per share

Diluted earnings per share is not applicable for the financial period as the unexercised convertible warrants were anti-dilutive in nature. This is due to the average market share price of the Company being below the exercise price of the warrants.

By Order of the Board

Tan Kah Koon SSM PC No.201908001500 (MAICSA 7066666)
Anne Kung Soo Ching SSM PC No.201908002507 (MIA 8449)
(Company Secretaries)

Date: 31 May 2022