

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2023

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current year quarter 31 December 2023	Preceding year corresponding quarter 31 December 2022	Current year to date 31 December 2023	Preceding year corresponding period 31 December 2022
	RM'000	RM'000	RM'000	RM'000
Revenue	20,845	N/A	83,565	N/A
Cost of Sales	(32,635)	N/A	(121,985)	N/A
Operational depreciation and amortization	<u>(1)</u>	<u>N/A</u>	<u>(5)</u>	<u>N/A</u>
Gross Loss	(11,791)	N/A	(38,425)	N/A
Other operating income	606	N/A	2,218	N/A
Administrative Expenses	(48,435)	N/A	(68,907)	N/A
Depreciation and amortization	<u>(439)</u>	<u>N/A</u>	<u>(1,603)</u>	<u>N/A</u>
Operating Loss	(60,059)	N/A	(106,717)	N/A
Finance cost	<u>(1,940)</u>	<u>N/A</u>	<u>(5,608)</u>	<u>N/A</u>
Loss Before Tax	(61,999)	N/A	(112,325)	N/A
Taxation	<u>(595)</u>	<u>N/A</u>	<u>(2,774)</u>	<u>N/A</u>
Loss After Tax	(62,594)	N/A	(115,099)	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive loss	<u><u>(62,594)</u></u>	<u><u>N/A</u></u>	<u><u>(115,099)</u></u>	<u><u>N/A</u></u>
Loss attributable to :				
Equity holders of the Company	(52,893)	N/A	(99,813)	N/A
Non-controlling interests	(9,701)	N/A	(15,286)	N/A
	<u><u>(62,594)</u></u>	<u><u>N/A</u></u>	<u><u>(115,099)</u></u>	<u><u>N/A</u></u>
Total comprehensive loss attributable to :				
Equity holders of the Company	(52,893)	N/A	(99,813)	N/A
Non-controlling interests	(9,701)	N/A	(15,286)	N/A
	<u><u>(62,594)</u></u>	<u><u>N/A</u></u>	<u><u>(115,099)</u></u>	<u><u>N/A</u></u>
Weighted average no. of ordinary shares in issue ('000)	969,100	N/A	969,100	N/A
Losses per share (sen):-				
a) Basic	(5.46)	N/A	(10.30)	N/A

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2022.

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	As at 31 December 2023 (Unaudited) RM'000	As at Preceding Financial Year Ended 31 December 2022 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	9,927	9,872
Right-of-use assets	344	1,119
Goodwill on consolidation	284,381	292,589
Investment properties	2,590	2,179
Other investment	1,029	17,788
Receivables	880	1,063
	<u>299,151</u>	<u>324,610</u>
Current assets		
Inventories	503	808
Property Development cost	62,878	67,908
Receivables	99,941	150,046
Amount due from customers	71,235	94,102
Tax recoverable	16	1,578
Deposits with licensed banks	14,154	13,367
Cash And Cash Equivalents	20,058	42,240
	<u>268,785</u>	<u>370,049</u>
Total Assets	<u><u>567,936</u></u>	<u><u>694,659</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	567,146	567,146
Other reserves	-	6,341
Accumulated loss	(130,411)	(36,939)
Shareholders' equity	<u>436,735</u>	<u>536,548</u>
Non-controlling interests	12,168	27,454
Total equity	<u>448,903</u>	<u>564,002</u>
Non-Current liabilities		
Borrowings	21,881	21,825
Lease Liability	13	159
Deferred tax liabilities	15	15
Payables	3,250	3,650
	<u>25,159</u>	<u>25,649</u>
Current liabilities		
Payables	25,836	34,979
Amount owing to directors	51,300	52,011
Borrowings	18,829	16,623
Lease Liability	21	217
Provision for taxation	(2,112)	1,178
	<u>93,874</u>	<u>105,008</u>
Total liabilities	119,033	130,657
Total equity and liabilities	<u><u>567,936</u></u>	<u><u>694,659</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.45</u>	<u>0.55</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2022.

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2023

	Current year to date 31 December 2023 (Unaudited)
	<u>RM'000</u>
CASH FLOW FROM OPERATING ACTIVITIES	
Loss Before Taxation	(112,325)
Adjustments for Non-cash items	<u>62,794</u>
Operating loss before working capital changes	(49,531)
Changes in working capital	
Net change in property development costs	5,030
Net change in inventories and work-in-progress	305
Net change in trade and other receivables	14,996
Net change in trade and other payables	(9,543)
Net change in amount due from customers	22,867
Net change in directors account	<u>(711)</u>
Net cash used in operations	(16,587)
Tax paid	<u>(4,571)</u>
Net cash used in operating activities	<u>(21,158)</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Placement of fixed deposits	(787)
Other investment	5,759
Purchase of property, plant & equipment	(2,513)
Interest income	<u>205</u>
Net cash generated from investing activities	<u>2,664</u>
CASH FLOW FROM FINANCING ACTIVITIES	
Borrowings	2,262
Lease payables	(342)
Interest paid	<u>(5,608)</u>
Net cash used in financing activities	<u>(3,688)</u>
Net Change in Cash and Cash Equivalents	(22,182)
Cash and Cash Equivalents at beginning of the period	42,240
Cash and Cash Equivalents at end of the period	<u><u>20,058</u></u>
Represented by :	
Cash and bank balances	<u>20,058</u>
	<u><u>20,058</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with audited financial statements of the Group for the financial period ended 31 December 2022.

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED
31 DECEMBER 2023

	<i><----Non-distributable----></i>		<i>Distributable</i>		Non- controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Warrants Reserve RM'000	Accumulated Losses RM'000	Total RM'000		
As at 31 December 2022 (Audited)	567,146	6,341	(36,939)	536,548	27,454	564,002
Expiry of Warrants	-	(6,341)	6,341	-		
Total comprehensive loss for the period	-	-	(99,813)	(99,813)	(15,286)	(115,099)
As at 31 December 2023	567,146	-	(130,411)	436,735	12,168	448,903

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial period ended 31 December 2022.

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

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

A1. Change in Financial Year End

The current financial period under review covers three (3) months period from 1 October 2023 to 31 December 2023 and represents the fourth and final period subsequent to the change of the Group’s financial year end. Accordingly, no comparative results and cash flow are presented.

A2. 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 Period ("FPE") 31 December 2022 and the accompanying explanatory notes attached to the interim financial report.

A3. 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 FPE 31 December 2022, except for the adoption of the new and revised MFRSs, amendments and interpretations, effective for the annual periods on or after 1 January 2023. 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.

A4. 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 FPE 31 December 2022.

A5. Seasonal or cyclical factors

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

A6. 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.

A7. 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.

A8. 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) Exercise of Warrants E as follows :-

	Current Quarter ended 31 December 2023	Cumulative Year to date 31 December 2023
Warrants E exercised	-	333
Total no. of shares issued	-	333

The remaining 107,472,012 Warrants E not exercised had expired on 22 August 2023.

A9. Dividend paid

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

A10. 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 December 2023	Property Development (RM'000)	Construction (RM'000)	Aluminium (RM'000)	Telco (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
Revenue from external customers	15,384	1,081	5,315	146	(1,081)	20,845
Cost of sales	(12,075)	(16,073)	(5,431)	(138)	1,081	(32,636)
Segment loss	3,309	(14,992)	(116)	8	-	(11,791)
Loss before taxation						(61,999)
Income tax expenses						(595)
Loss after tax						(62,594)
Other comprehensive income						-
Total comprehensive loss						(62,594)

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

A11. 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.

A12. Capital commitments

There are no material capital commitments in respect of property, plant and equipment as at 31 December 2023.

A13. 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.

A14. Changes in the composition of the Group

During the current financial quarter, the Group had acquired Palmacana Sdn. Bhd. and Kastiarra Properties Sdn. Bhd. for a total consideration of RM1,600,000.00 (Ringgit Malaysia One Million and Six Hundred Thousand Only). Both companies are principally involved in property development activities.

A15. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets since the last audited financial statements of the Group for the FPE 31 December 2022.

A16. Subsequent material events

There are no material events subsequent to the financial period ended 31 December 2023 that has not been reflected in this interim financial report.

A17. 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 31.12.23 (RM'000)	Preceding Year Corresponding Quarter 31.12.22 (RM'000)	Changes		Current Year To-Date 31.12.23 (RM'000)
			(RM'000)	(%)	
Revenue	20,845	25,041	(4,196)	(16.8)	83,565
Operating loss	(60,059)	(85,399)	25,340	29.7	(106,717)
Loss before tax	(61,999)	(85,940)	23,941	27.9	(112,325)
Loss after tax	(62,594)	(84,799)	22,205	26.2	(115,099)
Loss attributable to Company	(52,893)	(72,646)	19,753	27.2	(99,813)

For the quarter ended 31 December 2023, the Group recorded revenue of RM20.845 million, which is lower than last year. The lower revenue was attributable to the different stages of progress billing for its mixed development project in Kuala Lumpur, which is expected to be completed by mid-2024.

For the current financial quarter, the Group had provided impairments amounting to RM44.336m for its consolidated goodwill, receivables and property, plant & equipment, in compliance with approved accounting standards. The impairments are non-revenue and non-operational in nature, and hence would not impact the operations and cashflow of the Group. The impairments, along with the loss before tax incurred by the Group were mainly due to the long-term effects of the pandemic, such as the weak property and retail market, delays in launching new projects due to rising material costs, etc. During the financial year, the construction segment had reconciled its work-in-progress accounts for its mixed development project in Kuala Lumpur, which had incurred higher costs due to price escalation on the construction materials and holding costs. This had impacted the profitability for the construction segment.

Revenue by segment:

	Individual Period				Cumulative Period
	Current Year Quarter 31.12.23 (RM'000)	Preceding Year Quarter 31.12.22 (RM'000)	Changes		Current Year To-Date 31.12.23 (RM'000)
			(RM'000)	(%)	
Property Development	15,384	22,883	(7,499)	(32.8)	70,152
Construction	1,081	31,256	(30,175)	(96.5)	408
Aluminium	5,315	2,009	3,306	164.6	13,168
Telco	146	150	(4)	(2.7)	245
Inter-company elimination	(1,081)	(31,257)	30,176	(96.5)	(408)
Total	20,845	25,041	(4,196)	(16.8)	83,565

Property Development

The property development segment contributed RM15.384m and RM70.152m for the current quarter and cumulative quarter ended 31 December 2023 respectively. The revenue was mainly derived from its on-going mixed development project in Kuala Lumpur. The lower revenue was attributable to the different stages of progress billing for its mixed development project in Kuala Lumpur, which is expected to be completed by mid-2024.

Construction

The construction segment contributed RM1.081m and RM0.408m for the current quarter and cumulative quarter ended 31 December 2023 respectively. The revenue was mainly derived from its on-going mixed development project in Kuala Lumpur. During the financial year, the construction segment had reconciled its the work in progress accounts for its mixed development project which had incurred higher costs due to price escalation on the construction materials and holding costs. This had impacted the profitability for the construction segment. In addition to the on-going project in Kuala Lumpur, the Group had also commenced works for a new mixed development project in Kuala Terengganu, Terengganu.

Aluminium

The aluminium segment contributed RM5.315m and RM13.168m for the current quarter and cumulative quarter ended 31 December 2023 respectively. The higher revenue recorded was due to the strong progress in its on-going projects.

Telco

The telco segment contributed RM0.146m and RM0.245m for the current quarter and cumulative quarter ended 31 December 2023 respectively. The segment continued to struggle due to the lack of new telco sites commissioned by customers.

B2. Comparison to the results of the preceding quarter

	Current Year Quarter 31.12.23 (RM'000)	Immediate Preceding Quarter 30.09.23 (RM'000)	Changes	
			(RM'000)	(%)
Revenue	20,845	20,192	653	3.2
Operating Loss	(60,059)	(55,354)	(4,705)	(8.5)
Loss before tax	(61,999)	(57,241)	(4,758)	(8.3)
Loss after tax	(62,594)	(56,982)	(5,612)	(9.8)
Loss attributable to equity holders of the Company	(52,893)	(48,097)	(4,796)	(10.0)

The Group recorded marginally higher revenue for the current financial quarter ended 31 December 2023 as compared to the immediate preceding financial quarter due to the different stages of progress billing for its various development projects. The Group recorded loss before tax of RM61.999m for the current quarter, which are mainly attributable to the impairments provided amounting to RM44.336m for its consolidated goodwill, receivables and property, plant & equipment, in compliance with approved accounting standards. The impairments are non-revenue and non-operational in nature, and hence would not impact the operations and cashflow of the Group. The impairments, along with the loss before tax incurred by the Group were mainly due to the long-term effects of the pandemic, such as the weak property and retail market, delays in launching new projects due to rising material costs, etc.

B3. Prospects for 2024

Many of the Group's plans and projects are delayed by the lingering effects of the pandemic and the generally weak economic situation in and outside Malaysia. While waiting for the situation to improve, the Group are taking pro-active measures by continuing to lay the groundworks and making the necessary preparations to re-launch its plans once the timing and condition are right.

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 31.12.23 (RM'000)	Cumulative Period-to-Date 31.12.23 (RM'000)
Current tax	595	2,774
	595	2,774

Notwithstanding the Group's losses, the effective tax rate is 2.5% for the cumulative quarter respectively due to the combination of profits and losses between the various subsidiary companies.

B6. Status of corporate proposals

As at the date of issuance of this interim financial report, there are no corporate proposals announced but not completed.

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 December 2023 are as follows:-

	Short Term (RM'000)	Long Term (RM'000)
Secured		
Bank overdraft	-	-
Term Loans	18,269	20,773
Project revolving credit	475	-
Hire Purchase	85	1,108
Lease Liability	21	13
Total	18,850	21,894

B9. Material Litigation

The material updates on the material litigation involving the Group as at the date of issuance of this announcement are as follows :-

On 2 August 2023, the Board of Directors of Vinvest as the Plaintiff announced that the Company had on 26 July 2023 served a Writ dated 28 July 2023 (“Writ”) and a Notice of Application dated 28 July 2023 (“Injunction Application”) vide Suit 536 against EA Holdings Berhad and See Jovin. The Injunction Application was called up for Hearing on 2 August 2023. An ad interim injunction was granted by the High Court.

On 10.10.2023, the High Court has given the following directions with respect to the hearing of the Intervener Application (Enclosure 18):

- (1) An Order recorded by the parties before the High Court to include Ng Cheng Shin as the 3rd Defendant;
- (2) Plaintiff to file Amended Statement of Claim on or before 24.10.2023;
- (3) Defendants to file Defence / Amended Defence on or before 07.11.2023;
- (4) Plaintiff to file Reply to Defence / Amended Reply to Defence on or before 21.11.2023; and

A case management is fixed by the High Court on 18.12.2023 @ 9:00am by way of e-Review, for the parties to update the High Court as to the filing status of the pleadings and for the High Court to give further directions on the Injunction Application (Enclosure 3) (i.e. filing of affidavits and submission and/or to fix a new hearing date). The High Court has also directed for the Plaintiff to file an amended Ad Interim Order in respect of the Injunction Application (Enclosure 3).

On 6 November 2023, the 3rd Defendant, Ng Cheng Shin, had filed his defence and counterclaim against the Company, EA Holdings Berhad and the board of directors of both companies.

B10. Dividends

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

B11. Loss for the period

	Current Quarter Ended 31.12.23 (RM'000)	Cumulative Period-to-date 31.12.23 (RM'000)
This is arrived at after (charging)/crediting :-		
Interest income	48	205
Interest expense	(1,940)	(5,608)
Depreciation and amortization	(440)	(1,608)
Impairment on goodwill	(8,208)	(8,208)
Fair value loss on other investments	-	(11,000)
Loss on disposal of other investment	-	(14)
Impairment on receivables	(35,292)	(35,292)
Impairment on property, plant & equipment	(850)	(850)

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

B12. Losses per share**(a) Basic losses per share**

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

		Current Period Quarter 31.12.23 (RM'000)	Cumulative Period To-Date 31.12.23 (RM'000)
Loss attributable to the equity holders of the Company	(RM'000)	(52,893)	(99,813)
Weighted average number of shares in issue	('000)	969,100	969,100
Basic loss per share	(Sen)	(5.46)	(10.30)

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: 29 February 2024