

VINVEST CAPITAL HOLDINGS BERHAD (596299-D)
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2022

	Individual Quarter		Cumulative
	Current year quarter 31 December 2022	Preceding year corresponding quarter 31 December 2021	Current year to date 31 December 2022
	RM'000	RM'000	RM'000
Revenue	25,041	17,390	133,421
Cost of Sales	(19,415)	(9,942)	(87,348)
Operational depreciation and amortization	<u>(1)</u>	<u>(1)</u>	<u>(14)</u>
Gross Profit	5,625	7,447	46,059
Other operating income	96	53	694
Administrative Expenses	(90,713)	(3,251)	(107,210)
Depreciation and amortization	<u>(407)</u>	<u>(263)</u>	<u>(2,475)</u>
Operating Profit/(Loss)	(85,399)	3,986	(62,932)
Finance cost	<u>(541)</u>	<u>(1,396)</u>	<u>(6,141)</u>
Profit/(Loss) Before Tax	(85,940)	2,590	(69,073)
Taxation	<u>1,161</u>	<u>(320)</u>	<u>(5,026)</u>
Profit/(Loss) After Tax	(84,779)	2,270	(74,099)
Other comprehensive income	-	-	-
Total comprehensive profit /(loss)	<u><u>(84,779)</u></u>	<u><u>2,270</u></u>	<u><u>(74,099)</u></u>
Profit/(Loss) attributable to :			
Equity holders of the Company	(72,646)	1,229	(70,823)
Non-controlling interests	<u>(12,133)</u>	<u>1,041</u>	<u>(3,276)</u>
	<u>(84,779)</u>	<u>2,270</u>	<u>(74,099)</u>
Total comprehensive income/(Loss) attributable to :			
Equity holders of the Company	(72,646)	1,229	(70,823)
Non-controlling interests	<u>(12,133)</u>	<u>1,041</u>	<u>(3,276)</u>
	<u>(84,779)</u>	<u>2,270</u>	<u>(74,099)</u>
Weighted average no. of ordinary shares in issue ('000)	969,100	928,729	951,756
Earnings/(Loss) per share (sen):-			
a) Basic	(7.50)	0.13	(7.44)

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)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	As at 31 December 2022 (Unaudited) RM'000	As at Preceding Financial Year Ended 30 June 2021 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	9,871	15,987
Right-of-use assets	1,194	1,188
Goodwill on consolidation	292,589	313,538
Other investment	20,380	4,448
Receivables	3,550	6,352
	<u>327,584</u>	<u>341,513</u>
Current assets		
Inventories	1,038	1,272
Property Development cost	67,908	86,459
Receivables	141,382	238,332
Amount due from customers	94,366	53,357
Tax recoverable	25	2,821
Deposits with licensed banks	13,344	4,531
Cash And Cash Equivalents	41,925	60,389
	<u>359,988</u>	<u>447,161</u>
Total Assets	<u><u>687,572</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	(39,557)	31,266
Shareholders' equity	<u>533,930</u>	<u>581,543</u>
Non-controlling interests	29,029	32,305
Total equity	<u>562,959</u>	<u>613,848</u>
Non-Current liabilities		
Borrowings	15,008	43,807
Lease Liability	414	234
Deferred tax liabilities	17	17
Payables	5,433	5,513
	<u>20,872</u>	<u>49,571</u>
Current liabilities		
Payables	28,704	37,265
Amount owing to directors	51,447	51,878
Bank overdraft	1,182	1,468
Borrowings	21,004	31,239
Lease Liability	536	185
Provision for taxation	868	3,220
	<u>103,741</u>	<u>125,255</u>
Total liabilities	124,613	174,826
Total equity and liabilities	<u><u>687,572</u></u>	<u><u>788,674</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.59</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)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 DECEMBER 2022

	Current year to date 31 December 2022 (Unaudited) <u>RM'000</u>
CASH FLOW FROM OPERATING ACTIVITIES	
Loss Before Taxation	(69,073)
Adjustments for Non-cash items	<u>93,057</u>
Operating profit before working capital changes	23,984
Changes in working capital	
Net change in property development costs	18,551
Net change in inventories and work-in-progress	234
Net change in trade and other receivables	45,143
Net change in trade and other payables	(8,110)
Net change in amount due from customers	(41,009)
Net change in directors account	<u>(431)</u>
Net cash used in operations	38,362
Tax paid	<u>(5,310)</u>
Net cash generated from operating activities	<u>33,052</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Placement of fixed deposits	(8,813)
Other investment	568
Disposal of property, plant & equipment	1,242
Interest income	417
Net cash generated from used in investing activities	<u>(6,586)</u>
CASH FLOW FROM FINANCING ACTIVITIES	
Borrowings	(39,320)
Lease payables	531
Interest paid	<u>(6,141)</u>
Net cash generated used in financing activities	<u>(44,930)</u>
Net Change in Cash and Cash Equivalents	(18,464)
Cash and Cash Equivalents at beginning of the period	60,389
Cash and Cash Equivalents at end of the period	<u><u>41,925</u></u>
Represented by :	
Cash and bank balances	<u>41,925</u>
CASH FLOW FROM FINANCING ACTIVITIES	<u><u>41,925</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)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED
31 DECEMBER 2022**

	<i><-----Non-distributable-----></i>		<i>Distributable</i>		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	-	-	23,210	-	23,210
Total comprehensive loss for the period	-	-	(70,823)	(70,823)	(3,276)	(74,099)
As at 31 December 2022	567,146	6,341	(39,557)	533,930	29,029	562,959

The Condensed Consolidated Statement of Changes in Equity 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)
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

As announced on 31 May 2022, the Group has changed its financial year end from 30 June 2022 to 31 December 2022. Accordingly, the current financial period covers an eighteen (18) months period from 1 July 2021 to 31 December 2022.

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 Ended ("FYE") 30 June 2021 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 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.

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 FYE 30 June 2021.

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) 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 December 2022, 107,472,345 Warrants E have not been exercised.

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	Property Development	Construction	Aluminium	Telco	Eliminations	Consolidated
31 December 2022	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue from external customers	22,883	31,256	2,009	150	(31,257)	25,041
Cost of sales	(22,565)	(25,985)	(2,025)	(97)	31,257	(19,415)
Segment profit	318	5,271	(16)	53	-	5,626
Loss before taxation						(85,940)
Income tax expenses						1,161
Loss after tax						(84,779)
Other comprehensive income						-
Total comprehensive loss						(84,779)

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 2022.

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

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

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 FYE 30 June 2021.

A16. Subsequent material events

There are no material events subsequent to the financial period ended 30 September 2022 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 31.12.22 (RM'000)	Preceding Year Corresponding Quarter 31.12.21 (RM'000)	Changes		Current Year To-Date 31.12.22 (RM'000)
			(RM'000)	(%)	
Revenue	25,041	17,390	7,651	44.0	133,421
Operating Profit/(Loss)	(85,399)	3,986	(89,385)	(2,242.5)	(62,932)
Profit/(Loss) before tax	(85,940)	2,590	(88,530)	(3,418.1)	(69,073)
Profit/(Loss) after tax	(84,799)	2,270	(87,069)	(3,835.6)	(74,099)
Profit/(Loss) attributable to Company	(72,646)	1,229	(73,875)	(6,011.0)	(70,823)

For the current financial and cumulative quarter ended 31 December 2022, the Group recorded revenue of RM25.041 million and RM133.421 million respectively. The higher revenue was attributable to the ramping up of the project progress, which is expected to be completed by the third quarter of 2023. For the current financial period ended 31 December 2022, the Group has provided impairments for its goodwill, investment in quoted shares, receivables and fixed assets, in compliance with approved accounting standards. The impairments were mainly due to the prolonged effects of the Covid-19 pandemic, which severely affected the property and construction industry. Due to the provision of these impairments, the Group recorded a loss before tax of RM69.073 million for the 18-months financial period ended 31 December 2022.

Revenue by segment:

	Individual Period				Cumulative Period
	Current Year Quarter 31.12.22 (RM'000)	Preceding Year Quarter 31.12.21 (RM'000)	Changes		Current Year To-Date 31.12.22 (RM'000)
			(RM'000)	(%)	
Property Development	22,883	14,878	8,005	53.8	119,690
Construction	31,256	10,296	20,960	203.6	101,121
Aluminium	2,009	2,183	(174)	(8.0)	11,671
Telco	150	328	(178)	(54.3)	2,061
Inter-company elimination	(31,257)	(10,295)	(20,962)	203.6	(101,122)
Total	25,041	17,390	7,651	44.0	133,421

Property Development

For the current and cumulative financial quarter, the property development segment contributed RM22.883m and RM119.690m respectively, which was mainly derived from its on-going mixed development project in Kuala Lumpur. The higher revenue recorded in the current year was due to the ramping up of the project progress, which is expected to be completed by the third quarter of 2023.

Construction

For the current and cumulative financial quarter, the construction segment contributed RM31.256m and RM101.121m respectively, which was mainly derived from its on-going mixed development project in Kuala Lumpur. the ramping up of the project progress, which is expected to be completed by the third quarter of 2023.

Aluminium

For the current and cumulative financial quarter, the aluminium segment contributed RM2.009m and RM11.671m respectively. The slightly lower revenue recorded in the current financial quarter was due to the different stages of implementation of the on-going projects.

Telco

For the current and cumulative financial quarter, the telco segment contributed RM0.150m and RM2.061m respectively. The lower revenue recorded for the current financial quarter was due to the lingering effect of the Covid-19 pandemic, which hampered new sites from being commissioned by customers.

B2. Comparison to the results of the preceding quarter

	Current Year Quarter 31.12.22 (RM'000)	Immediate Preceding Quarter 30.09.22 (RM'000)	Changes	
			(RM'000)	(%)
Revenue	25,041	28,914	(3,873)	(13.4)
Operating Profit/(Loss)	(85,399)	7,243	(92,642)	(1,279.1)
Profit/(Loss) before tax	(85,940)	6,762	(92,702)	(1,370.9)
Profit/(Loss) after tax	(84,799)	1,958	(86,757)	(4,430.9)
Profit/(Loss) attributable to equity holders of the Company	(72,646)	557	(73,203)	(13,142.4)

For the current financial ended 31 December 2022, the Group recorded lower revenue as compared to the immediate preceding financial quarter due to the lower progress billings in the on-going mixed development project in Kuala Lumpur. For the current financial period, the Group has provided impairments for its goodwill, receivables and fixed assets, in compliance with approved accounting standards.

The impairments were mainly due to the prolonged effects of the Covid-19 pandemic, which severely affected the property and construction industry.

B3. Prospects for 2023

The acquisition of the V-Development Group in 2021 has mitigated the effect of Covid-19 pandemic to the Group, although the expected positive impact and synergy of the acquisition have not been fully realized due to the property sector being still in recovery mode. In addition, several of the Group's plans were also delayed by the pandemic and by the uncertainties caused by the Russia-Ukraine conflict in Europe. While waiting for the situations 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 is 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 31.12.22 (RM'000)	Cumulative Period-to-Date 31.12.22 (RM'000)
Current tax	(1,161)	5,026
	<u>(1,161)</u>	<u>5,026</u>

For the cumulative quarter, the effective tax rate is 7.3%, which is lower than the statutory tax rate due to the losses incurred during the year. There is a reversal of tax payable for the current financial quarter due to the losses incurred.

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 2022 are as follows:-

	Short Term	Long Term
Secured	(RM'000)	(RM'000)
Bank overdraft	1,182	-
Term Loans	12,119	15,008
Project revolving credit	8,885	-
Lease Liability	536	414
Total	22,722	15,422

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. Loss for the period

	Current Quarter	Cumulative
	Ended	Period-to-date
	31.12.22	31.12.22
	(RM'000)	(RM'000)
This is arrived at after (charging)/crediting :-		
Interest income	96	417
Interest expense	(541)	(6,141)
Depreciation and amortization	(408)	(2,489)
Impairment on goodwill	(20,949)	(20,949)
Impairment on invesment in quoted shares	(6,710)	(6,710)
Impairment on plant, property & machineries	(2,984)	(2,984)
Impairment on receivables	(54,609)	(54,609)

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

B12. Loss 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 31.12.22 (RM'000)	Cumulative Period To-Date 31.12.22 (RM'000)
Loss attributable to the equity holders of the Company	(RM'000)	(72,646)	(70,823)
Weighted average number of shares in issue	('000)	969,100	951,756
Basic loss per share	(Sen)	(7.50)	(7.44)

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: 28 February 2023