

VIVOCOM INTL HOLDINGS BERHAD (596299-D)

**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2021**

	----- Individual Quarter -----		-----Cumulative Quarter-----	
	Current year quarter 31 March 2021	Preceding year corresponding quarter 31 March 2020	Current year to date 31 March 2021	Preceding year corresponding period 31 March 2020
	RM'000	RM'000	RM'000	RM'000
Revenue	21,885	N/A	54,924	N/A
Cost of Sales	(17,226)	N/A	(43,003)	N/A
Operational depreciation and amortization	(150)	N/A	(450)	N/A
Gross Profit	4,509	N/A	11,471	N/A
Other operating income	244	N/A	859	N/A
Administrative Expenses	(2,533)	N/A	(6,361)	N/A
Depreciation and amortization	(299)	N/A	(791)	N/A
Operating Profit	1,921	N/A	5,178	N/A
Finance cost	(214)	N/A	(863)	N/A
Profit Before Tax	1,707	N/A	4,315	N/A
Taxation	(708)	N/A	(1,771)	N/A
Profit After Tax	999	N/A	2,544	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive income	<u>999</u>	<u>N/A</u>	<u>2,544</u>	<u>N/A</u>
Profit attributable to :				
Equity holders of the Company	655	N/A	1,674	N/A
Non-controlling interests	344	N/A	870	N/A
	<u>999</u>	<u>N/A</u>	<u>2,544</u>	<u>N/A</u>
Total comprehensive income attributable to :				
Equity holders of the Company	655	N/A	1,674	N/A
Non-controlling interests	344	N/A	870	N/A
	<u>999</u>	<u>N/A</u>	<u>2,544</u>	<u>N/A</u>
Weighted average no. of ordinary shares in issue ('000)	579,685	N/A	571,569	N/A
Earnings per share (sen):-				
a) Basic	0.11	N/A	0.29	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 30 June 2020.

VIVOCOM INTL HOLDINGS BERHAD (596299-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	As at 31 March 2021 (Unaudited) RM'000	As at Preceding Financial Year Ended 30 June 2020 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	16,574	15,520
Right-of-use assets	1,604	1,653
Goodwill on consolidation	315,289	146,412
Other investment	2,909	4,660
Receivables	12,351	14,673
	<u>348,727</u>	<u>182,918</u>
Current assets		
Inventories	1,545	1,816
Property Development cost	80,096	-
Receivables	247,789	277,846
Amount due from customers	12,073	24,328
Tax recoverable	-	401
Deposits with licensed banks	32,027	6,627
Cash And Cash Equivalents	46,565	28,768
	<u>420,095</u>	<u>339,786</u>
Total Assets	<u><u>768,822</u></u>	<u><u>522,704</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	541,751	415,850
Other reserves	6,341	11,481
Retained profits	31,580	24,766
Shareholders' equity	<u>579,672</u>	<u>452,097</u>
Non-controlling interests	34,718	19,243
Total equity	<u>614,390</u>	<u>471,340</u>
Non-Current liabilities		
Borrowings	4,033	4,846
Lease Liability	288	383
Hire purchase payables	76	326
Payables	55,953	4,730
	<u>60,350</u>	<u>10,285</u>
Current liabilities		
Payables	18,928	19,524
Bank overdraft	1,484	1,495
Borrowings	70,546	19,144
Hire purchase payables	274	176
Lease Liability	531	450
Provision for taxation	2,319	290
	<u>94,082</u>	<u>41,079</u>
Total liabilities	154,432	51,364
Total equity and liabilities	<u><u>768,822</u></u>	<u><u>522,704</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.64</u>	<u>0.80</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 30 June 2020.

VIVOCOM INTL HOLDINGS BERHAD (596299-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2021

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

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with statements of the Group for the financial period ended 30 June 2020

VIVOCOM INTL HOLDINGS BERHAD (596299-D)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2021

	<-----Non-distributable----->			Distributable		Non-controlling interests RM'000	Total Equity RM'000
	Share Capital RM'000	Warrants Reserve RM'000	Exchange Reserve RM'000	Retained Profits RM'000	Total RM'000		
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 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 for the financial period ended 30 June 2020.

**VIVOCOM INTL 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 January 2021 to 31 March 2021 and represents the third period after 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 Period Year Ended ("FPE") 30 June 2020 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 30 June 2020, except for the adoption of the new and revised MFRSs, amendments and interpretations, effective for the annual periods on or after 1 July 2020. 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 30 June 2020.

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 4 November 2020, 5,664,539,071 ordinary shares were consolidated into 566,451,610 consolidated shares.
- b) On 4 November 2020, 1,132,906,538 Warrants 2018/2023 ("Warrants E") were consolidated into 113,289,563 consolidated Warrants E.
- c) Exercise of Warrants E are as follows :-

	Current Quarter ended 31 March 2021	Cumulative Year to date 31 March 2021
Warrants E	9,747	5,817,218
Total no. of shares issued	9,747	5,817,218

As at 31 March 2021, 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 (RM'000)	Construction (RM'000)	Aluminium (RM'000)	Telco (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
31 March 2021						
Revenue from external customers	-	18,882	2,273	730	-	21,885
Cost of sales	-	(15,109)	(2,024)	(243)	-	(17,376)
Segment profit	-	3,773	249	487	-	4,509
Profit before taxation						1,707
Income tax expenses						(708)
Profit after tax						999
Other comprehensive income						-
Total comprehensive income						999

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 March 2021.

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

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.

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 30 June 2020.

A16. Subsequent material events

There are no material events subsequent to the financial period ended 31 March 2021 that has not been reflected in this interim financial report.

A17. Significant related party transactions

	Current Period Quarter 31.03.21 (RM'000)	Cumulative Period To-Date 31.03.21 (RM'000)
Contract Revenue from related parties	9,373	36,380

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

	Current Period Quarter 31.03.21 (RM'000)	Cumulative Period To-Date 31.03.21 (RM'000)
Revenue	21,885	54,924
Operating Profit	1,921	5,178
Profit before tax	1,707	4,315
Profit after tax	999	2,544
Profit attributable to the Equity holders of the Company	655	1,674

For the current financial and cumulative quarter ended 31 March 2021, the Group recorded revenue of RM21.885 million and RM54.924 million respectively. The Construction segment was the biggest contributor to the revenue (86.3%) and profit before tax. The implementation of the various controlled-movement orders across Malaysia has not significantly affected the Group's on-going projects for the current financial quarter under review.

Revenue by segment:

	Current Period Quarter 31.03.21 (RM'000)	Cumulative Period To-Date 31.03.21 (RM'000)
Property Development	-	1,913
Construction	18,882	46,810
Aluminium	2,273	4,267
Telco	730	1,934
Total	21,885	54,924

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 our land banks for future development projects. No revenue was recorded in the current financial quarter as the acquisition was only completed on 30 March 2021.

Construction

The Construction segment contributed 86.3% of the total revenue for the current financial quarter ended 31 March 2021, mostly arising from its construction project in Gombak, with the Phase 1 expected to be completed by mid-2021.

Aluminium

The Aluminium segment contributed 10.4% of the total revenue for the current financial quarter ended 31 March 2021. The extension of the various controlled-movement orders across Malaysia has not significantly affected the on-going projects under Aluminium for the current financial under review.

Telco

The Telco segment contributed 3.3% of the total revenue for the current financial quarter ended 31 March 2021. The revenue for telco works is slowly picking up as compared to the preceding financial quarter.

B2. Comparison to the results of the preceding quarter

	Current Year Quarter 31.03.21 (RM'000)	Immediate Preceding Quarter 31.12.20 (RM'000)	Changes	
			(RM'000)	(%)
Revenue	21,885	19,892	1,993	10.0
Operating Profit	1,921	1,922	(1)	(0.1)
Profit before tax	1,707	1,606	101	6.3
Profit after tax	999	902	97	10.8
Profit attributable to equity holders of the Company	655	620	35	5.6

The higher revenue and profit in the current financial quarter was due to the increase in Construction's revenue, which was mainly derived from the on-going works for its project in Gombak, Kuala Lumpur.

B3. Prospects for 2021

On 26 February 2021, the Company announced that it will be venturing into the sand supply business via V Development, who had secured a sand supply contract worth approximately USD 934.7 million (equivalent to RM3.79 billion).

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.

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 31.03.21 (RM'000)	Cumulative Period-to-Date 31.03.21 (RM'000)
Current tax	708	1,771
	708	1,771

For the current and cumulative quarter, the effective tax rate is 41.5% and 41.0% respectively, which is higher than the statutory tax rate due to losses incurred by the subsidiary companies in the Group.

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 :-

- a) On 2 June 2021, the shareholders of the Company had approved the name from "VIVOCOM INTL HOLDINGS BERHAD" to "VINVEST CAPITAL HOLDINGS BERHAD" ("Proposed Change of Name"). However, due to the closure of the Companies Commission of Malaysia (CCM) offices pursuant to the implementation of the Movement Control 3.0, the company was not able to submit the necessary documents to CCM to effect the change of name as yet.
- b) On 3 March 2020, 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.

B7. Status of utilisation of proceeds

The status of utilisation of the gross proceeds of RM59.478 million from the Shares Subscription by the Company as at 31 March 2021 is 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	54,000	54,000	-	-	Upon completion	
General working capital	4,138	840	3,298	840	Within 12 months from completion	Being additional expenses of
Expenses in connection with the shares subscription and acquisition	1,340	2,180	-	(840)	Upon completion	RM840,000 incurred
Total	59,478	57,020	3,298	-		

B8. Group borrowings and debt securities

The Group's borrowings as at 31 March 2021 are as follows:-

	Short Term	Long Term
Secured	(RM'000)	(RM'000)
Bank overdraft	1,484	-
Term Loans	3,210	4,033
Project revolving credit	67,336	-
Hire purchase creditors	274	76
Total	72,304	4,109

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 31.03.21 (RM'000)	Cumulative Period-to-date 31.03.21 (RM'000)
This is arrived at after (charging)/crediting :-		
Interest income	32	488
Interest expense	(214)	(863)
Depreciation and amortization	(449)	(1,241)

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 31.03.21 (RM'000)	Cumulative Period To-Date 31.03.21 (RM'000)
Profit attributable to the equity holders of the Company	(RM'000)	655	1,674
Weighted average number of shares in issue	('000)	579,685	571,569
Basic earnings per share	(Sen)	0.11	0.29

(b) Diluted earnings per share

		Current Period Quarter 31.03.21 (RM'000)	Cumulative Period To-Date 31.03.21 (RM'000)
Profit attributable to the equity holders of the Company	(RM'000)	655	1,674
Weighted average number of shares in issue	('000)	579,685	571,569
Effect of dilution on assumed exercise of warrants	('000)	48,122	51,595
Adjusted weighted average number of shares	('000)	627,807	623,164
Diluted earnings per share	(Sen)	0.10	0.27

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: 30 June 2021