

VOIR

VOIR HOLDINGS BERHAD

(Company No. 765218-V)

(Incorporated in Malaysia under the Companies Act,1965)

INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Quarter ended		Year to date ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM'000	RM'000	RM'000	RM'000
Revenue	54,754	38,572	103,038	83,764
Operating expenses	(54,506)	(36,870)	(100,682)	(79,725)
Amortisation & depreciation	(1,337)	(1,372)	(2,622)	(2,724)
Impairment loss on receivables	0	(41)	0	(41)
Inventories written-off	(34)	(94)	(430)	(96)
Inventories written down	(46)	0	(487)	(447)
Foreign exchange (loss)/gain	(2)	24	(4)	(5)
Profit/(Loss) from operations	(1,171)	219	(1,187)	726
Other operating income	27	31	80	103
Profit/(Loss) before interest	(1,144)	250	(1,107)	829
Interest Expenses	(220)	(216)	(424)	(483)
Interest Income	17	0	30	0
Profit/(Loss) before taxation	(1,347)	34	(1,501)	346
Income tax expense	146	(6)	(164)	(202)
Profit/(Loss) for the period	(1,201)	28	(1,665)	144
Other comprehensive income	0	0	0	0
Total comprehensive income/(loss)	(1,201)	28	(1,665)	144
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(1,229)	(36)	(1,614)	65
Non-controlling interests	28	64	(51)	79
	(1,201)	28	(1,665)	144
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	(0.85)	(0.03)	(1.11)	0.05
Diluted (sen)	(0.60)	N/A	(0.79)	N/A

The unaudited condensed consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim consolidated Financial Statements.

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30-Jun-17 RM'000 (Unaudited)	As at 31-Dec-16 RM'000 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	8,295	10,955
Investment properties	2,357	2,387
Intangible assets	393	431
Deferred tax assets	625	601
Other investments	17	17
	11,687	14,391
Current Assets		
Inventories	72,237	78,828
Trade receivables	21,229	21,634
Other receivables	18,831	14,367
Income tax assets	32	200
Fixed deposits	0	0
Cash and bank balances	5,935	5,055
	118,264	120,084
TOTAL ASSETS	129,951	134,475
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	74,022	66,000
Share premium	0	102
Retained earnings	21,822	23,436
	95,844	89,538
Non-controlling interests	(29)	22
Total Equity	95,815	89,560
Non Current Liabilities		
Long term borrowings	615	821
	615	821
Current Liabilities		
Trade payables	11,509	19,608
Other payables	6,035	6,890
Short term borrowings	15,285	16,996
Income tax liabilities	692	600
	33,521	44,094
Total Liabilities	34,136	44,915
TOTAL LIABILITIES AND EQUITY	129,951	134,475
Net Asset per share (in RM)	0.65	0.68

The unaudited condensed consolidated Statement of Financial Position should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim consolidated Financial Statements.

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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to owners of the Company →					
	← Non-Distributable →			Distributable		
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
As At 1 January 2017	66,000	102	23,436	89,538	22	89,560
Issue during the year	7,920	0	0	7,920	0	7,920
Converted	102	(102)	0	0	0	0
Total comprehensive income for the period	0	0	(1,614)	(1,614)	(51)	(1,665)
As At 30 June 2017	74,022	0	21,822	95,844	(29)	95,815
As At 1 January 2016	66,000	102	22,761	88,863	77	88,940
Total comprehensive loss for the period	0	0	65	65	79	144
As At 30 June 2016	66,000	102	22,826	88,928	156	89,084

The unaudited condensed consolidated Statement of Changes in Equity should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim consolidated Financial Statements.

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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Year To Date Ended	
	30-Jun-17	30-Jun-16
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(1,501)	346
Adjustments for:		
Amortisation & depreciation	2,621	2,724
Impairment loss on receivables	0	41
Interest expenses	423	483
Interest income	(30)	0
Gain on disposal of property, plant & equipment	(26)	(66)
Property, plant & equipment written off	1,826	218
Inventories written-off	430	96
Inventories written down	487	447
Operating profit before working capital changes	4,230	4,289
Changes in working capital:		
Decrease in inventories	5,674	12,264
Decrease in receivables	(6,404)	2,147
Decrease in payables	(6,609)	(9,474)
Cash generated from / (absorbed by) operations	(3,109)	9,226
Interest paid	(423)	(483)
Interest received	30	0
Income tax expense paid	(96)	(121)
Income tax refunded	168	0
Net cash from/(to) operating activities	(3,430)	8,622
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant & equipment	45	91
Purchase of property, plant & equipment	(1,738)	(2,599)
Net cash generated from/(used in) investing activities	(1,693)	(2,508)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of bank borrowings	(2,394)	(7,374)
Proceeds from issue of share capital	7,920	
Net cash generated from/(used in) financing activities	5,526	(7,374)
Net changes in cash and cash equivalents	403	(1,260)
Cash and cash equivalents brought forward	4,344	7,464
Cash and cash equivalents carried forward	4,747	6,204

Cash and cash equivalents at the end of the financial period comprise of the following

Cash and bank balances	5,935	6,205
Bank overdrafts	(1,188)	(1)
	4,747	6,204

The unaudited condensed consolidated Statement of Cash Flow should be read in conjunction with the audited Financial Statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the interim consolidated Financial Statements.

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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

PART A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134

A1. Basis of Preparation

The unaudited condensed interim financial statements for the second quarter ended 30 June 2017 have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), and paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes.

The accounting policies and methods of computation adopted in these interim financial statements of the Group are consistent with those adopted in the annual audited financial statements for the financial year ended 31 December 2016, included the adoption of all the applicable MFRSs and IC Interpretations that are relevant and effective for the financial period beginning on or after 1 January 2017.

The adoption of the MFRSs and IC Interpretations which are applicable to the Group did not have any significant impact on the interim financial statements of the Group.

A2. Audited Report Of Preceding Annual Financial Statements

The audited financial statements for the financial year ended 31 December 2016 was not subject to any qualification.

A3. Seasonal Or Cyclical Factors

The Group's business operations are generally affected by major festive seasons, school holidays and carnival sales.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income Or Cash Flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature in size or incidence during the current quarter under review.

A5. Material Changes In Estimates

There were no material changes in the estimates of amounts reported that have material effect on the results for the current quarter under review.

A6. Issuances, Cancellations, Repurchases, Resale And Repayments Of Debt and Equity Securities

The Company had issued 13,200,000 new ordinary share of RM0.50 each to new shareholders under a private placement exercise, this exercise had been completed with the listing of 13,200,000 new Voir Shares on the Main Market of Bursa Securities on 25 April 2017.

A7. Dividend Paid

There was no dividend paid during the current quarter under review.

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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

PART A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD NO. 134

A8. Segmental Reporting

The Group's business segmental information for the financial year to date is as follows. There were no disclosure on geographical segment as its revenue from sales to segment other than Malaysia is insignificant.

	Revenue		Profit/(Loss) before tax	
	Year To Date Ended		Year To Date Ended	
	30-Jun-17	30-Jun-16	30-Jun-17	30-Jun-16
	RM'000	RM'000	RM'000	RM'000
Apparels, footwear & accessories	94,061	82,822	(78)	1,008
Food, Beverage & Events	0	464	0	(7)
Beauty & Wellness	208	482	(255)	(256)
Constructions	8,769	0	292	0
Investment holdings and others	0	0	(1,460)	(399)
	103,038	83,768	(1,501)	346
Adjustments & Eliminations	0	(4)	0	0
Consolidated	103,038	83,764	(1,501)	346

A9. Valuation of Property, Plant and Equipment

The property, plant and equipment of the Group have not been revalued during the current quarter under review.

A10. Material Events Subsequent To The End Of The Quarter

There was no material event subsequent to the end of the current quarter ended 30 June 2017 up to the date of this report.

A11. Changes In The Composition of The Group

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

A12. Contingent Liabilities and Contingent Assets

There were no material contingent liabilities, either secured or unsecured and contingent assets of the Group as at the end of the current quarter.

A13. Material Capital Commitments

There were no material capital commitments approved or contracted for as at 30 June 2017.

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INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2017

PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of Group's Results For The Current Quarter and Year-To-Date Ended 30 June 2017

	Quarter ended		Changes RM'000	Year To Date Ended		Changes RM'000
	30-Jun-17 RM'000	30-Jun-16 RM'000		30-Jun-17 RM'000	30-Jun-16 RM'000	
Revenue	54,754	38,572	16,182	103,038	83,764	19,274
Profit/(Loss) from operations	(1,171)	219	(1,390)	(1,187)	726	(1,913)
Profit/(Loss) before interest	(1,144)	250	(1,394)	(1,107)	829	(1,936)
Profit/(Loss) before taxation	(1,347)	34	(1,381)	(1,501)	346	(1,847)
Profit/(Loss) for the period	(1,201)	28	(1,229)	(1,665)	144	(1,809)
Comprehensive income/(loss) attributable to equity holders of the parent	(1,229)	(36)	(1,193)	(1,614)	65	(1,679)

The Group's revenue increased by 41.9% and 23.0% for the current quarter and year-to-date 6 months period ended 30 June 2017 respectively compared with preceeding year, the increase in revenue is mainly due to timing of Hari Raya falls in June this year and appropriate pricing strategies been adopted.

However the Group suffered loss before taxation ("LBT") of RM1.35 million and RM1.50 million as compared to profit before tax ("PBT") of RM0.03 million and RM0.35 million in the corresponding quarter and year-to-date in year 2016 , the LBT recorded was mainly attributed to loss suffered from its apparels retail business due to lower gross profit margin from the revised pricing policy and written-off of certain properties, plant and equipments no longer in used, coupled with higher expenses incurred from the holding company.

B2. Variation Of Results For The Current Quarter Against Immediate Preceding Quarter

	Current Quarter	Immediate Preceding Quarter	Change RM'000
	30-Jun-17 RM'000	31-Mar-17 RM'000	
Revenue	54,754	48,284	6,470
Profit/(Loss) from operations	(1,171)	(16)	(1,155)
Profit/(Loss) before interest	(1,144)	37	(1,181)
Profit/(Loss) before taxation	(1,347)	(154)	(1,193)
Profit/(Loss) for the period	(1,201)	(464)	(737)
Comprehensive income/(loss) attributable to equity holders of the parent	(1,229)	(385)	(844)

The Group recorded a revenue of RM54.75 million in the current quarter representing a increase of 13.4% as compared with RM48.28 million in the preceding quarter. The higher sales in the current quarter was mainly contributed from the Hari Raya festive season and school holidays promotion.

The Group's profit performance has shown a decrease from the PBT of RM0.04 million in the 1st quarter of 2017 to LBT of RM1.14 million in the current quarter. The loss recorded in the current quarter was mainly due to lower gross profit margin from the sales promotion and written-off of certain properties, plant and equipments no longer in used.

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PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B3. Group's Prospects For Financial Year Ending 31 December 2017

The Group's fashion retail business may continue facing stiffer competition and softer market sentiment in year 2017. The higher cost of operation as a result of weakened local currency exchange rates, higher wage rates, lower profit margin as a result of price competition amongst market players which will make the business more challenging.

The higher cost of living will also affect the consumers' household spending power and pattern, hence extra efforts are put in to organize and review effective sales and promotion campaigns in order to retain and further grow the target market with quality products and affordable price point offerings.

The Board expects that the on-going construction of the Program Perumahan Rakyat (PPR) Kota Setar and the recognition of unbilled sales from property development activities to contribute positively to the Group's turnover and profitability in the current financial year.

The Group will continue to be cautious and adopt necessary action plan to ensure a sustainable growth in 2017.

B4. Variance Of Profit Forecast

The Group did not issue any profit forecast for the current financial year.

B5. Income Tax Expense

The breakdown of income tax expense is as follows:-

	Current Quarter	Year to Date
	30-Jun-17	30-Jun-17
	RM'000	RM'000
Current year tax expense	(216)	167
Under/(over) provision in prior year	21	21
Deferred tax expenses/(reversal)	49	(24)
	<u>(146)</u>	<u>164</u>

The Group's taxation arisen from different income sources even made a loss, the effective tax rate is higher than the statutory income tax rate. This was mainly due to profits of certain companies which for income tax purposes cannot be set-off against losses incurred by other companies, permanent tax losses and certain expenses which were disallowed for taxation purposes during the financial period under review.

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PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B6. Status of Corporate Proposals Announced

During the current quarter, the status of utilisation of proceeds raised from corporate proposal are as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation	Yet to be utilised amount RM'000	%	Explanation (if "Yet to be utilised" is 5% or more)
(i) Construction project expenditure	5,070	5,070	12 months	-	-	
(ii) working capital	2,500	1,429	12 months	1,071	43%	Note 1
(iii) expenses to private placement	350	243	12 months	107	31%	Note 1

Note 1: The corporate proposals was completed on 25 April 2017. It has a timeframe for utilisation until 24 April 2018.

B7. Group Borrowings and Debt Securities

The Group's borrowings are as follows:-

	Quarter ended 30-Jun-2017			Quarter ended 30-Jun-2016		
	Secured Debt RM'000	Unsecured Debt RM'000	Total RM'000	Secured Debt RM'000	Unsecured Debt RM'000	Total RM'000
<u>Short-term borrowings</u>						
Term loan	118	102	220	108	577	685
Bill payable	4,480	9,289	13,769	3,272	12,027	15,299
Bank overdrafts	149	1,039	1,188	0	1	1
Finance lease liabilities	0	108	108	0	113	113
	<u>4,747</u>	<u>10,538</u>	<u>15,285</u>	<u>3,380</u>	<u>12,718</u>	<u>16,098</u>
<u>Long-term borrowings</u>						
Term loan	372	122	494	499	238	737
Finance lease liabilities	0	121	121	0	139	139
	<u>372</u>	<u>243</u>	<u>615</u>	<u>499</u>	<u>377</u>	<u>876</u>

The Group does not have any foreign currency borrowings as at 30 June 2017 and 30 June 2016. All borrowings indicated above are denominated in Ringgit Malaysia.

B8. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

B9. Dividend Proposed

No dividend has been declared during the current quarter under review.

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PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B, PART A OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B10. Earnings/(Loss) Per Share ("EPS/(LPS)")

Basic EPS/LPS

The basic earnings/(loss) per share of the Group are calculated by dividing the profit/(loss) attributable to the owners of the Company by the weighted average number of ordinary shares in issue.

	Current Quarter 30-Jun-17 RM'000	Year to Date 30-Jun-17 RM'000
Earnings/(Loss) attributable to owners of the Company	(1,229)	(1,614)
Weighted average number of ordinary shares ('000)	145,200	145,200
Adjustment for assumed exercise of warrants ('000)	60,000	60,000
Adjustment weighted average number of ordinary shares issued and issuable ('000)	205,200	205,200
Earnings/(loss) per ordinary share (sen)		
Basic	(0.85)	(1.11)
Diluted	(0.60)	(0.79)

The fully diluted earnings/(loss) per ordinary share of the Group for the corresponding quarters in 2016 are not applicable and presented as the warrants would be anti-dilutive as the exercise price is higher than the fair value of the Company's shares.

B11. Realised and Unrealised Retained Earnings

The breakdown of the retained earnings of the Group as at 30 June 2017, into realised and unrealised is as follows:

	As at 30-Jun-17 RM'000	As at 31-Dec-16 RM'000 (restated)
Total retained earnings of the Group:		
Realised	55,270	53,187
Unrealised	625	601
	55,895	53,788
Consolidation adjustments	(34,073)	(30,352)
	21,822	23,436