

VIVOCOM INTL HOLDINGS BERHAD (596299-D)

**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 DECEMBER 2020**

	----- Individual Quarter -----		-----Cumulative Quarter-----	
	Current year quarter 31 December 2020	Preceding year corresponding quarter 31 December 2019	Current year to date 31 December 2020	Preceding year corresponding period 31 December 2019
	RM'000	RM'000	RM'000	RM'000
Revenue	19,892	N/A	33,039	N/A
Cost of Sales	(15,588)	N/A	(25,777)	N/A
Operational depreciation and amortization	(151)	N/A	(300)	N/A
Gross Profit	4,153	N/A	6,962	N/A
Other operating income	86	N/A	615	N/A
Administrative Expenses	(2,060)	N/A	(3,828)	N/A
Depreciation and amortization	(257)	N/A	(492)	N/A
Operating Profit	1,922	N/A	3,257	N/A
Finance cost	(316)	N/A	(649)	N/A
Profit Before Tax	1,606	N/A	2,608	N/A
Taxation	(704)	N/A	(1,063)	N/A
Profit After Tax	902	N/A	1,545	N/A
Other comprehensive income	-	N/A	-	N/A
Total comprehensive income	<u>902</u>	<u>N/A</u>	<u>1,545</u>	<u>N/A</u>
Profit attributable to :				
Equity holders of the Company	620	N/A	1,020	N/A
Non-controlling interests	282	N/A	525	N/A
	<u>902</u>	<u>N/A</u>	<u>1,545</u>	<u>N/A</u>
Total comprehensive income attributable to :				
Equity holders of the Company	620	N/A	1,020	N/A
Non-controlling interests	282	N/A	525	N/A
	<u>902</u>	<u>N/A</u>	<u>1,545</u>	<u>N/A</u>
Weighted average no. of ordinary shares in issue ('000)	568,747	N/A	567,599	N/A
Earnings per share (sen):-				
a) Basic	0.11	N/A	0.18	N/A

The Unaudited Condensed Consolidated Statement of Comprehensive Income is derived from the unaudited 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 DECEMBER 2020**

	As at 31 December 2020 (Unaudited) RM'000	As at Preceding Financial Year Ended 30 June 2020 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	14,728	15,520
Right-of-use assets	1,653	1,653
Goodwill on consolidation	146,412	146,412
Other investment	2,969	4,660
Receivables	14,673	14,673
	<u>180,435</u>	<u>182,918</u>
Current assets		
Inventories	1,634	1,816
Receivables	253,216	277,846
Amount due from customers	28,152	24,328
Tax recoverable	60	401
Deposits with licensed banks	5,575	6,627
Cash And Cash Equivalents	42,369	28,768
	<u>331,006</u>	<u>339,786</u>
Total Assets	<u><u>511,441</u></u>	<u><u>522,704</u></u>
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Company		
Share capital	418,754	415,850
Other reserves	6,341	11,481
Retained profits	30,926	24,766
Shareholders' equity	<u>456,021</u>	<u>452,097</u>
Non-controlling interests	19,768	19,243
Total equity	<u>475,789</u>	<u>471,340</u>
Non-Current liabilities		
Borrowings	4,438	4,846
Lease Liability	383	383
Hire purchase payables	248	326
Payables	4,730	4,730
	<u>9,799</u>	<u>10,285</u>
Current liabilities		
Payables	11,659	19,524
Bank overdraft	1,035	1,495
Borrowings	11,242	19,144
Hire purchase payables	157	176
Lease Liability	450	450
Provision for taxation	1,310	290
	<u>25,853</u>	<u>41,079</u>
Total liabilities	35,652	51,364
Total equity and liabilities	<u><u>511,441</u></u>	<u><u>522,704</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.08</u>	<u>0.08</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 DECEMBER 2020

	Current year to date 31 December 2020 (Unaudited) RM'000
CASH FLOW FROM OPERATING ACTIVITIES	
Profit Before Taxation	2,608
Adjustments for Non-cash items	<u>985</u>
Operating profit before working capital changes	3,593
Changes in working capital	
Net change in inventories and work-in-progress	182
Net change in trade and other receivables	24,630
Net change in trade and other payables	(7,865)
Net change in amount due from customers	<u>(3,824)</u>
Net cash from operations	16,716
Tax refunded	299
Net cash generated from operating activities	<u>17,015</u>
CASH FLOW FROM INVESTING ACTIVITIES	
Placement of fixed deposits	2,743
Interest income	456
Net cash generated from investing activities	<u>3,199</u>
CASH FLOW FROM FINANCING ACTIVITIES	
Conversion of Warrants	2,903
Borrowings	(8,770)
Hire purchases	(97)
Interest paid	(649)
Net cash used in financing activities	<u>(6,613)</u>
Net Change in Cash and Cash Equivalents	13,601
Cash and Cash Equivalents at beginning of the period	28,768
Cash and Cash Equivalents at end of the period	<u><u>42,369</u></u>
Represented by :	
Cash and bank balances	42,369
	<u><u>42,369</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 DECEMBER 2020

	<-----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 31 December 2018 (Audited)	415,850	11,481	-	24,766	452,097	19,243	471,340
Expiration of Warrants 2015/2020 (Warrants D)	-	(4,797)	-	4,797	-	-	-
Conversion of Warrants	2,904	(343)	-	343	2,904	-	2,904
Total comprehensive income for the period	-	-	-	1,020	1,020	525	1,545
As at 31 December 2020	418,754	6,341	-	30,926	456,021	19,768	475,789

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.

**111VIVOCOM 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 October 2020 to 31 December 2020 and represents the second 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 December 2020	Cumulative Year to date 31 December 2020
Warrants E	-	5,807,471
Total no. of shares issued	-	5,807,471

As at 31 December 2020, 107,482,092 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	Teleo	Eliminations	Consolidated
31 December 2020	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue from external customers	489	17,660	941	802	-	19,892
Cost of sales	(409)	(14,213)	(755)	(362)	-	(15,739)
Segment profit	80	3,447	186	440	-	4,153
Profit before taxation						1,606
Income tax expenses						(704)
Profit after tax						902
Other comprehensive income						-
Total comprehensive income						902

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 2020.

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 FPE 30 June 2020.

A16. Subsequent material events

Save as disclosed below, there are no material events subsequent to the financial period ended 31 December 2020 that has not been reflected in this interim financial report:-

- (a) On 30 March 2021, the 164,250,000 Consideration Shares and 169,936,172 Subscription Shares were listed on Bursa Malaysia, marking the completion of the following proposals :
1. Proposed acquisition by Vivocom of 113,535,000 ordinary shares in V Development Sdn Bhd (V Development), representing 45.0% equity interest in V Development, from Dato' Seri Chia Kok Teong for a total purchase consideration of RM171,000,000 to be satisfied via a combination of cash consideration of RM54,000,000, and issuance and allotment of 164,250,000 new ordinary shares in Vivocom (Vivocom Share(s) or Share(s)) (Consideration Share(s)) at an issue price of RM0.40 per Consideration Share, and issuance and allotment of up to 128,250,000 new Irredeemable Convertible Preference Shares (ICPS) (Consideration ICPS) at an issue price of RM0.40 per Consideration ICPS (Proposed Acquisition);
 2. Proposed subscription of 169,936,172 new Vivocom Shares, representing approximately 30.0% of the total number of issued Vivocom Shares (Subscription Share(s)) at the subscription price of RM0.35 per Subscription Share (Proposed Subscription); and
 3. Proposed amendment to the constitution of the Company to facilitate the implementation of the Proposed Acquisition (Proposed Constitution Amendment)

A17. Significant related party transactions

	Current Period Quarter (3 months) 31.12.20 (RM'000)	Cumulative Period To-Date (3 months) 31.12.20 (RM'000)
Contract Revenue from related parties	17,432	27,007

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 (3 months) 31.12.20 (RM'000)	Cumulative Period To-Date (3 months) 31.12.20 (RM'000)
Revenue	19,892	33,039
Operating Profit	4,153	6,962
Profit before tax	1,606	2,608
Profit after tax	902	1,545
Profit attributable to the Equity holders of the Company	620	1,020

For the current financial and cumulative quarter ended 31 December, the Group recorded revenue of RM19.892 million and RM33.039 million respectively. The revenue was mostly contributed by Construction segment (88.8%). Profit before tax was mostly contributed from the Construction segment also. The implementation of the various controlled-movement orders across Malaysia has not significantly affected the Group's on-going projects.

Revenue by segment:

	Current Period Quarter (3 months) 31.12.20 (RM'000)	Cumulative Period To-Date (3 months) 31.12.20 (RM'000)
Property Development	489	1,913
Construction	17,660	27,928
Aluminium	941	1,995
Telco	802	1,204
Total	19,892	33,040

Property Development

The Property Development contributed 2.5% of the Group's total revenue for the current financial quarter ended 31 December 2020, arising from the progress work done for its residential project in Selangor.

Construction

The Construction segment contributed 88.8% of the total revenue for the current financial quarter ended 31 December 2020, mostly arising from its construction project in Gombak, with the Phase 1 expected to be completed by mid-2021.

Aluminium

The Aluminium segment contributed 4.7% of the total revenue for the current financial quarter ended 31 December 2020. The extension of the various controlled-movement orders across Malaysia has not significantly affected the on-going projects under Aluminium.

Telco

The Telco segment contributed 4.0% of the total revenue for the current financial quarter ended 31 December 2020. 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 31.12.20 (RM'000)	Immediate Preceding Quarter 30.09.20 (RM'000)	Changes	
			(RM'000)	(%)
Revenue	19,892	13,147	6,745	51.3
Operating Profit	4,153	2,808	1,345	47.9
Profit before tax	1,606	1,002	604	60.3
Profit after tax	902	643	259	40.3
Profit attributable to equity holders of the Company	620	400	220	55.0

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 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 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).

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 31.12.20 (RM'000)	Cumulative Period-to-Date 31.12.20 (RM'000)
Current tax	704	1,063
	704	1,063

For the current and cumulative quarter, the effective tax rate is 43.8% and 40.8% 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 23 February 2021, the Board announced that the Company is proposing to change its name from "VIVOCOM INTL HOLDINGS BERHAD" to "VINVEST CAPITAL HOLDINGS BERHAD" ("Proposed Change of Name"). The proposed name of "VINVEST CAPITAL HOLDINGS BERHAD" was approved and reserved by the Companies Commission of Malaysia ("CCM") on 19 February 2021. The Proposed Change of Name is subject to the approval of the shareholders of the Company at a general meeting

to be convened at a date to be announced later and a Circular to shareholders with details of the Proposed Change of Name will be issued to the shareholders in due course. The Proposed Change of Name, if approved by the shareholders, will take effect from the date of issuance of the Notice of Registration of New Name by the CCM to the Company.

- 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**").

B7. Status of utilisation of proceeds

- i) The status of utilisation of the gross proceeds of RM56.645 million from the Rights Issue by the Company as at 31 December 2020 are as follows:-

Purposes	Proposed Utilisation (RM'000)	Amount Utilised (RM'000)	Amount Unutilised (RM'000)	Deviation (RM'000)	Intended timeframe for Utilisation	Explanation
Future viable investments	25,000	-	25,000	-	Within 24 months from completion	
Working capital	30,445	30,115		330	Within 24 months from completion	Being additional rights issue expenses of RM330,000 incurred
Rights Issue expenses	1,200	1,530	-	(330)	Upon completion	
Total	56,645	31,645	25,000	-		

B8. Group borrowings and debt securities

The Group's borrowings as at 31 December 2020 are as follows:-

	Short Term	Long Term
Secured	(RM'000)	(RM'000)
Bank overdraft	1,035	-
Term Loans	3,310	4,438
Project revolving credit	7,932	-
Hire purchase creditors	157	248
Total	12,434	4,686

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	Cumulative Period-to-date
	31.12.20	31.12.20
	(RM'000)	(RM'000)
This is arrived at after (charging)/crediting :-		
Interest income	86	456
Interest expense	(316)	(649)
Depreciation and amortization	(408)	(792)

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 (3 months) 31.12.20 (RM'000)	Cumulative Period To-Date (6 months) 31.12.20 (RM'000)
Profit attributable to the equity holders of the Company	(RM'000)	620	1,020
Weighted average number of shares in issue	('000)	568,747	567,599
Basic earnings per share	(Sen)	0.11	0.18

(b) Diluted earnings per share

		Current Period Quarter (3 months) 31.12.20 (RM'000)	Cumulative Period To-Date (6 months) 31.12.20 (RM'000)
Profit attributable to the equity holders of the Company	(RM'000)	620	1,020
Weighted average number of shares in issue	('000)	568,747	567,599
Effect of dilution on assumed exercise of warrants	('000)	56,104	56,104
Adjusted weighted average number of shares	('000)	624,852	623,704
Diluted earnings per share	(Sen)	0.10	0.16

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 March 2021