



**VERSATILE CREATIVE BERHAD**  
**(Company No. : 603770-D)**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2005**  
**(The figures have not been audited)**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Quarter Ended</b>	<b>Quarter Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
	<b>31/12/2005</b>	<b>31/12/2004</b>	<b>31/12/2005</b>	<b>31/12/2004</b>
	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>	<b>RM '000</b>
Revenue	18,215	16,196	68,151	60,944
Cost of Sales	(14,483)	(12,486)	(55,281)	(48,163)
Gross Profit	<u>3,732</u>	<u>3,710</u>	<u>12,870</u>	<u>12,781</u>
Other Operating Expenses	(2,641)	(2,470)	(10,233)	(9,914)
Other Income	47	273	178	616
Profit before finance costs, taxation and minority interests	<u>1,138</u>	<u>1,513</u>	<u>2,815</u>	<u>3,483</u>
Interest income	7	9	41	35
Finance Costs	(683)	(722)	(2,640)	(2,583)
Profit before taxation and minority interests	<u>462</u>	<u>800</u>	<u>216</u>	<u>935</u>
Taxation	11	(111)	(251)	(416)
Profit/(loss) after taxation before minority interests	<u>473</u>	<u>689</u>	<u>(35)</u>	<u>519</u>
Minority interests	-	(147)	-	(124)
Net profit/(loss) for the period/year	<u>473</u>	<u>542</u>	<u>(35)</u>	<u>395</u>
<b>Earnings/(Losses) per share - Basic (sen)</b>	<u><b>0.428</b></u>	<u><b>0.490</b></u>	<u><b>(0.032)</b></u>	<u><b>0.357</b></u>
<b>Earnings/(Losses) per share - Diluted (sen)</b>	<u><b>NA</b></u>	<u><b>NA</b></u>	<u><b>NA</b></u>	<u><b>NA</b></u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial period ended 31 December 2004)



**VERSATILE CREATIVE BERHAD**  
(Company No. : 603770-D)

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2005**  
(The figures have not been audited)

	As at 31/12/2005 RM '000	As at 31/12/2004 RM '000
<b>Property, Plant and Equipment</b>	49,673	51,447
<b>Goodwill on Consolidation</b>	29,770	31,128
<b>Other Investments</b>	33,993	33,993
	<u>113,436</u>	<u>116,568</u>
<b>Current Assets</b>		
Inventories	5,928	7,798
Trade Receivables	22,896	19,861
Other Receivables, deposits and prepayments	1,578	1,549
Tax Recoverable	568	220
Fixed deposits with licensed banks and a financial institution	552	936
Cash and Bank Balances	2,331	1,438
	<u>33,853</u>	<u>31,802</u>
<b>Current Liabilities</b>		
Trade Payables	6,230	6,569
Other Payables and accruals	3,678	3,371
Borrowings	19,523	23,050
Hire Purchase Creditors	1,850	1,638
Bank overdrafts	2,676	2,372
	<u>33,957</u>	<u>37,000</u>
<b>Net Current Liabilities</b>	(104)	(5,198)
<b>Non Current Liabilities</b>		
Borrowings	(17,015)	(14,249)
Hire Purchase Creditors	(1,463)	(2,331)
Deferred Taxation	(5,647)	(5,548)
	<u>(24,125)</u>	<u>(22,128)</u>
	<u>89,207</u>	<u>89,242</u>
<b>Financed by:</b>		
<b>Share Capital</b>	110,643	110,643
<b>Reserves</b>	(21,436)	(21,401)
	<u>89,207</u>	<u>89,242</u>
<b>Net Assets per share (RM)</b>	<u>0.8063</u>	<u>0.8066</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial period ended 31 December 2004)



**VERSATILE CREATIVE BERHAD**  
**(Company No. : 603770-D)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005**  
**(The figures have not been audited)**

	Year Ended 31/12/2005 RM '000	Year Ended 31/12/2004 RM '000
<b>Cash Flows From Operating Activities</b>		
Net cash generated from operating activities	8,159	6,536
<b>Cash Flows from Investing Activities</b>		
Net cash used in investing activities	(2,258)	(9,009)
<b>Cash Flows from Financing Activities</b>		
Net cash (used in)/generated from financing activities	(5,312)	2,697
Net Change in Cash & Cash Equivalents	<u>589</u>	<u>224</u>
<b>Cash &amp; cash equivalents at beginning of the year</b>	(934)	(1,158)
<b>Cash &amp; cash equivalents at end of the year</b>	<u>(345)</u>	<u>(934)</u>
<b>Cash and cash equivalents included in the cash flow statement comprises:</b>		
Cash and Bank Balances	2,331	1,438
Bank Overdrafts	<u>(2,676)</u>	<u>(2,372)</u>
	<u>(345)</u>	<u>(934)</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the financial period ended 31 December 2004)



**VERSATILE CREATIVE BERHAD**  
**(Company No. : 603770-D)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2005**  
**(The figures have not been audited)**

	Share Capital RM '000	Non-Distributable Capital Redemption Reserve RM '000	Accumulated losses RM '000	Total RM '000
At 1 January 2005	110,643	3,000	(24,401)	89,242
Net loss for the year	-	-	(35)	(35)
<b>At 31 December 2005</b>	<b>110,643</b>	<b>3,000</b>	<b>(24,436)</b>	<b>89,207</b>
At 1 January 2004	110,643	1,450	(23,246)	88,847
Net profit for the year	-	-	395	395
Transfer to Capital Redemption Reserve	-	1,550	(1,550)	-
<b>At 31 December 2004</b>	<b>110,643</b>	<b>3,000</b>	<b>(24,401)</b>	<b>89,242</b>

(The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial period ended 31 December 2004)



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FOURTH QUARTER ENDED 31 DECEMBER 2005**

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**A. DISCLOSURE REQUIREMENTS AS PER MASB 26**

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with MASB 26: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The quarterly financial report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2004.

The accounting policies and methods of computation adopted by the Group in this quarterly financial report are consistent with those adopted in the financial statements for the year ended 31 December 2004.

**2. Audit Report Qualification and Status of Matters Raised**

The annual audited financial statements of the Group for the year ended 31 December 2004 were not subject to any qualifications.

**3. Seasonal or Cyclical Nature of Operations**

The current quarterly financial results were not affected by seasonal or cyclical factors of operations.

**4. Items of Unusual Nature**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter.

**5. Changes in Estimates**

There were no changes in the estimates which give a material effect for the current quarter.

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FOURTH QUARTER ENDED 31 DECEMBER 2005**

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**6. Other Investments**

	<b>31/12/2005</b>
	RM'000
<i>Non Current</i>	
Quoted shares in Malaysia at carrying value	31,993
Unquoted shares in Malaysia - at cost	2,000
	<u>33,993</u>
Quoted shares in Malaysia at market value	<u>13,840</u>

**7. Valuation of property, plant and equipment**

The valuations of land and buildings have been brought forward, without amendment from the audited financial statements for the financial year ended 31 December 2004.

**8. Changes in Debt and Equity Securities**

There were no issuance and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares for the current interim financial period under review.

**9. Dividends Paid**

There were no dividends paid in the current interim period under review.

**10. Material Events Subsequent to the Balance Sheet Date**

There were no material events subsequent to the end of the current interim period that have not been reflected in the financial statements for the said period as at the date of this report.

**11. Changes in the Composition of the Group**

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

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FOURTH QUARTER ENDED 31 DECEMBER 2005****12. Segment Information**

Segmental information for the financial year ended 31 December 2005.

	<b>Paper products 2005 RM'000</b>	<b>Plastic products 2005 RM'000</b>	<b>Colour Separation &amp; Printing 2005 RM'000</b>	<b>Others 2005 RM'000</b>	<b>Elimination 2005 RM'000</b>	<b>Consolidated 2005 RM'000</b>
<b>Business Segments</b>						
Revenue from external customers	22,538	29,397	16,112	104	-	68,151
Inter-segment revenue	202	-	113	752	(1,067)	-
<b>Total revenue</b>	<b>22,740</b>	<b>29,397</b>	<b>16,225</b>	<b>856</b>	<b>(1,067)</b>	<b>68,151</b>
<b>Operating Results</b>	<b>1,452</b>	<b>2,344</b>	<b>423</b>	<b>(46)</b>	<b>(1,358)</b>	<b>2,815</b>
Interest income						41
Finance cost						(2,640)
Profit before taxation and minority interests						216
Taxation						(251)
Loss after taxation and minority interests						(35)
Minority interests						-
Net loss for the year						(35)

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**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
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Segmental information for the financial year ended 31 December 2004.

	<b>Paper products 2004 RM'000</b>	<b>Plastic products 2004 RM'000</b>	<b>Colour Separation &amp; Printing 2004 RM'000</b>	<b>Others 2004 RM'000</b>	<b>Elimination 2004 RM'000</b>	<b>Consolidated 2004 RM'000</b>
<b>Business Segments</b>						
Revenue from external customers	23,424	24,687	12,563	270	-	60,944
Inter-segment revenue	89	7	93	-	(189)	-
Total revenue	<u>23,513</u>	<u>24,694</u>	<u>12,656</u>	<u>270</u>	<u>(189)</u>	<u>60,944</u>
<b>Operating Results</b>	<u>2,369</u>	<u>1,928</u>	<u>1,166</u>	<u>(621)</u>	<u>(1,358)</u>	<u>3,483</u>
Interest income						35
Finance cost						(2,583)
Profit before taxation and minority interests						<u>935</u>
Taxation						<u>(416)</u>
Profit after taxation and minority interests						<u>519</u>
Minority interests						<u>(124)</u>
Net profit for the year						<u>395</u>

**13. Changes in Contingent Liabilities**

At the date of this report, there were no contingent liabilities in respect of the Group.

**14. Inventories**

There was no write down of inventory value for the current financial year to date.



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**15. Provision for Warranties**

There was no provision for warranties for the current financial year to date.

**16. Changes in Tax Rate (Estimates)**

This note is not applicable.

**17. Capital Commitments**

At the date of this report, the capital commitments of the Group are as follow: -

	<b>2005</b>
	RM'000
Property, plant and equipment – Approved but not contract for	<u>3,383</u>

**18. Related Party Transactions**

Significant transactions with related parties in the financial statements are as follows:-

	<b>Current Quarter ended 31/12/2005 RM'000</b>
<b>With a company in which Encik Shahabuddin bin Abdullah @ Lee Seng Pun, a Director, has interests :-</b>	
DI Print Solutions Sdn Bhd	
Sales	1,959
Purchases	<u>(133)</u>

These transactions have been entered into in the normal course of business and have been established on terms, which are not more favorable than to third parties.

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**B. Additional information required by the Bursa Malaysia's Listing Requirements****1. Review of Performance**

For the December quarter under review, the Group recorded a revenue of RM18.215 million compared to RM16.196 million in 2004 and a profit before taxation and minority interests of RM462,000 compared to RM800,000 in 2004.

**2. Variation of Results against Immediate Preceding Quarter**

The Group's revenue for the current quarter amounted to RM18.215 million compared to RM17.048 million, in the third quarter ended 30 September 2005. A profit before taxation and minority interests of RM462,000 was achieved compared to a loss before taxation and minority interests of RM21,000 in the immediate preceding quarter. This was mainly due to higher sales achieved.

**3. Prospects**

The packaging and printing businesses continue to experience intense competition and the Directors expect the coming quarters to remain challenging. Nevertheless, the Directors are continuing their efforts to improve sales and minimise overall costs.

**4. Profit Forecast**

This is not applicable.

**5. Taxation**

	<b>Quarter ended 31/12/2005 RM'000</b>	<b>Quarter ended 31/12/2004 RM'000</b>	<b>Year ended 31/12/2005 RM'000</b>	<b>Year ended 31/12/2004 RM'000</b>
Taxation for the quarter/year	-	(83)	153	72
Deferred Taxation for the quarter/year	(11)	194	98	344
	<u>(11)</u>	<u>111</u>	<u>251</u>	<u>416</u>

The effective tax rate was higher mainly because no group tax relief was available and certain expenses were not allowable for tax deduction.

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
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**6. Disposal of Unquoted Investments or Properties**

There were no disposals of unquoted investments or properties included in the results of the Group for the current quarter.

**7. Quoted Securities**

There was no purchase or disposal of quoted securities for the current quarter.

**8. Status of Corporate Proposals Announced**

There were no corporate proposals announced during the quarter under review.

**9. Borrowing and Debt Securities**

(a) Group borrowings as at the end of the reporting period were as follows: -

	<b>31/12/2005</b> RM'000
Current	
Borrowings (secured)	17,178
Borrowings (unsecured)	2,345
	19,523
Bank Overdrafts (secured)	2,695
Bank Overdrafts (unsecured)	(19)
	2,676
Non Current Borrowings (secured)	17,015
Total Borrowings	<u>39,214</u>

(b) The above borrowings are denominated in Ringgit Malaysia. There are no foreign currencies borrowings.



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**10. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments for the current quarter and financial year to date.

**11. Changes in Material Litigation**

As at the date of the report, the Company was not involved in any material litigation.

**12. Dividends**

The Board of Directors does not recommend any dividends for the current financial quarter.

**13. Earnings/(Losses) per share**

**Basic Earnings/(Losses) per share**

Basic earnings/(losses) per share is calculated by dividing the Group's net loss for the year of RM35,532 the number of ordinary shares in issue during the year of 110,643,081.