



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
FIRST QUARTER ENDED 31 MARCH 2009**

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**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with FRS 134: 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 2008.

**Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

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

The annual audited financial statements of the Group for the year ended 31 December 2008 were not subject to any qualifications.

**Seasonal or Cyclical Nature of Operations**

The Group operates in three main business segments which can be affected by seasonal and cyclical factors of operations.

**Items of Unusual Nature**

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

**Changes in Estimates**

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

**Valuation of property, plant and equipment**

Land and buildings have been brought forward, without amendment from the audited financial statements for the financial year ended 31 December 2008.



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**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 year under review.

**Dividends Paid**

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

**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.

**Changes in the Composition of the Group**

There were no 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  
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Segmental information for the financial period ended 31 March 2009.

	<b>Paper products 2009 RM'000</b>	<b>Plastic products 2009 RM'000</b>	<b>Colour Separation &amp; Printing 2009 RM'000</b>	<b>Others 2009 RM'000</b>	<b>Elimination 2009 RM'000</b>	<b>Consolidated 2009 RM'000</b>
<b>Business Segments</b>						
Revenue from external customers	3,358	6,349	1,676	-	-	11,383
Inter-segment revenue	17	1	3	125	(146)	-
Total revenue	<u>3,375</u>	<u>6,350</u>	<u>1,679</u>	<u>125</u>	<u>(146)</u>	<u>11,383</u>
<b>Operating results</b>	<u>(239)</u>	<u>(98)</u>	<u>(286)</u>	<u>(113)</u>	<u>-</u>	<u>(736)</u>
Interest income						6
Finance costs						(493)
Loss before taxation						<u>(1,223)</u>
Taxation						<u>-</u>
Net loss for the period						<u><u>(1,223)</u></u>

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Segmental information for the financial period ended 31 March 2008.

	<b>Paper products 2008 RM'000</b>	<b>Plastic products 2008 RM'000</b>	<b>Colour Separation &amp; Printing 2008 RM'000</b>	<b>Others 2008 RM'000</b>	<b>Elimination 2008 RM'000</b>	<b>Consolidated 2008 RM'000</b>
<b>Business Segments</b>						
Revenue from external customers	5,042	7,912	4,951	-	-	17,905
Inter-segment revenue	60	1	7	-	(68)	-
Total revenue	<u>5,102</u>	<u>7,913</u>	<u>4,958</u>	<u>-</u>	<u>(68)</u>	<u>17,905</u>
<b>Operating results</b>	<u>(275)</u>	<u>613</u>	<u>491</u>	<u>(224)</u>	<u>-</u>	<u>605</u>
Interest income						6
Finance costs						(615)
Loss before taxation						<u>(4)</u>
Taxation						<u>(56)</u>
Net loss for the period						<u>(60)</u>

**Changes in Contingent Liabilities**

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

**Inventories**

A provision of RM33,178 was made for slow-moving stocks in the current financial period.

**Provision for Warranties**

There was no provision for warranties for the current financial period.



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**Changes in Tax Rate (Estimates)**

This note is not applicable.

**Capital Commitments**

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

Property, plant and equipment – Approved but not contracted for

**2009**  
RM'000  
4,762  
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**Related Party Transactions**

There were no significant related party transactions in the current financial period.



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**B. Additional information required by the Bursa Malaysia's Listing Requirements**

**Review of Performance**

For the quarter ended 31 March 2009, the Group recorded a revenue of RM11.4 million compared to RM17.9 million in 2008 and a loss before taxation of RM1.2 million compared to a loss before taxation of RM4,000 in 2008. A loss was recorded for the current quarter, due to declining sales by our existing customers who were affected by the financial crisis and lower margins due to a more competitive trading environment.

**Variation of Results against Immediate Preceding Quarter**

The Group's revenue for the current quarter amounted to RM11.4 million as compared to RM15.1 million in the fourth quarter ended 31 December 2008. The Group reported a loss before taxation of RM1.2 million compared to a loss before taxation of RM13.3 million in the immediate preceding quarter. Higher losses incurred in the preceding quarter compared to the current quarter was mainly due to diminution in value of quoted shares. Excluding this effect, the group posted a higher loss before taxation compared to the previous quarter, due to declining sales by our existing customers who were affected by the financial crisis and lower margins due to a more competitive trading environment.

**Prospects**

The packaging and printing businesses continue to experience intense competition and the Directors expect the coming quarters to remain challenging. Nevertheless, further efforts will be made to improve revenue and minimise overall costs.

**Profit Forecast**

This is not applicable.

**Taxation**

	<b>Quarter ended 31/03/2009 RM'000</b>	<b>Quarter ended 31/03/2008 RM'000</b>	<b>Period ended 31/03/2009 RM'000</b>	<b>Period ended 31/03/2008 RM'000</b>
Taxation for the quarter/period	-	56	-	56
Under provision in prior year	-	-	-	-
Deferred Taxation for the quarter/period	-	-	-	-
	<u>-</u>	<u>56</u>	<u>-</u>	<u>56</u>

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**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.

**Quoted Securities**

The group made some disposals of quoted securities for the current quarter.

	<b>31/03/2009</b>
	RM'000
Quoted shares	
Valuation as at 01 <sup>st</sup> January 2008	24,461
Less : Diminution in value	(13,063)
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Valuation as at 31 <sup>st</sup> December 2008	11,398
Less : Disposal	(296)
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Valuation as at 31 <sup>st</sup> March 2009	<u>11,102</u>
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Market value as at 31 <sup>st</sup> March 2009	<u>9,489</u>

**Status of Corporate Proposals Announced**

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

**Borrowing and Debt Securities**

(a) Group borrowings as at the reporting quarter were as follows:-

	<b>31/03/2009</b>
	RM'000
<i>Secured</i>	
Borrowings	14,123
Term Loan	7,027
Hire Purchases Creditors	2,623
Bank Overdrafts	4,568
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	28,341
<i>Unsecured</i>	
Borrowings	236
Bank Overdrafts	275
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	511



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Total Borrowings 28,852

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

**Off Balance Sheet Financial Instruments**

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

**Changes in Material Litigation**

As at the date of the report, the Company was involved in the following litigation:-

Johor Bharu High Court (Civil Division) Writ Of Summons No: MT1 – 22 – 775 – 2008  
Plaintiff: Versatile Paper Boxes Sdn Bhd (A subsidiary of Versatile Creative Berhad)  
Defendant: PBI Paper Sdn Bhd (Company No.: 600856-M)

There were no changes in the abovementioned case since announcement made on 20 May 2009.

**Dividends**

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

**Losses per share - Basic**

Basic losses per share is calculated by dividing the Group's net loss for the period of RM1,223,393 by the number of ordinary shares in issue during the period of 110,643,081.