

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME**

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year 3 months ended 31.03.2014 RM '000	Preceding Year 3 months ended RM '000	Current Year 15 months ended 31.03.2014 RM '000	Preceding Year 12 months ended 31.12.2012 RM '000
Revenue	13,027	N/A	71,152	60,756
Cost of Sales	(12,246)	N/A	(63,538)	(52,398)
<b>Gross Profit</b>	<b>781</b>	<b>N/A</b>	<b>7,613</b>	<b>8,358</b>
Other Income	3,279	N/A	5,639	5,764
Distribution expenses	(1,339)	N/A	(3,856)	(2,536)
Administrative expenses	(1,328)	N/A	(8,345)	(6,314)
Operating Results	1,393	N/A	1,051	5,272
Interest Income	14	N/A	18	24
Finance Costs	(483)	N/A	(2,192)	(1,969)
Non Operating Income	-	N/A	569	569
Non Operating Expenses	-	N/A	(2,147)	(2,500)
<b>(Loss)/Profit Before Taxation</b>	<b>923</b>	<b>N/A</b>	<b>(2,701)</b>	<b>1,395</b>
Taxation	(338)	N/A	129	742
(Loss)/Profit after taxation before minority interests	585	N/A	(2,573)	2,137
Minority interests	-	N/A	-	-
(Loss)/Profit for the period	585	N/A	(2,573)	2,137
<b>(Loss)/Earnings per Share - Basic (sen)</b>	<b>0.53</b>	<b>N/A</b>	<b>(2.33)</b>	<b>1.93</b>
<b>(Loss)/Earnings per Share - Diluted (sen)</b>	<b>NA</b>	<b>N/A</b>	<b>NA</b>	<b>NA</b>

Notes:

The financial year end of the Company has been changed from 31 December to 31 March to cover the 15-months period from 1 January 2013 to 31 March 2014 and thereafter, to end on 31 March each year. Accordingly, there are no comparative figures to be presented in this Condensed Consolidated Statement of Comprehensive Income.

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(The figures have not been audited)

31st March 2014

	<b>As at 31.03.2014 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	41,921	39,123
Intangible Asset	11,489	13,636
Other Investments	-	19,343
	<u>53,410</u>	<u>72,102</u>
<b>Current Assets</b>		
Receivables, Deposits and Prepayments	17,214	19,203
Amount owing by ultimate holding company	535	-
Inventories	6,901	8,657
Current Tax Assets	26	31
Other Investment held for Sale	66,373	2,149
Cash and Cash Equivalents	2,895	1,654
	<u>93,944</u>	<u>31,693</u>
<b>Total Assets</b>	<u>147,354</u>	<u>103,796</u>

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**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)**

(The figures have not been audited)

	31st March 2014	
	As at 31.03.2014 RM'000	As at 31.12.2012 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share Capital	110,643	110,643
Capital Redemption Reserve	3,000	3,000
Revaluation reserve	8,844	9,079
Accumulated Losses	(63,000)	(65,137)
Net (Loss)/Profit for the Year	(2,338)	2,137
Fair Value Reserves	42,223	1,831
<b>Total Equity</b>	<b>99,372</b>	<b>61,552</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Loan and Borrowings	5,921	2,797
Deferred Taxation	2,975	3,702
	<b>8,896</b>	<b>6,499</b>
<b>Current Liabilities</b>		
Payables and Accruals	14,279	12,712
Amount owing to ultimate holding company	1,000	-
Loan and Borrowings	23,301	23,032
Tax payable	505	-
	<b>39,086</b>	<b>35,744</b>
<b>Total Liabilities</b>	<b>47,982</b>	<b>42,243</b>
<b>Total Equity and Liabilities</b>	<b>147,354</b>	<b>103,796</b>
<b>Net Assets per share (RM)</b>	<b>0.90</b>	<b>0.56</b>

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012)*

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

(The figures have not been audited)

	<b>Period Ended 31.03.2014 RM'000</b>	<b>Year Ended 31.12.2012 RM'000</b>
<b>CASHFLOW FROM OPERATING ACTIVITIES:</b>		
<b>(Loss)/Profit before taxation</b>	<b>(2,701)</b>	<b>1,395</b>
<b><u>Adjustment for:</u></b>		
Depreciation of property, plant and equipment	5,076	4,122
Gain on disposal of property, plant and equipment	(553)	(239)
Bad debts recovered	(17)	(466)
Property, plant and equipment written off	15	-
Impairment loss on trade and other receivables	179	356
Impairment loss on trade and other receivables no longer required	-	(3,460)
Impairment loss on goodwill	2,147	2,500
Net fair value gain on other investment	(4,488)	(190)
Interest income	(18)	(24)
Interest expense	2,192	1,969
Waiver of interest	-	(842)
Dividend received	(569)	(569)
	<u>1,264</u>	<u>4,553</u>
<b><u>Changes in working capital:</u></b>		
Inventories	1,755	(1,790)
Receivables, deposits and prepayments	1,291	(1,502)
Payables and accruals	2,118	1,849
<b>Cash flow after working capital changes</b>	<b>6,428</b>	<b>3,111</b>
Interest received	18	24
Interest paid	(344)	(778)
Income tax paid	(132)	(119)
Income tax refund	44	83
<b>Net operating cash flows</b>	<b>6,014</b>	<b>2,321</b>



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)**

(The figures have not been audited)

	<b>Period Ended 31.03.2014 <u>RM'000</u></b>	<b>Year Ended 31.12.2012 <u>RM'000</u></b>
<b><u>CASHFLOW FROM INVESTING ACTIVITIES:</u></b>		
Acquisition of property, plant and equipment	(2,520)	(453)
Fixed deposit held as security value	(17)	(21)
Divident received	569	569
Proceeds from disposal of property, plant and equipment	1,065	415
	<u><b>(903)</b></u>	<u><b>511</b></u>
<b><u>CASHFLOW FROM FINANCING ACTIVITIES:</u></b>		
Interest paid	(1,848)	(1,191)
Proceed from/(Repayment) of borrowings	527	(309)
Payment of finance lease liabilities	(1,847)	(1,184)
Net financing cash flows	<u><b>(3,167)</b></u>	<u><b>(2,684)</b></u>
<b>NET CHANGE IN CASH &amp; CASH EQUIVALENTS</b>	<b>1,944</b>	<b>147</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR</b>	<b>(3,433)</b>	<b>(3,580)</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR</b>	<u><u><b>(1,488)</b></u></u>	<u><u><b>(3,433)</b></u></u>
Analysis of Cash & Cash Equivalents:		
	<u><b>RM'000</b></u>	<u><b>RM'000</b></u>
Cash and bank balances	2,182	959
Fixed Deposit	712	695
	<u>2,895</u>	<u>1,654</u>
Less: Fixed deposit pledged to a licensed bank	(712)	(695)
Less: Bank overdraft	<u>(3,671)</u>	<u>(4,391)</u>
	<u><u><b>(1,488)</b></u></u>	<u><u><b>(3,433)</b></u></u>

*(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2012)*



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(The figures have not been audited)

	Non-Distributable					Total Equity RM '000
	Share Capital RM '000	Capital Redemption Reserve RM '000	Revaluation Reserve RM '000	Fair value Adjustment Reserve RM '000	Accumulated Losses RM '000	
At 01st January 2012	110,643	3,000	-	124	(65,137)	48,630
Total comprehensive income for the year	-	-	9,079	1,707	2,137	12,922
<b>At 31st December 2012</b>	<b>110,643</b>	<b>3,000</b>	<b>9,079</b>	<b>1,831</b>	<b>(63,000)</b>	<b>61,552</b>
At 01st January 2013	110,643	3,000	9,079	1,831	(63,000)	61,552
Total comprehensive income/(loss) for the period	-	-	-	40,392	(2,573)	37,820
Crystallisation of revaluation reserve		-	(235)	-	235	(3,158)
<b>At 31st March 2014</b>	<b>110,643</b>	<b>3,000</b>	<b>8,844</b>	<b>42,223</b>	<b>(65,338)</b>	<b>99,372</b>



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

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**NOTES TO QUARTERLY FINANCIAL REPORT**

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

**Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”). This condensed report also compliance with IAS 34 : Interim Financial Reporting issued by the International Accounting Standard Board.

The quarterly financial report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 December 2012.

**Adoption of Standards, Amendments and Issue Committee (IC) Interpretations**

The Group adopted the following Standards, Amendments and IC Interpretations:-

New MFRSs

MFRS 9	Financial Instruments
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement

Revised MFRSs

MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures

Amendments/Improvements to MFRSs

MFRS 1	First-time Adoption of Financial Reporting Standards
MFRS 7	Financial Instruments: Disclosures
MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 101	Presentation of Financial Statements

The adoption of the Standards, Amendments and Interpretations above did not have any material financial impact to the Group.



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

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

The annual audited financial statements of the Group for the year ended 31 December 2012 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 2012.

**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.



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(Company No. : 603770-D)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

Segmental information for the financial period ended				31st March 2014		
Business Segments	Paper products	Plastic products	Colour Separation & Printing	Others	Elimination	Consolidated
	15 months ended	15 months ended	15 months ended	15 months ended	15 months ended	15 months ended
	31.3.2014	31.3.2014	31.3.2014	31.3.2014	31.3.2014	31.3.2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	34,153	27,288	9,711			71,152
Inter-segment revenue	1	5	13	774	(792)	-
Total revenue	<u>34,153</u>	<u>27,293</u>	<u>9,724</u>	<u>774</u>	<u>(792)</u>	<u>71,152</u>
<b>Operating results</b>	<u>6,644</u>	<u>(5,974)</u>	<u>1,456</u>	<u>(1,083)</u>	<u>7</u>	<u>1,051</u>
Interest income						18
Finance costs						(2,192)
Add: Non-Operating Income						569
Less: Non-Operating Expenses						(2,147)
Loss before taxation						<u>(2,701)</u>
Taxation						129
<b>Loss after taxation</b>						<u><u>(2,573)</u></u>

Segmental information for the financial year ended				31st December 2012		
Business Segments	Paper products	Plastic products	Colour Separation & Printing	Others	Elimination	Consolidated
	12 months ended	12 months ended	12 months ended	12 months ended	12 months ended	12 months ended
	31.12.2012	31.12.2012	31.12.2012	31.12.2012	31.12.2012	31.12.2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	25,475	26,508	8,774	-	-	60,756
Inter-segment revenue			20	634	(654)	-
Total revenue	<u>25,475</u>	<u>26,508</u>	<u>8,794</u>	<u>634</u>	<u>(654)</u>	<u>60,756</u>
<b>Operating results</b>	<u>4,258</u>	<u>407</u>	<u>3,560</u>	<u>(500)</u>	<u>(2,453)</u>	<u>5,272</u>
Interest income						24
Finance costs						(1,969)
Add: Non-Operating Income						569
Less: Non-Operating Expenses						(2,500)
Profit before taxation						<u>1,395</u>
Taxation						742
<b>Profit after taxation</b>						<u><u>2,137</u></u>

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****(Loss)/Profit Before Taxation**

Included in the (loss)/profit before taxation are the following items:

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	Current Year 3 months ended 31.03.2014 <u>RM'000</u>	Preceding Year 3 months ended  <u>RM'000</u>	Current Year 15 months ended 31.03.2014 <u>RM'000</u>	Preceding Year 12 months ended 31.12.2012 <u>RM'000</u>
Bad debts recovered	-	N/A	(17)	(3,763)
Dividend Received	(569)	N/A	(569)	(569)
Depreciation of property, plant and equipment	1,080	N/A	4,973	4,122
Gain on disposal of property, plant and equipment	-	N/A	(553)	(239)
Impairment loss on trade & other receivables	-	N/A	179	192
Impairment loss on goodwill	2,147	N/A	2,147	2,500
Interest expense	457	N/A	2,192	1,127
Interest income	(5)	N/A	(18)	(24)
Net fair value gain on other investment	(316)	N/A	(4,488)	(190)
Property, plant and equipment written off	1	N/A	15	-

Notes:

The financial year end of the Company has been changed from 31 December to 31 March to cover the 15-months period from 1 January 2013 to 31 March 2014 and thereafter, to end on 31 March each year. Accordingly, there are no comparative figures to be presented in this Notes to Quarterly Financial Report

**Changes in Contingent Liabilities**

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

**Inventories**

An allowance for slow-moving stocks of RM877,485 was made in the current financial period.

**Provision for Warranties**

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

**Changes in Tax Rate (Estimates)**

This note is not applicable.

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****Capital Commitments**

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

	<b>31.03.2014</b>
	RM'000
Property, plant and equipment – Approved but not contracted for	<u><u>1,719</u></u>

**Recurring Related Party Transactions**

The recurring related party transactions for the current quarter ended 31 March 2014 are as follows:.

	Individual Quarter 3 months ended 31/3/2014 RM '000	Cumulative Quarter 15 months ended 31.03.2014* RM '000
<b>Ultimate holding ompany</b>		
Iris Corporation Berhad		
Provision of colour separation and lithography services and commercial printing	397	398

\* - *post acquisition period from 26 November 2013 to 31 March 2014*



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

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

**Review of Performance**

The Group recorded total revenue of RM13.03 million in the three months ended 31 March 2014. For the 15 months period ended 31 March 2014, the Group achieved revenue of RM71.15 million. In the preceding year 12 months period ended 31 December 2012, the Group achieved revenue of RM60.76 million. The increase in revenue stems from the recognition of additional three months of revenue.

The Group achieved profit before tax of RM0.92 million and a loss before tax of RM2.70 million in the current 3 months and 15 months period ended 31 March 2014 respectively as compared with the profit before tax of RM1.40 million in the preceding year 12 months ended 31 December 2012. The Group reported a loss for the 15 months ended 31 March 2014 despite higher revenue recorded mainly due to erosion of margins and higher operating costs, particularly in the plastic segment.

**Variation of Results against Immediate Preceding Quarter**

The Group recorded total revenue of RM13.03 million in the quarter ended 31 March 2014 as compared to RM14.95 million in the preceding quarter ended 31 December 2013. The Group achieved profit before tax of RM0.92 million in the current quarter compared to a loss before tax of RM2.04 million. Despite lower margins from lower sales in the current quarter, higher income from the revaluation of quoted investments in the current quarter were more than enough to offset the provision for impairment of goodwill in the preceding quarter, resulting in a better profit before taxation performance in the current quarter.

**Prospects**

The Malaysian economy grew at 6.2% in Q1 2014 versus a 5.1% growth in Q4 2013, driven by strong expansion in domestic demand and a turnaround in net exports. Externally, economies in the USA, the Euro Zone and other Asian countries grew moderately as well. Against this background, the Group's performance for the 15 month period ended 31 March 2014 has been mixed. While the paper and colour separation and printing segments delivered better results compared to the previous year, losses were incurred in the plastic segment arising from operational issues. The paper segment has invested in new machinery which should contribute to better efficiencies in the coming year and is now looking at additional investments in ancillary equipment to further enhance capacity. The Group continues to work on overcoming the operational issues in the plastic segment and is optimistic that its performance in the coming year will improve.

The packaging and printing business continues to remain competitive and challenging. The Group continues its effort to aggressively seek new business opportunities outside its traditional base. The Group will continue to selectively invest in capacity building and maintain its effort to identify areas to improve efficiency and reduce costs.

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****Profit Forecast**

This is not applicable.

**Taxation**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	Current Year 3 months ended 31.3.2014 RM'000	Preceding Year 3 months ended RM'000	Current Year 15 months ended 31.3.2014 RM'000	Preceding Year 12 months ended 31.12.2012 RM'000
<b>Taxation</b>				
- in current quarter/period	(291)	N/A	(610)	(99)
- overaccrual in prior year	12	N/A	12	9
<b>Deferred taxation</b>				
- in current quarter/period	(59)	N/A	(142)	(185)
- overaccrual in prior year	-	N/A	869	1,018
	<u>(338)</u>	<u>N/A</u>	<u>129</u>	<u>742</u>

Notes:

The financial year end of the Company has been changed from 31 December to 31 March to cover the 15-months period from 1 January 2013 to 31 March 2014 and thereafter, to end on 31 March each year. Accordingly, there are no comparative figures to be presented in this Notes to Quarterly Financial Report

**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.



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

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**Status of Corporate Proposals Announced**

On 22 April 2014, the Board of Directors (“Board”) of VCB received a letter from IRIS Healthcare Sdn Bhd (“IHSB”), Versatile Credit & Leasing Sdn Bhd (“VCLSB”), Datuk Tan Say Jim (“Datuk Tan”) and Dato’ Lee Kwee Hiang (“Dato’ Lee”) (collectively, the “Joint Offerors”), (“Proposal Letter”), requesting the Board of VCB to undertake a proposed voluntary withdrawal of the listing of VCB from the Official List of the Main Market of Bursa Securities pursuant to Paragraph 16.06 of the MMLR.

This is pursuant to the voluntary take-over offer by the Joint Offerors vide the offer document dated 14 October 2013 (“Initial Offer Document”) to acquire all the VCB Shares not held by them, which had closed on 13 December 2013 (“Initial Offer”). Upon closing, the Joint Offerors has acquired 71,470,815 VCB Shares. Accordingly, the shareholdings of the Joint Offerors had increased to 99,011,336 VCB Shares. As at 18 April 2014, being the latest practicable date prior to the date of this announcement (“LPD”), the Joint Offerors collectively hold 99,011,336 VCB Shares, representing approximately 89.49% of the issued and paid-up share capital of VCB.

In accordance with the Offer Document, the Joint Offerors do not intend to maintain the listing status of VCB and do not intend to take any steps to address the shortfall in the public shareholding spread of VCB.

On 30 April 2014, VCB also made a multi Proposals announcement of the following:

- 1 Proposed capital reduction of the issued and paid-up share capital of VCB pursuant to Section 64 of the Companies Act, 1965 involving the cancellation of RM0.50 of the par value of each ordinary share of RM1.00 each in VCB;
- 2 Proposed disposal of 126,424,033 ordinary shares of RM0.15 each in IRIS Corporation Berhad for cash consideration at prices to be ascertained later;
- 3 Proposed amendment to the Memorandum of Association of VCB; and
- 4 Proposed shareholders' mandate for recurrent related party transactions of a revenue or trading nature.

On 14 May 2014 VCB further announced that the Company has decided that the Proposed Disposal will not be tabled for consideration in the upcoming Extraordinary General Meeting for the Proposals that was previously announced on 30 April 2014. The Proposed Disposal will be tabled separately at a later date, upon identification of potential buyers.

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014****Borrowing and Debt Securities**

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

	<b>Period ended 31.03.2014 RM'000</b>	<b>Year ended 31.12.2012 RM'000</b>
<i>Secured</i>		
Borrowings	17,799	16,889
Term Loan	1,798	2,731
Hire Purchases Creditors	5,955	1,818
Bank Overdrafts	3,671	4,391
	29,222	25,829
Total Borrowings	<u>29,222</u>	<u>25,829</u>

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

**Realised and Unrealised Profit or Losses**

The accumulated losses as at 31 March 2014 and 31 December 2012 are analyzed as follows:-

	<b>As At End of Current period end 31.03.2014 RM'000</b>	<b>As At End of Preceding year end 31.12.2012 RM'000</b>
Total accumulated losses of the Company & subsidiaries :-		
-Realised	(74,718)	(73,793)
-Unrealised	(2,975)	(3,702)
	<u>(77,693)</u>	<u>(77,495)</u>
Less: Consolidation adjustments	12,355	14,495
Total accumulated losses as per consolidated account	<u>(65,338)</u>	<u>(63,000)</u>



**UNAUDITED QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE 15 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2014**

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**Dividends**

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

**Loss per share - Basic**

Basic loss per share is calculated by dividing the Group's net loss for the 15-months period of RM 2,572,596 by the number of ordinary shares in issue during the period of 110,643,081.