

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****(Amended)****CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2016****(The figures have not been audited)**

	Note	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
		30/09/2016 RM '000	30/09/2015 RM '000	30/09/2016 RM '000	30/09/2015 RM '000
Revenue	<b>A10</b>	10,852	11,031	23,290	22,352
Cost of sales		(8,989)	(10,282)	(20,012)	(20,014)
<b>Gross profit</b>		<b>1,863</b>	<b>749</b>	<b>3,278</b>	<b>2,338</b>
Other income		178	3,382	294	3,458
Distribution expenses		(491)	(560)	(899)	(1,020)
Administrative expenses		(2,080)	(2,867)	(3,790)	(6,039)
Loss before interest and taxation		(530)	704	(1,117)	(1,263)
Interest income		7	13	13	14
Finance costs		(268)	(305)	(517)	(578)
<b>Loss before taxation</b>		<b>(791)</b>	<b>412</b>	<b>(1,621)</b>	<b>(1,827)</b>
Taxation	<b>B5</b>	-	-	-	-
Loss after taxation		(791)	412	(1,621)	(1,827)
<b>Other comprehensive loss</b>					
Loss on fair value changes		3,012	(4,337)	1,005	(9,068)
<b>Total other comprehensive loss for the financial period</b>		<b>3,012</b>	<b>(4,337)</b>	<b>1,005</b>	<b>(9,068)</b>
<b>Total comprehensive loss for the financial period</b>		<b>2,221</b>	<b>(3,925)</b>	<b>(616)</b>	<b>(10,895)</b>
<b>(Loss)/Earnings per share - Basic (sen)</b>	<b>B11</b>	<b>(0.67)</b>	<b>0.35</b>	<b>(1.38)</b>	<b>(1.56)</b>

*(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2016)*

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016**

	<b>Note</b>	<b>As at 30/09/2016 (Unaudited) RM'000</b>	<b>As at 31/03/2016 (Audited) RM'000</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment		33,311	34,553
Other Investments		13,405	12,617
		<u>46,716</u>	<u>47,170</u>
<b>Current Assets</b>			
Trade and other receivables		15,602	17,295
Inventories		4,736	4,895
Current Tax Assets		515	445
Other Investment		3,667	3,451
Fixed Deposits Placed with a Licensed Bank		778	762
Cash and Bank Balances		220	681
		<u>25,518</u>	<u>27,529</u>
<b>Total Assets</b>		<u>72,234</u>	<u>74,699</u>

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2016  
(Continued)**

		<b>As at 30/09/2016 (Unaudited) RM'000</b>	<b>As at 31/03/2016 (Audited) RM'000</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share Capital		58,669	58,669
Share Premium		1,473	1,473
Capital Redemption Reserve		3,000	3,000
Revaluation Reserve		4,860	4,860
Fair Value Reserve		1,616	611
Accumulated Losses		(25,724)	(24,103)
<b>Total Equity</b>		<u>43,894</u>	<u>44,510</u>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Loan and Borrowings	<b>B8</b>	2,848	3,494
Deferred Tax Liabilities		2,954	2,954
		<u>5,802</u>	<u>6,448</u>
<b>Current Liabilities</b>			
Trade and other payables		8,253	9,621
Loan and Borrowings	<b>B8</b>	14,285	14,120
		<u>22,538</u>	<u>23,741</u>
<b>Total Liabilities</b>		28,340	30,189
<b>Total Equity and Liabilities</b>		<u>72,234</u>	<u>74,699</u>
<b>Net Assets per share (RM)</b>		<u><b>0.37</b></u>	<u><b>0.38</b></u>

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED  
30 SEPTEMBER 2016**

	Attributable to equity holders of the Company						
	Non-Distributable						
	Share Capital RM'000	Share Premium RM'000	Capital Redemption Reserve RM'000	Revaluation Reserve RM'000	Fair value Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
<b><u>Period ended 30 September 2016 (Unaudited)</u></b>							
At 01 April 2016	58,669	1,473	3,000	4,860	611	(24,103)	44,510
Loss for the period	-	-	-	-	-	(1,621)	(1,621)
Other comprehensive loss for the financial period	-	-	-	-	1,005	-	1,005
Total comprehensive loss for the financial period	-	-	-	-	1,005	(1,621)	(616)
<b>At 30 September 2016</b>	<b>58,669</b>	<b>1,473</b>	<b>3,000</b>	<b>4,860</b>	<b>1,616</b>	<b>(25,724)</b>	<b>43,894</b>
<b><u>Period ended 30 September 2015 (Unaudited)</u></b>							
At 01 April 2015	55,321	-	3,000	8,609	15,987	(25,788)	57,129
Issuance of ordinary shares	3,348	1,473	-	-	-	-	4,821
Crystallisation of revaluation reserve	-	-	-	(3,690)	-	3,690	-
Loss for the period	-	-	-	-	-	(1,827)	(1,827)
Other comprehensive loss for the financial period	-	-	-	-	(9,068)	-	(9,068)
Total comprehensive loss for the financial period	3,348	1,473	-	(3,690)	(9,068)	1,863	(6,074)
<b>At 30 September 2015</b>	<b>58,669</b>	<b>1,473</b>	<b>3,000</b>	<b>4,919</b>	<b>6,919</b>	<b>(23,925)</b>	<b>51,055</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2016)*

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED  
30 SEPTEMBER 2016**

(The figures have not been audited)

	<b>30/09/2016</b>	<b>30/09/2015</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
<b>Loss before taxation</b>	<b>(1,621)</b>	<b>(1,827)</b>
<b><u>Adjustments for non-cash flow items:</u></b>		
Non-cash items	1,532	1,110
Non-operating items	504	564
Operating profit before working capital changes	414	(153)
<b><u>Changes in working capital:</u></b>		
Inventories	159	(772)
Trade and other receivables	1,693	191
Trade and other payables	(1,368)	979
Cash generated from/(used in) operations	898	245
Interest received	13	14
Interest paid	(129)	(327)
Net income tax paid	(70)	(130)
<b>Net cash from/(used in) operating activities</b>	<b><u>713</u></b>	<b><u>(198)</u></b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>		
Acquisition of property, plant and equipment	(383)	(52)
Fixed deposit held as security value	(15)	-
Proceeds from disposal of property, plant and equipment	92	-
Proceeds from disposal of other investment	-	-
<b>Net cash (used in)/from investing activities</b>	<b><u>(305)</u></b>	<b><u>(52)</u></b>

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED  
30 SEPTEMBER 2016 (Continued)**

	<b>30/09/2016</b>	<b>30/09/2015</b>
	<b><u>RM'000</u></b>	<b><u>RM'000</u></b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES:</u></b>		
Issuance of ordinary shares	-	4,821
Interest paid	(388)	(251)
Repayment of borrowings	(143)	(4,300)
Repayment of finance lease liabilities	(649)	(527)
<b>Net cash used in financing activities</b>	<b><u>(1,180)</u></b>	<b><u>(257)</u></b>
<b>NET CHANGE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(772)</b>	<b>(507)</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>(2,785)</b>	<b>(3,194)</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b><u>(3,557)</u></b>	<b><u>(3,701)</u></b>
Analysis of Cash & Cash Equivalents:		
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	220	399
Fixed deposit placed with a licensed bank	778	751
	998	1,150
Less: Fixed deposit pledged to a licensed bank	(778)	(751)
Less: Bank overdraft	(3,777)	(4,100)
	<b><u>(3,557)</u></b>	<b><u>(3,701)</u></b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2016)*



**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016**

---

**NOTES TO INTERIM FINANCIAL REPORT**

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

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The interim financial report should be read in conjunction with the annual audited financial statements of the Group for the year ended 31 March 2016.

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

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

Amendments/Improvements to MFRSs

MFRS 5	Non-current Assets Held for Sale and Discontinued Operations
MFRS 7	Financial Instruments: Disclosures
MFRS 11	Joint Arrangements
MFRS 12	Disclosures of Interest in Other Entities
MFRS 101	Presentation of Financial Statements
MFRS 116	Property, Plant and Equipment
MFRS 119	Employee Benefits
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
MFRS 134	Interim Financial Reporting
MFRS 138	Intangible Assets
MFRS 141	Agriculture

The adoption of the above amendments/improvements to MFRSs did not have any material financial impact to the Group.

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

The annual audited financial statements of the Group for the year ended 31 March 2016 were not subject to any qualifications.

**3. 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.



**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016**

---

**4. Unusual Items**

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

**5. Changes in Estimates**

There were no significant changes in the estimates which have a material effect for the current financial quarter under review.

**6. Valuation of Property, Plant and Equipment**

Land and buildings have been brought forward, without amendment from the annual audited financial statements for the financial year ended 31 March 2016.

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

There were no issuances or repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares or resale of treasury shares for the current financial quarter under review.

**8. Dividend Paid**

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

**9. Material Events Subsequent to the End of the Reporting Period**

There are no material events subsequent to the end of the reporting period that have not been reflected in the quarterly financial report.



**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****10. Operating Segments**

The Group's operating segments for the financial period ended 30 September 2016 were as follows:

**Segmental information for 6 months ended 30 September 2016**

Business Segment	Financial period ended 30 September 2016					Consolidated RM'000
	Paper products RM'000	Plastic products RM'000	Colour Separation & Printing RM'000	Others RM'000	Elimination RM'000	
Revenue from external customers	13,050	9,360	880	-	-	23,290
Inter-segment revenue	311	4	2	520	(837)	-
<b>Total revenue</b>	<b>13,361</b>	<b>9,364</b>	<b>882</b>	<b>520</b>	<b>(837)</b>	<b>23,290</b>
<b>Operating results</b>	<b>941</b>	<b>(1,213)</b>	<b>(290)</b>	<b>(556)</b>	<b>-</b>	<b>(1,117)</b>
Interest income						13
Interest expense						(517)
Loss before taxation						<b>(1,621)</b>
Taxation						-
<b>Loss after taxation</b>						<b>(1,621)</b>

**Segmental information for 6 months ended 30 September 2015**

Business Segment	Financial period ended 30 September 2015					Consolidated RM'000
	Paper products RM'000	Plastic products RM'000	Colour Separation & Printing RM'000	Others RM'000	Elimination RM'000	
Revenue from external customers	12,700	8,628	1,024	-	-	22,352
Inter-segment revenue	156	-	-	489	(645)	-
<b>Total revenue</b>	<b>12,856</b>	<b>8,628</b>	<b>1,024</b>	<b>489</b>	<b>(645)</b>	<b>22,352</b>
<b>Operating results</b>	<b>826</b>	<b>1,500</b>	<b>(303)</b>	<b>(576)</b>	<b>-</b>	<b>1,447</b>
Net fair value loss on other investments						(2,710)
Loss before interest and taxation						(1,263)
Interest income						14
Interest expense						(578)
Loss before taxation						<b>(1,827)</b>
Taxation						-
<b>Loss after taxation</b>						<b>(1,827)</b>

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****11. Changes in the Composition of the Group**

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

**12. Loss Before Taxation**

The following items have been charged/(credited) in arriving at the loss before taxation:

	<b>Individual Financial Quarter Ended</b>		<b>Cumulative Financial Quarter Ended</b>	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
The following items have been charged/(credited) in arriving loss before taxation:				
Depreciation of property, plant and equipment	811	852	1,624	1,767
Gain on disposal of property, plant and equipment	(52)	(3,367)	(92)	(3,367)
Interest expense	268	305	517	578
Interest income	(7)	(13)	(13)	(14)
Net fair value loss on other investments	-	1,296	-	2,710
Net foreign exchange loss	39	-	85	-

**13. Changes in Contingent Liabilities**

There were no contingent liabilities incurred or known to be incurred by the Group as at 30 September 2016.

**14. Provision for Warranties**

There was no provision for warranties for the current financial quarter under review.

**15. Capital Commitments**

There were no capital commitments as at 30 September 2016.

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****16. Related Party Transactions**

There were no significant related party transactions for the current financial quarter under review.

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

	Individual Quarter		Variances
	Q2-FY'17	Q2-FY'16	
	(Unaudited)		
	RM'000		
<b><u>Segmental Revenue</u></b>			
Paper Products	6,372	6,138	234
Plastic Products	4,145	4,503	(358)
Colour Separation & Printing	528	451	77
Others	242	242	-
Elimination	(435)	(303)	(132)
<b>Group Revenue</b>	<b>10,852</b>	<b>11,031</b>	<b>(179)</b>

The Group revenue for the current quarter ("Q2 FY17") decreased by RM0.18 million or 1.6% to RM10.852 million, as compared with RM11.31 million recorded in last year's corresponding quarter ("Q2 FY16"). The reduction in revenue emanated mainly from the Group Plastic Products division and was attributable to the following factors:

- Loss of some orders to competitors
- Lower customer sales.

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****Profit/(Loss) Before Taxation**

	Individual Quarter		Variances
	Q2-FY'17	Q2-FY'16	
	(Unaudited)		
	RM'000		
<b>Operating Profit /(Loss):</b>			
Paper Products	557	(866)	1,423
Plastic Products	(651)	2,149	(2,800)
Colour Separation & Printing	(113)	(289)	176
Others	(323)	(290)	(33)
<b>Operating Profit /(Loss)</b>	<b>(530)</b>	<b>704</b>	<b>(1,234)</b>
<b>Finance:</b>			
<b>Total Finance Cost</b>	<b>(261)</b>	<b>(292)</b>	<b>31</b>
<b>Group Profit /(Loss ) Before Taxation</b>	<b>(791)</b>	<b>412</b>	<b>(1,203)</b>

The Group registered a loss before taxation of RM0.79 million in Q2 FY17, compared against the Q2 FY16 profit before taxation of RM0.412 million. The apparent turnaround from a profit before taxation to a loss before taxation (of RM1.2 million) was due primarily to a gain on property disposal of RM3.36 million realised and accounted for by the Group's Plastic Products Division in Q2 FY16.

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

	Individual Quarter		Variances
	Q2-FY'17	Q1-FY '17	
	(Unaudited)	(Unaudited)	
	RM'000		
<b><u>Segmental Revenue</u></b>			
Paper Products	6,372	6,989	(617)
Plastic Products	4,145	5,219	(1,074)
Colour Separation & Printing	528	354	174
Others	242	277	(35)
Elimination	(435)	(402)	(33)
<b>Group Revenue</b>	<b>10,852</b>	<b>12,438</b>	<b>(1,586)</b>

The Group recorded a decrease in revenue of RM1.59 million or 12.75% to RM10.85 million (Q1 FY17: RM12.438 million), mainly due to lower sales achieved in the Group Paper Products and Plastic Products divisions; the contributory factors of which are :

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016**

- Certain major customers reduced their orders due to the domestic economy slow-down
- Relocation of a major customer's operating unit overseas.

	<b>Individual Quarter</b>		<b>Variances</b>
	<b>Q2-FY'17</b>	<b>Q1-FY '17</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
	<b>RM'000</b>		
<b>Operating Profit/( Loss):</b>			
Paper Products	556	385	171
Plastic Products	(651)	(562)	(89)
Colour Separation & Printing	(112)	(178)	66
Others	(324)	(232)	(92)
Elimination	-	-	-
<b>Operating Profit/(Loss)</b>	<b>(530)</b>	<b>(587)</b>	<b>57</b>
<b>Total Finance</b>	<b>(261)</b>	<b>(243)</b>	<b>(18)</b>
<b>Group Profit/(Loss) Before Taxation</b>	<b>(791)</b>	<b>(830)</b>	<b>39</b>
<b><u>Profit/(Loss) Before Taxation</u></b>			

The current quarter's loss before taxation of RM0.79 million as compared with Q1 FY17 loss before taxation of RM0.83 million represents a reduction in loss of RM39,000. This positive movement was mainly due to effective cost savings of RM171,000 achieved by the Group's Paper Products Division.

**3. Prospects**

The Group remains committed to its strategies to leverage on machine and product innovations as well as securing new customers and implementing new processes; these strategies are beginning to gain traction, with reduced losses in the current quarter as compared to the previous quarter despite the uncertain global economic outlook and the sluggish local economic conditions.

**4. Profit Forecast**

This is not applicable.



**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016**

**5. Taxation**

	Individual Financial		Cumulative Financial	
	Quarter Ended		Quarter Ended	
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	RM'000	RM'000	RM'000	RM'000
<b>Taxation</b>				
- in current quarter	-	-	-	-
- (under)/over provision in prior year	-	-	-	-
<b>Deferred taxation</b>				
- in current quarter	-	-	-	-
- under provision in prior year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**6. Disposal of Quoted or Unquoted Investments or Properties**

There were no disposals of quoted or unquoted investments included in the results of the Group for the current financial quarter under review.

**7. Status of Corporate Exercise**

Further to the announcements made on 26 May 2016, 1 June 2016, 9 June 2016 and the explanations given in the part B section 7 of Q1' FY'17 quarterly report pertaining to the Letter of Offer received from Oriental Mace Sdn. Bhd. ("OMSB"), on 27 October 2016 the Company ("VCB") accepted the LOA in principle after conducting a preliminary due diligence on OMSB. However, the formal acceptance of the LOA is subject to the following:

- a) Conclusion of the evaluation of the viability and feasibility of the Construction Project ("Feasibility Study") and a satisfactory outcome of the due-diligence exercise ("Due Diligence") to be conducted by the VCB
- b) Upon completion of the Feasibility Study and the Due Diligence, a conditional definitive agreement will be entered into between OMSB and VCB.

Pending the fulfilment of the above conditions, VCB will engage in discussions with certain financial institutions to source for and secure the requisite funding for the Construction Project.

The Construction Project shall be deemed a related party transaction in view of the interest and directorship in OMSB of Dato' Wong Kong Choong, who is also an Executive Director of VCB. In view of the above, an Independent Advisor will be appointed to advise the non-interested shareholders of VCB on the proposal.

A detailed announcement will be made upon the execution of the definitive agreement.

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****8. Borrowings and Debts Securities**

a) Total Group's borrowings as at the reporting quarter were as follows:

	<b>As at 30/09/2016 (Unaudited) RM'000</b>	<b>As at 31/03/2016 (Audited) RM'000</b>
<u>Short term borrowings</u>		
<i>Secured</i>		
Borrowings	8,798	8,941
Term Loan	-	-
Finance Lease Liabilities	1,710	1,713
Bank Overdraft	3,777	3,466
	<u>14,285</u>	<u>14,120</u>
<u>Long term borrowings</u>		
<i>Secured</i>		
Finance Lease Liabilities	2,848	3,494
Total Group's Borrowings	<u>2,848</u>	<u>3,494</u>

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

**VERSATILE CREATIVE BERHAD**

(Company No. : 603770-D)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2016****9. Realised and Unrealised Profits or Losses**

The accumulated losses as at 30 September 2016 and 31 March 2016 were analysed as follows:

	<b>As At 30/09/2016 (Unaudited) RM'000</b>	<b>As At 31/03/2016 (Audited) RM'000</b>
Total accumulated losses of the Company and its subsidiaries		
- Realised	(23,664)	(22,043)
- Unrealised	(2,954)	(2,954)
	<u>(26,618)</u>	<u>(24,997)</u>
Consolidation adjustments	894	894
Total Group accumulated losses	<u><u>(25,724)</u></u>	<u><u>(24,103)</u></u>

**10. Dividend**

The Board of Directors does not recommend any dividend for the current financial quarter under review.

**11. (Loss)/Earnings per share****(a) Basic (loss)/earnings per share**

The calculation of basic (loss)/earnings per share for the financial period is based on the net (loss)/earnings attributable to equity holders of the parent company and divided by the number of ordinary shares outstanding during the financial period.

	<b>Individual Financial Quarter Ended</b>		<b>Cumulative Financial Quarter Ended</b>	
	<b>30/09/2016</b>	<b>30/09/2015</b>	<b>30/09/2016</b>	<b>30/09/2015</b>
Group's (loss)/profit attributable to owners of the parent company (RM'000)	(791)	412	(1,621)	(1,827)
Weighted average number of ordinary shares in issue ('000)	117,339	117,339	117,339	117,339
Basic (loss)/earnings per share (sen)	(0.67)	0.35	(1.38)	(1.56)

**(b) Diluted loss/(earnings) per share**

The Group does not have in issue any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic loss/(earnings) per share.