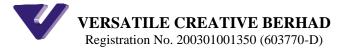


CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2023

(The figures have not been audited)

		Individual Quarter		Cumulative Quarter	
	Note	31/12/2023 RM '000	31/12/2022 RM '000	31/12/2023 RM '000	31/12/2022 RM '000
Revenue	B 1	68,126	37,960	186,693	95,979
Cost of sales		(56,988)	(30,654)	(155,178)	(74,804)
Gross profit		11,138	7,306	31,515	21,175
Other income		2,185	170	5,889	1,053
Distribution expenses		(685)	(524)	(1,842)	(2,138)
Administrative expenses		(10,579)	(7,013)	(30,978)	(19,272)
Net impairment on financial assets		-	-	179	-
Profit before interest and taxation	B 1	2,059	(61)	4,763	818
Interest income		154	62	433	133
Interest expenses		(270)	(145)	(706)	(234)
Profit/(loss) before taxation		1,943	(144)	4,490	717
Taxation	B5	(380)	(50)	(1,055)	(74)
Profit/(loss) after taxation		1,563	(194)	3,435	643
Profit attributable to:					
Equity Holders of the Parent		889	(341)	1,570	346
Non-controlling interest		674	147	1,865	297
Total comprehensive income for		1.5(2)	(104)	2.425	(12)
the financial period		1,563	(194)	3,435	643
Attributable to Owners of the Company:-					
Earning per share - Basic (sen)					
-Basic	B10	0.32	(0.12)	0.56	0.12
-Diluted	B10	N/A	N/A	N/A	N/A

*There are anti-dilutive potential equity instruments that would give a diluted effects to the basic earnings per share.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

ASSETS	Note	As at 31/12/2023 (Unaudited) RM'000	As at 31/03/2023 (Audited) RM'000
Non-Current Assets			
Property, Plant and Equipment		42,336	40,931
Right-of-use assets		33,444	35,374
		75,780	76,305
Current Assets			
Inventories		29,624	27,006
Trade and other receivables		15,387	16,337
Prepayment		706	387
Tax Recoverable		433	284
Fixed Deposit Place with a Licensed Bank		7,599	4,647
Cash and Bank Balances		16,880	19,682
		70,629	68,343
Total Assets		146,409	144,648

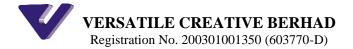
VERSATILE CREATIVE BERHAD Registration No. 200301001350 (603770-D)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023 (Continued)

	Note	As at 31/12/2023 (Unaudited) RM'000	As at 31/03/2023 (Audited) RM'000
EQUITY AND LIABILITIES			
EQUITY			
Share Capital		105,886	105,886
Reserve		20,227	20,227
Accumulated Losses		(48,908)	(50,478)
Non-Controlling Interest		2,560	695
Total Equity		79,765	76,330
LIABILITIES			
Non-Current Liabilities			
Loan and Borrowings	B8	3,260	-
Lease liabilities		5,850	7,133
Deferred Tax Liabilities		6,915	6,915
		16,025	14,048
Current Liabilities			
Trade and other payables		38,918	48,532
Loan and Borrowings	B8	6,240	-
Lease liabilities		5,340	5,710
Tax Payable		121	28
		50,619	54,270
Total Liabilities		66,644	68,318
Total Equity and Liabilities		146,409	144,648
Net Assets per share (RM)		0.28	0.27

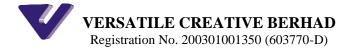
(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2023)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2023

[Attributable to equity holders of the Company						
L	Non-Distributable						
	Share Capital RM '000	Reserve RM '000	Accumulated Losses RM '000	Total RM'000	Non-Controlling Interest RM'000	Total Equity RM '000	
Period ended 31 December 2023 (Unaudited)							
At 01 April 2023	105,886	20,227	(50,478)	75,635	5 695	76,330	
Total comprehensive income for the financial period	-	-	1,570	1,570) 1,865	3,435	
At 31 December 2023	105,886	20,227	(48,908)	77,205	5 2,560	79,765	
Period ended 31 December 2022 (Unaudited)							
At 01 April 2022	105,886	20,659	(50,334)	76,21	1 395	76,606	
Total comprehensive income for the financial period	-	-	(341)	(341) 147	(194)	
At 31 December 2022	105,886	20,659	(50,675)	75,87() 542	76,412	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2023)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 DECEMBER 2023

(The figures have not been audited)

	31/12/2023 RM'000	31/12/2022 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit before taxation	4,490	717
Adjustments for non-cash flow items:		
Non-cash items	9,481	6,571
Non-operating items	273	101
Operating profit before working capital changes	14,244	7,389
Changes in working capital:		
Inventories	(2,617)	(8,431)
Trade and other receivables	618	(7,341)
Trade and other payables	(9,606)	10,480
Cash from operations	2,639	2,097
Net income tax paid	(1,111)	(126)
Net cash from/(used in) operating activities	1,528	1,971
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property, plant and equipment	(5,536)	(3,515)
Interest received	433	133
Net cash used in investing activities	(5,103)	(3,382)

VERSATILE CREATIVE BERHAD Registration No. 200301001350 (603770-D)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 DECEMBER 2023 (Continued)

	31/12/2023 RM'000	31/12/2022 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest paid	(706)	(234)
Repayment of finance lease liabilities	(5,068)	(2,281)
Advances from related company	-	6,370
Drawdown of borrowings	9,500	
Net cash from financing activities	3,726	3,855
NET CHANGE IN CASH & CASH EQUIVALENTS	151	2,444
CASH & CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	24,328	21,483
CASH & CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	24,479	23,927
Analysis of Cash & Cash Equivalents:	RM'000	RM'000
Cash and bank balances	16,880	19,307
Fixed deposit placed with a licensed bank	7,599	4,620
Cash & Cash Equivalents	24,479	23,927



NOTES TO INTERIM FINANCIAL REPORT

A. DISCLOSURE REQUIREMENTS AS PER MFRS 134

1. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the MFRS 134: Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

Adoption of New Standards/Amendments/Improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted new standards/ amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2022.

Initial application of the new standards/amendments/improvements to the standards did not have material impact to the financial statements.

Standards Issued but Not Yet Effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards, if applicable, when they become effective in the respective financial period.

Effective for financial period beginning on or after 1 January 2023

- MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts*
- Amendments to MFRS 17 Initial Application of MFRS 17 and MFRS 9 Comparative Information*
- Amendments to MFRS 101 Presentation of Financial Statements Disclosure of Accounting Policies
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors Definition of Accounting Estimates
- Amendments to MFRS 112 Income Taxes Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112 Income Taxes International Tax Reform Pillar Two Model Rules

Effective for financial period beginning on or after 1 January 2024

- Amendments to MFRS 16 Leases Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 Presentation of Financial Statements Non-Current Liabilities with Covenants
- Amendments to MFRS 101 Presentation of Financial Statements Classification of Liabilities as Current or Non-Current
- Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments Disclosure



1. Basis of Preparation (Continued)

Deferred to a date to be determined by the MASB

• Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* Not applicable to the Group's and the Company's operations.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company upon their first adoption.

2. Audit Report Qualification and Status of Matters Raised

The annual audited financial statements of the Group for the year ended 31 March 2023 were not subject to any qualifications.

3. Seasonal or Cyclical Nature of Operations

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

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 2023.

7. Changes in Debt and Equity Securities

There were no issuance and repayment 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 that have not been reflected in the quarterly financial report.

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.



10. Changes in Contingent Liabilities

There were no contingent liabilities incurred or known to be incurred by the Group as at 31 December 2023.

11. Provision for Warranties

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

12. Capital Commitments

There were no capital commitments as at 31 December 2023.

13. Related Party Transactions

There were no significant related party transactions for the current financial quarter under review, save and except the following:

Transacting company	Transacting Related Party	Nature of transaction	Value (RM)
Versatile Creative Plastic Sdn. Bhd.	NSK Trading Sdn. Bhd. ("NSKT") and its subsidiaries ("NSK Group")	Selling of disposable containers, cutlery and plastic products, where some of these products were processed using moulds owned by NSKT and a processing fee is charged to these certain products instead of a selling price	414,522
Versatile Creative Plastic Sdn. Bhd.	NSK Property Sdn. Bhd, subsidiary of NSKT	Renting of one (1) unit of factory and warehouse	114,000
Versatile Creative Berhad ("VCB")	VN Trading Sdn Bhd and its subsidiaries	Management fee payable to VCB in respect of shared services provided by VCB to VNTSB Group	125,912
VN Trading Sdn Bhd and its subsidiaries	NSK Group	Sale and supply of grocery items by NSK Group to VNTSB Group	14,147,208
("VNTSB Group")		Sale and supply of grocery items by VNTSB Group to NSKT Group	727,885
		Letting of property by VNTSB Group to NSK Group and renting of property from NSK Group	88,997

The above transactions are recurrent transactions of a revenue or trading nature and are at arm's length entered in the ordinary course of business on terms not more favorable to the related party than those generally available to the public.

VERSATILE CREATIVE BERHAD Registration No. 200301001350 (603770-D)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2023

14. Operating Segment

The Group's operating segments for the financial period ended 31 December 2023 were as follows:

Segmental information for 9 months ended 31 December 2023

Business Segment	Paper products RM'000	Plastic products RM'000	Colour Separation & Printing RM'000	Grocery RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue from external							
customers	22,209	8,458	122	155,844	-	-	186,633
Inter-segment revenue	16	-	23	-	970	(1,009)	
Total revenue	22,225	8,458	145	155,844	970	(1,009)	186,633
Operating results	1,898	(1,181)	(156)	4,474	(272)		4,763
Finance income							433
Finance cost							(706)
Profit before taxation							4,490
Taxation							(1,055)
Profit after taxation							3,435

Segmental information for 9 months ended 31 December 2022

Business Segment	Paper products RM'000	Plastic products RM'000	Colour Separation & Printing RM'000	Grocery RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue from external							
customers	29,967	7,996	219	57,797	-	-	95,979
Inter-segment revenue	9	-	20	-	1,427	(1,456)	
Total revenue	29,976	7,996	239	57,797	1,427	(1,456)	95,979
Operating results	1,735	(1,619)	(90)	797	(5)		818
Finance income							133
Finance cost							(234)
Profit before taxation							717
Taxation							(74)
Profit after taxation							643



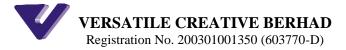
15. Changes in the Composition of the Group

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

16. Profit Before Taxation

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

	Individual Financial Quarter Ended		Cumulative Quarter	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	RM'000	RM'000	RM'000	RM'000
The following items have been charged/(credited) in				
arriving profit before taxation:				
Depreciation of property, plant and equipment	1,363	1.037	4,135	3,063
	,	,	,	,
Depreciation of right of use assets	2,046	1,176	5,335	2,920
Bad debt written off	191	-	191	-
Interest income	(154)	(62)	(433)	(133)
Interest expenses	270	145	706	234



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

1. Review of Current Quarter Performance <u>Revenue</u>

	Individua Q3 - FY'24	ll Quarter Q3 - FY'23			
	(Unat	udited)	Variance		
		RM'000			
<u>Segmental Revenue</u>					
Paper Products	6,428	8,846	(2,418)		
Plastic Products	3,162	2,642	520		
Colour Separation & Printing	57	70	(13)		
Grocery	58,479	26,402	32,077		
Group Revenue	68,126	37,960	30,166		

Total revenue of the Group increased by RM30.17 million to RM68.13 million as compared to RM37.96 million recorded in the previous year corresponding quarter as explained below:

- a) The Paper Product Division's revenue decreased by 27.33% as compared to previous year corresponding quarter due to lower demand from the existing Food & Beverage customers.
- b) The Plastic Product Division recorded higher revenue by 19.68% during the quarter as compared to the previous year corresponding quarter due to higher demand from oversea customers.
- c) Colour Separation & Printing Division's sales decreased due to lower demand from a customer in the current quarter.
- d) Grocery Division's sales increased by RM32.08 million due to more operating outlets during the quarter as compared to the previous year corresponding quarter.



Profit Before Taxation

	Individua	l Quarter	
	Q3 - FY'24	Q3 - FY'23	
	(Unau	dited)	Variance
		RM'000	
Operating Results:			
Paper Products	678	323	355
Plastic Products	(188)	(705)	517
Colour Separation & Printing	(59)	(35)	(24)
Grocery	1,717	424	1,293
Others	(89)	(68)	(21)
Operating Profit	2,059	(61)	2,120
Finance Cost (net)	(116)	(83)	(33)
Group Profit Before Taxation	1,943	(144)	2,087

The Group recorded profit before taxation of RM1.94 million in Q3 FY24, compared against loss before taxation of RM0.14 million in Q3 FY23 as explained below:

- a) Despite lower sales recorded in the current quarter as compared to last year corresponding quarter, the Paper Products Division's operating profit increased by RM0.36 million due to new product range with higher margin, cost rationalization exercise and improved in operational efficiencies.
- b) Plastic Products Division registered lower operating loss of RM0.19 million in Q3 FY24 as compared to Q3 FY23 of RM0.71 million due higher gross profit contributed by higher sales recorded during the current quarter.
- c) The Colour Separation & Printing Division recorded operating loss of RM0.06 million in Q3 FY24 as compared to RM0.04 in Q3 FY23 due to lower sales and higher operating expenses recorded during the current quarter.
- d) Grocery Division recorded higher operating profit of RM 1.72 million as compared to last year corresponding quarter of RM0.42 million as more outlets operated during the quarter.
- e) Other Division comprises of investment activities and management service. Higher operating loss incurred due to lower management fees charged during the current quarter mitigated by lower administrative expenses.



2. Variation of Results against Immediate Preceding Quarter

Revenue

	Individual	Individual Quarter		
	Q3 - FY'24	Q2 - FY'24		
	(Unau	(Unaudite d)		
		RM'000		
<u>Segmental Revenue</u>				
Paper Products	6,428	7,907	(1,479)	
Plastic Products	3,162	2,595	567	
Colour Separation & Printing	57	125	(68)	
Grocery	58,479	51,894	6,585	
Group Revenue	68,126	62,521	5,605	

Total revenue for the group increased by RM5.61 million to RM68.13 million as compared to RM65.52 million in the last quarter as explained below: -

- a) The Paper Product Division's revenue decreased by 18.70% as compared to previous quarter due to softening in demand from food and beverage industry.
- b) The Plastic Product Division recorded higher revenue by 21.85% during the quarter as compared to the previous quarter due to higher demand from oversea customers.
- c) Colour Separation & Printing Division's sales decreased due to lower demand from a customer in the current quarter.
- d) Higher revenue recorded from the Grocery division during the current quarter due to recognition of revenue of five operating outlets in the current quarter. The fifth outlet only started its operation on 16 December 2023.



Profit Before Taxation

	Individua	Individual Quarter		
	Q3 - FY'24	Q2 - FY'24		
	(Unau	dited)	Variance	
		RM'000		
Operating Results:				
Paper Products	678	779	(101)	
Plastic Products	(188)	(424)	236	
Colour Separation & Printing	(59)	(12)	(47)	
Grocery	1,717	1,616	101	
Others	(89)	(135)	46	
Operating Profit/(loss)	2,059	1,824	235	
Finance:				
Finance Cost (net)	(116)	(125)	9	
Group Profit Before Taxation	1,943	1,699	244	

The Group recorded higher profit before taxation of RM1.94 million in Q3 FY24, compared against the Q2 FY24 of RM1.70 million as explained below:

- a) The Paper Products Division's operating profit decreased by RM0.10 million due to lower sales recorded during the current quarter.
- b) Plastic Products Division registered lower operating loss of RM0.19 million in Q3 FY24 as compared to Q2 FY24 of RM0.42 million due higher gross profit contributed by higher sales recorded during the current quarter.
- c) The Colour Separation & Printing Division incurred higher operating loss of RM0.06 million in Q3 FY24 as compared to Q2 FY24 of RM0.01 million due to lower sales recorded during the current quarter.
- d) Higher operating profit recorded in Grocery Division in line with higher sales generated during the quarter.
- e) Other Division comprises of investment activities and management service. Lower operating loss pertained to AGM expenses incurred during the previous quarter.



3. Outlook and Prospects

The Group is optimistic that the overall demand for paper and plastic packaging remain intact. The Group will focus on credit risk management, securing various supply sources to minimise supply chain disruption, continues innovations to maintain product quality and enhancing production efficiencies to mitigate against the increase in operating costs and uncontrollable external factors such as economic downturns.

For grocery division, the Board has the intention to open more outlets in the current financial year and the Board is optimistic that grocery division will provide a long-term growth prospect for the Group due to the constant demand for grocery products, which are essentials for every household.

4. Profit Forecast

This is not applicable.

5. Taxation

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	31/12/2023 RM'000	31/12/2022 RM'000	31/12/2023 RM'000	31/12/2022 RM'000
Taxation			1.077	
- in current quarter	380	50	1,055	74
- over provision in prior year	-	-	-	-
Deferred taxation				
- in current quarter	-	-	-	-
- under provision in prior year	-	-	-	-
	380	50	1,055	74

6. Disposal of Quoted or Unquoted Investments or Properties

There has been no disposal of quoted and unquoted shares by the Group during the quarter under reviewed.



7. Status of Corporate Exercise

Bonus Issue of warrant

On 28 September 2022, the Company announced that it proposed to undertake a bonus issue of up to 140,049,359 Warrants on the basis of 1 Warrant for every 2 existing VCB Shares held by the Entitled Shareholders on the Entitlement Date ("Proposed Bonus Issue of Warrant").

On 16 November 2022, the Company announced that the additional listing application in relation to the proposed Bonus Issue of Warrants has been submitted to Bursa Malaysia Securities Berhad.

On 23 January 2023, the Company announced that the Bonus Issue of Warrant has been completed following the listing and quotation of 140,049,321 warrants on the Main Market of Bursa Securities.

As at the date of this report, no warrant has been converted into ordinary shares.

8. Borrowings and Debts Securities

Total Group's loan and borrowing as at the reporting quarter were as follows:

	As at	As at
	31/12/2023	31/03/2023
	(Unaudited)	(Audited)
	RM'000	RM'000
Current		
Revolving Credit	5,000	-
Termloan	1,240	
	6,240	
Non -Current	-	-
Termloan	3,260	
	3,260	
Total loan and borrowing		
Revolving Credit	5,000	
Termloan	4,500	
	9,500	

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



9. Dividend

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

10. Earnings per share

(a) Basic earnings per share

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

	Individual Financial Quarter Ended		Cumulative Financial Quarter Ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Group's income attributable to owners of the parent company (RM'000)	889	(341)	1,570	346
Weighted average number of ordinary shares in issue ('000)	280,099	280,099	280,099	280,099
Basic earning per share (sen)	0.32	(0.12)	0.56	0.12

(b) Diluted earnings per share

The effects of potential ordinary shares arising from the conversion of the warrants were antidilutive. As a result, the diluted earnings per ordinary share is the same as basic earnings per share for the current financial year.