

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2010

	30 September 2010	Audited 31 December 2009
	Note RM'000	RM'000
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant & equipment	41,587	42,407
<b>Current Assets</b>		
Inventories	1,678	2,167
Trade receivables	6,865	4,557
Amount due from customer for contract works	-	1,059
Other receivables	643	1,524
Current tax assets	170	170
Fixed deposit	4	4
Cash and bank balances	208	136
	<u>9,568</u>	<u>9,617</u>
<b>Non current assets held for sale</b>	2,604	2,606
<b>TOTAL ASSETS</b>	<u><u>53,759</u></u>	<u><u>54,630</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share Capital	97,486	97,486
Reserves	(95,991)	(92,632)
	<u>1,495</u>	<u>4,854</u>
<b>Non controlling interests</b>	-	-
<b>Total Equity</b>	<u><u>1,495</u></u>	<u><u>4,854</u></u>
<b>Non current liabilities</b>		
Long term borrowings	B9 14,521	14,561
Deferred tax liabilities	-	-
	<u>14,521</u>	<u>14,561</u>
<b>Current Liabilities</b>		
Trade payables	12,513	11,442
Other payables	13,971	12,877
Amount owing to directors	160	160
Short term borrowings	B9 2,414	2,300
Bank Overdraft	B9 8,685	8,436
	<u>37,743</u>	<u>35,215</u>
<b>Total Liabilities</b>	52,264	49,776
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>53,759</u></u>	<u><u>54,630</u></u>
Net assets per share attributable to ordinary equity holders (RM)	<u><u>0.02</u></u>	<u><u>0.05</u></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.

The results have undergone a limited review by the external auditors (Messrs. Omar Arif & Co)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 SEPTEMBER 2010

	Current Quarter 30 September 2010 RM'000	Preceding Year Quarter 30 September 2009 RM'000	Current Year To Date 30 September 2010 RM'000	Preceding Year To Date 30 September 2009 RM'000
Revenue	2,720	1,143	7,098	6,877
Cost of Sales	<u>(2,375)</u>	<u>(989)</u>	<u>(6,066)</u>	<u>(6,360)</u>
Gross Profit	345	154	1,032	517
Other income	<u>1</u>	<u>26</u>	<u>1</u>	<u>178</u>
	346	180	1,032	695
Operating Expenses	<u>(827)</u>	<u>(2,419)</u>	<u>(2,115)</u>	<u>(5,646)</u>
	(481)	(2,239)	(1,082)	(4,951)
Financial cost	(378)	(377)	(1,008)	(1,181)
Depreciation	<u>(487)</u>	<u>(326)</u>	<u>(1,269)</u>	<u>(1,246)</u>
Loss Before Taxation	(1,346)	(2,942)	(3,359)	(7,378)
Taxation	B5 -	-	-	-
Loss After Taxation	<u>(1,346)</u>	<u>(2,942)</u>	<u>(3,359)</u>	<u>(7,378)</u>
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u><u>(1,346)</u></u>	<u><u>(2,942)</u></u>	<u><u>(3,359)</u></u>	<u><u>(7,378)</u></u>
Attributable to:				
Equity Holders of The Parent	(1,346)	(2,942)	(3,359)	(7,378)
Non controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>(1,346)</u></u>	<u><u>(2,942)</u></u>	<u><u>(3,359)</u></u>	<u><u>(7,378)</u></u>
Total comprehensive loss attributable to:				
Equity Holders of The Parent	(1,346)	(2,942)	(3,359)	(7,378)
Non controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>(1,346)</u></u>	<u><u>(2,942)</u></u>	<u><u>(3,359)</u></u>	<u><u>(7,378)</u></u>
Basic earnings/(loss) per ordinary share (sen)	B13 (1.38)	(3.02)	(3.45)	(7.57)
Diluted earnings/(loss) per ordinary share (sen)	B13 (1.38)	(3.02)	(3.45)	(7.57)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.

The results have undergone a limited review by the external auditors (Messrs. Omar Arif & Co)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

	<- Attributable to Equity Holders of the Parent ->				
	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000	Non Controlling Interests RM'000	Total Equity RM'000
At 1 January 2010	97,486	(92,632)	4,854	-	4,854
Total comprehensive loss for the period	-	(3,359)	(3,359)	-	(3,359)
At 30 September 2010	<u>97,486</u>	<u>(95,991)</u>	<u>1,495</u>	<u>-</u>	<u>1,495</u>
At 1 January 2009	97,486	(55,096)	42,390	-	42,390
Total comprehensive loss for the period	-	(7,378)	(7,378)	-	(7,378)
At 30 September 2009	<u>97,486</u>	<u>(62,474)</u>	<u>35,012</u>	<u>-</u>	<u>35,012</u>

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.

The results have undergone a limited review by the external auditors (Messrs. Omar Arif & Co)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE PERIOD ENDED 30 SEPTEMBER 2010

	Current Year To Date 30 September 2010 RM'000	Preceding Year To Date 30 September 2009 RM'000
<b>Cash flows from operating activities</b>		
Loss before taxation	(3,359)	(7,378)
Adjustments for:		
Depreciation	1,269	1,246
Loss on disposal of property, plant and equipment	-	357
Interest expenses	1,008	1,181
Interest income	1	(121)
<b>Operating loss before working capital changes</b>	<b>(1,081)</b>	<b>(4,715)</b>
Changes in working capital		
Inventories	488	1,170
Receivables	(366)	1,375
Payables	2,166	1,700
Amount owing to directors	-	362
	<b>2,288</b>	<b>4,607</b>
<b>Cash generated from /(used in) operations</b>	<b>1,207</b>	<b>(108)</b>
Interest paid	(1,008)	(1,181)
<b>Net cash from/(used in) operating activities</b>	<b>199</b>	<b>(1,289)</b>
<b>Cash flows from investing activities</b>		
Purchase of of property, plant and equipment	(448)	(125)
Proceeds from disposal of property, plant and equipment	-	739
Interest received	(1)	121
<b>Net cash (used in)/ from investing activities</b>	<b>(449)</b>	<b>735</b>
<b>Cash flows from financing activities</b>		
Repayment of hire purchase	(37)	(266)
Drawdown of bank borrowings	110	405
<b>Net cash from financing activities</b>	<b>73</b>	<b>139</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(177)</b>	<b>(415)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(8,300)</b>	<b>(8,146)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(8,477)</b>	<b>(8,561)</b>

Note:

**Closing balance of cash and cash equivalents comprises:**

Cash and bank balances	208	210
Fixed deposits	4	4
Bank Overdrafts	<u>(8,685)</u>	<u>(8,771)</u>
	<u>(8,473)</u>	<u>(8,557)</u>
Fixed deposits pledged to bank	(4)	(4)
	<u>(8,477)</u>	<u>(8,561)</u>

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.

The results have undergone a limited review by the external auditors (Messrs. Omar Arif & Co)

NOTES TO CONDENSED FINANCIAL STATEMENT (UNAUDITED)

**A1. Basis of Preparation**

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2009. These explanatory notes attached to the condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of VTI Vintage Berhad ("the Company" or "Vintage") and all its subsidiaries (collectively known as "the Group") since the financial year ended 31 December 2009.

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this condensed financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2009 except for the adoption of the following :

<b>FRSs, Amendments to FRSs and IC Interpretations</b>	<b>Effective for financial period beginnings on or after</b>
FRS 4 Insurance Contracts	1 January 2010
FRS 7 Financial Instruments : Disclosure	1 January 2010
FRS 8 Operating Segments	1 July 2009
FRS 101 Presentation of Financial Statements (Revised)	1 January 2010
FRS 123 Borrowing Cost (Revised)	1 January 2010
FRS 139 Financial Instruments : Recognition and Measurement	1 January 2010
Amendments:	
FRS 1 First-time Adoption of Financing Reporting Standards	1 January 2010
FRS 2 Share-based Payment : Vesting Condition and Cancellation	1 January 2010
FRS 7 Financial Instruments : Disclosure	1 January 2010
FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
FRS 132 Financial Instruments : Presentation	1 January 2010
FRS 139 Financial Instruments: Recognition and Measurements	1 January 2010
IC Interpretation:	
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2-Group and Treasury Share Transaction	1 January 2010
IC Interpretation 13: Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 - The Limit on Defined Benefit Assets, Minimum Funding Requirement and their Interaction	1 January 2010

A2. Changes in Accounting Policies (Cont'd)

<b>FRSs, Amendments to FRSs and IC Interpretations</b>	<b>Effective for financial period beginnings on or after</b>
Improvement to FRSs:	
FRS 5 Non-Current Assets Held for Sale and Discontinued Operations	1 January 2010
FRS 7 Financial Instruments : Disclosure	1 January 2010
FRS 8 Operating Segments	1 January 2010
FRS 101 Presentation of Financial Statements (as revised in 2009)	1 January 2010
FRS 107 Statement of Cash Flows	1 January 2010
FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
FRS 110 Event after the Reporting Period	1 January 2010
FRS 116 Property, Plant and Equipment	1 January 2010
FRS 117 Leases	1 January 2010
FRS 118 Revenue	1 January 2010
FRS 119 Employee Benefits	1 January 2010
FRS 120 Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
FRS 123 Borrowing Cost	1 January 2010
FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
FRS 128 Investment in Associates	1 January 2010
FRS 129 Financial Reporting in Hyperinflationary Economies	1 January 2010
FRS 131 Interests in Joint Ventures	1 January 2010
FRS 134 Interim Financial Reporting	1 January 2010
FRS 136 Impairment of Assets	1 January 2010
FRS 138 Intangible Assets	1 January 2010
FRS 139 Financial Instruments : Recognition and Measurement	1 January 2010
FRS 140 Investment Property	1 January 2010

Other than the application of FRS 8, FRS 101, FRS117 and FRS139, the application of new FRSs, Amendments to FRSs and interpretations that are effective for the financial statements commencing on 1 January 2010 did not result any significant changes in the accounting policies and presentation of financial results of the Group.

(i) FRS 8 Operating Segments

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segment reporting had been presented based on the internal reporting to the chief operating decision maker who makes decision on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position of the Group.

(ii) FRS 101 Presentation of Financial Statements

FRS 101 requires the separation of owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owner. All non-owner changes in equity, if any, will presented as a single line labelled as total comprehensive income.

In addition, FRS 101 has introduced new title on the financial statements. Statement of Financial Position has replaced Balance Sheet, Statement of Comprehensive Income has replaced Income Statements and Statement of Cash Flows has replaced Cash Flow Statements. This Standard does not have any material impact on the financial position and results of the Group.

**A2. Changes in Accounting Policies (Cont'd)**

(iii) Amendment to FRS 117 Leases

Amendment to FRS 117 Leases: Clarifies on the classification of leases of land and buildings. The resulting effect of this FRS taking effect was the reclassification of prepaid leases on land into property, plant and equipment. The effect of the reclassification in the consolidated statement of financial position is as follows:

	<b>As at 31 December 2009 RM</b>	<b>Reclassification RM</b>	<b>As at 31 December 2009 RM</b>
<b>Consolidated statement of financial position</b>			
Non Current Assets			
Property, plant & equipment	37,439	4,968	42,407
Prepaid land lease payment	4,968	(4,968)	-

(iii) FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes the principles for the recognition and measurement of financial assets and financial liabilities including circumstances under which hedge accounting is permitted. The Group determines the classification at initial recognition and for the purpose of the first time adoption of the standard, as at transitional date on 1 January 2010.

The Group categories financial instruments as follows:

**Financial assets**

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss category comprise equity investments that are initially measured at fair value. Any subsequent gain or loss arising from changes in fair value of the financial assets are recognised through profit or loss. The fair values of investments that are actively traded in organised financial markets are determined by reference to the relevant Exchange's quoted market bid prices at the close of business on the reporting date. For investments that do not have quoted market prices in an active market, the fair values are measured based on the net tangible assets of the latest available financial statements.

(ii) Loans and receivables

Loans and receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains or losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment loss are recognised in profit and loss.

**Financial liabilities**

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest method.

This standard does not have any impact on the financial position of the Group.



**A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2009 was not qualified. However, the auditors' report of the Company has the following "Emphasis of Matter":

"Without qualifying our opinion, we draw attention to Note 2(a) of the notes to the financial statements. The Company incurred a loss for the year of RM70,580,098 and as at the balance sheet date, the Company's current liabilities exceeded its current assets by RM6,121,971 and its total liabilities exceeded its total assets by RM5,586,114. The financial statements have been prepared on the going concern basis, the appropriateness of which is dependent upon the Company obtaining sufficient finance from the shareholders or from other sources to finance the further operations of the Company."

The auditors' reports of subsidiary companies, Vintage Tiles Industries Sdn Bhd, Vintage Tiles Holdings Sdn Bhd, Vintage Roofing & Construction Sdn Bhd, Newsteel Building Systems Sdn Bhd, Tirai Impresif Sdn Bhd (Subsidiary of Vintage Roofing & Construction Sdn Bhd) contain an emphasis of matter relating to the appropriateness of the going concern basis of accounting used in the preparation of their financial statements.

**A4. Segmental Information**

**Segment Revenue**

	<b>Current Year To Date 30 September 2010 Revenue RM'000</b>	<b>Preceding Year To Date 30 September 2009 Revenue RM'000</b>
Revenue from continuing operations:		
Manufacturing & Trading	13,569	11,527
Construction contract	278	274
	<u>13,847</u>	<u>11,801</u>
Inter-segment eliminations	(6,749)	(4,924)
	<u>7,098</u>	<u>6,877</u>

	<b>Current Year To Date 30 September 2010 Loss before tax RM'000</b>	<b>Preceding Year To Date 30 September 2009 Loss before tax RM'000</b>
Loss before tax		
Manufacturing & Trading	(1,228)	(6,378)
Construction contract	(2,131)	(1,000)
	<u>(3,359)</u>	<u>(7,378)</u>
Inter-segment eliminations	-	-
	<u>(3,359)</u>	<u>(7,378)</u>

**A5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow that are unusual of their nature, size or incidence during the current quarter.

**A6. Changes in estimates**

There were no material changes in estimates used for the preparation of the interim financial report.

**A7. Comments about Seasonal or Cyclical Factors**

The Group's business are generally affected by the various festive seasons.

**A8. Dividends Paid**

There were no dividends paid during the current quarter ended 30 September 2010.

**A9. Valuation of Property, Plant and Equipment**

There was no fair value adjustment of property, plant and equipment during the quarter. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

**A10. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter under review.

**A11. Changes in Composition of the Group**

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

**A12. Capital Commitments**

There were no outstanding capital commitments for the quarter under review.

**A13. Changes in Contingent Liabilities**

There is no changes in contingent liabilities since the last annual balance sheet as at 31 December 2009.

**A14. Significant Events**

(i) **Obligation of the Company as an Affected Lister Issuer**

On 25 February 2010, Vintage announced that it is considered an Affected Listed Issuer pursuant to the Practice Note 17 (6PN17ö) of the Main Market Listing Requirements of Bursa Malaysia as it has triggered Paragraph 2.1 (a) of the PN17.

Pursuant to the PN17, Vintage as an Affected Listed Issuer is required to comply with the followings:

- (i) within 12 months from the date of first announcement:
  - (a) submit a regularisation plan to the Securities Commission ("SC") if the plan will result in a significant change in the business direction or policy of the Company; or
  - (b) submit a regularisation plan to the Bursa Malaysia if the plan will not result in a significant change in the business direction or policy of the Company, and obtain Bursa Malaysia's approval to implement the plan;
- (ii) implement the regularisation plan within the timeframe stipulated by the SC or Bursa Malaysia, as the case may be;

**A14. Significant Events (Cont'd)**

(i) **Obligation of the Company as an Affected Lister Issuer (Cont'd)**

(iii) announce within three (3) months from the First Announcement, on whether the regularisation plan will result in a significant change in the business direction or policy of the Company;

(iv) announce the status of its regularisation plan and the number of months to the end of the relevant timeframes on a monthly basis ("monthly announcement") until further notice from Bursa Malaysia.

On 9 September 2010, Vintage has made a Requisite Announcement on the above pursuant to the Practice Note 17 (öPN17ö) of the Main Market Listing Requirements of Bursa Malaysia and will be submit a regularisation plan to the relevant authorities for approval within twelve (12) months from 9 September 2010.

(ii) **Status of Regularisation Plan - Letter of Award**

On 3 March 2010, Vintage announced that the regularisation plan of Vintage will not result in significant change in the business direction or policy of the Company. The proposed regularisation plan is envisaged to encompass proposed capital reduction, proposed rights issue, proposed write off of debts and proposed debt settlement scheme with the bank and trade creditors.

In connection to the above, Vintage Roofing & Construction Sdn Bhd (öVRCö), a wholly-owned subsidiary of Vintage, had on 3 March 2010, accepted a letter of award from MITC Engineering Sdn Bhd (öMITCö) as sub-contractor for the proposed construction and completion 154 of 248 units double storey link house located at Lot 18337, Daerah Kuala Langat, Mukim Tanjung Dua Belas, Selangor Darul Ehsan for a contract sum of RM13,675,506.16 (öSaid Projectö). It gives immediate site possession upon award and is expected to be completed by 7 April 2011.

Further, MITC has also agreed to procure its tiles supply for its development from Vintage for the Said Project. The above award of contract is expected to contribute positively to the earnings of Vintage and its subsidiaries.

VRC further on 20 August 2010 accepted a letter of award from Fitters Engineering Services Sdn Bhd (öFESSBö) as sub-contractor for the proposed construction of the superstructural works for 4th, 5th and 6th Floor at Lot 26220, Jalan Genting Klang, Taman Danau Kota, Mukim Setapak, Kuala Lumpur for a contract sum of RM20,527,239.88.

On 28 October 2010, VRC further accepted a letter of award from MITC Engineering Sdn Bhd (öMITCö) as sub-contractor for "Cadangan 90 Unit Rumah Bandar 2 Tingkat (20' X 60') Di Atas PT Lot 27756 Hingga PT Lot 27920, Mukim Dengkil, Saerah Sepang, Selangor Darul Ehsan Dalam Project Usahasama Tentuan Setiausaha Kerajaan Selangor (Perbandaran) Dengan Syarikat Azam Perspektif Sdn Bhd" for a contract sum of RM6,259,200.

(iii) **Restraining Order**

The Group has faced with numerous suits filed by trade creditors who have alleged that outstanding debts are owed to them. In an effort to settle the debts and come to an agreement with the creditors, Vintage had prepared an initial scheme for the purposes of a debt restructuring scheme under Section 176 (10) of the Companies Act, 1965. On the basis of the proposed scheme, the Group had filed an application under Section 176 (10) of the Companies Act, 1965. The Company had on 22 July 2009 obtained a restraining order under Section 176 (10) of the Companies Act, 1965 which restrained and stayed for a period of 90 days further proceedings in any action or the institution or commencement of any proceedings against the Company or any of the companies in the Group. The Restraining Order had been expired on 19 October 2009.

Upon expiry of the Restraining Order obtained on 22 July 2009, Vintage had further applied for an extension of Restraining Order. On 23 November 2009, the Court has granted Vintage with an extension for another sixty (60) days from 23 November 2009, which had been expired on 22 January 2010.

**A14. Significant Events (Cont'd)**

(iii) **Restraining Order (Cont'd)**

Upon expiry of the extended Restraining Order obtained on 23 November 2009, Vintage had further applied for an extension of Restraining Order. On 4 March 2010, the High Court granted a further extension to the Restraining Order for a period of 60 days from 4 March 2010 to 3 May 2010.

On 4 May 2010, Vintage had applied for an application for meeting of the creditors or class of creditors of Vintage pursuant to Section 176 (1) of the Companies Act, 1965. On 19 May 2010, the High Court also granted the above said application be summoned within 90 days from 19 May 2010. Therefore, the said meeting ought to be summoned on or before 18 August 2010 being 90 days from the date of the Court Order.

In order to conduct the Creditor Convened Meeting ("CCM"), Vintage had further applied for an fresh Restraining Order. On 19 May 2010, the High Court granted the Restraining Order for a period of 90 days from 19 May 2010 to 18 August 2010.

On 8 November 2010, VVB had announced that the application for the extension of the Restraining Order has been dismissed by the Court in the hearing held on 8 November 2010. However, the Company has instructed the solicitors to file a fresh application to the Court for the said RO and any updates or further details will be announced in due course.

(iv) **Application for Meeting of the Creditors or Class of Creditors of the Company Pursuant to Section 176(1) of the Companies Act, 1965.**

On 4 May 2010, Vintage had applied for an application for meeting of the creditors or class of creditors of Vintage pursuant to Section 176 (1) of the Companies Act, 1965. On 19 May 2010, the High Court also granted the above said application be summoned within 90 days from 19 May 2010. Therefore, the said meeting ought to be summoned on or before 18 August 2010 being 90 days from the date of the Court Order.

On 16 July 2010, Vintage had conducted its CCM approval from its scheme creditors on its Proposed Scheme of Arrangement under Section 176 of the Companies Act, 1965 by the requisite majority in number representing three-fourth (3/4) in value of the Scheme Creditors present and voting in that class either in person or by proxy at the CCM.

**A15. Subsequent Events**

There were no material events subsequent to the end of the period under review that have not been reflected in the interim financial statements for the said period.

**A16. Contingent Liabilities**

	<b>As at 30 September 2010 RM'000</b>	<b>As at 31 December 2009 RM'000</b>
Corporate guarantees given to banks for credit facilities granted to subsidiaries	<u>24,512</u>	<u>24,512</u>
Corporate guarantees issued to third parties in respect of trade facilities granted to subsidiaries	<u>7,000</u>	<u>7,000</u>

**A17. Significant Related Party Transactions**

The significant related party transactions for the current period were summarised as below:-

	<b>Amount RM'000</b>
Rental paid to Emedia Corporation Sdn Bhd ("ECSB") *	<u>63</u>
* Datoø Beh Hang Kong is a Director and shareholder of ECSB with a shareholding of 50.0%. He is also the Managing Director and substantial shareholder of VVB	

These transactions has been entered into in the normal course of business and established on commercial terms.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS**

**B1. Review of performance**

The Group's revenue for the quarter ended 30 September 2010 was 137.97% higher as compared to the corresponding quarter in 2009 due to higher sales and activity level recorded by the manufacturing subsidiaries. The increased in turnover coupled with higher production efficiency which lower the variable cost of production and overhead cost during the quarter under review have resulted in an increase in gross profit during the financial period.

**B2. Variation of results against preceding quarter**

	<b>Current Quarter Ended 30 September 2010 RM'000</b>	<b>Previous Quarter Ended 30 June 2010 RM'000</b>
Revenue	<u>2,720</u>	<u>2,444</u>
Loss before taxation	<u>(1,346)</u>	<u>(964)</u>

For the quarter under review, the revenue of the Group was 11.29% higher as compared to the preceding quarter mainly due to increase in production activity level and delivery of goods.

**B3. Prospects**

The Group is taking further precautionary measures during these challenging times and has formulated strategies to overcome the adversities. In addition to that, the Board of Directors has resolved to undertake the followings:

- (i) proposed share capital reduction of Vintage's existing issued and paid-up share capital of RM97,486,002 comprising 97,486,002 ordinary shares of RM1.00 each (Vintage Shares) to RM43,868,701 comprising 97,486,002 ordinary shares of RM0.45 each (Reduced Shares) via the cancellation of RM0.55 of the par value of each Vintage Share pursuant to Section 64 of the Companies Act, 1965 (Proposed Capital Reduction);
- (ii) proposed amendments to the memorandum and articles of association of Vintage to facilitate the change in the par value of the Vintage Shares resulting from the Proposed Capital Reduction (Proposed M&A Amendments); and
- (iii) proposed renounceable rights issue of up to 24,371,501 new Reduced Shares (Rights Shares) on the basis of one (1) Rights Share for every four (4) Reduced Shares to be held at a date to be determined after the completion of the Proposed Capital Reduction on a minimum subscription basis (Proposed Rights Issue).

(Collectively, the "Proposals")

Please refer to the announcement dated 4 May 2009 for further information on the Proposals.

**B3. Prospects (Cont'd)**

- (iv) On 22 July 2009, Vintage had obtained the Restraining Order for Vintage to finalise the initial scheme for the purposes of a debt restructuring scheme under Section 176 (10) of the Companies Act, 1965. The Restraining Order had been expired on 19 October 2009.

Upon expiry of the Restraining Order obtained on 22 July 2009, Vintage had further applied for an extension of Restraining Order. On 23 November 2009, the Court has granted Vintage with an extension for another sixty (60) days from 23 November 2009, which had been expired on 22 January 2010.

Upon expiry of the extended Restraining Order obtained on 23 November 2009, Vintage had further applied for an extension of Restraining Order. On 4 March 2010, the High Court granted a further extension to the Restraining Order for a period of 60 days from 4 March 2010 to 3 May 2010.

Upon expiry of the extended Restraining Order obtained on 4 March 2010, Vintage had further applied for an extension of Restraining Order. On 19 May 2010, the High Court granted a further extension to the Restraining Order for a period of 90 days from 19 May 2010 to 18 August 2010.

- (v) In September 2009, in order to drive down the cost of production, Vintage has temporarily realigned and concentrated all production activities at the Nilai Plant. Rawang plant will be reconditioned and upgraded to a more cost effective production facility.
- (vi) On 13 April 2010, Vintage announced that it is currently in negotiation to secure the entry of strategic investor(s) to participate in the equity in Vintage. Vintage envisages that such strategic equity partnership will provide the necessary impetus for Vintage to enhance its roof tiles manufacturing and construction businesses which in turn is expected to regularise its financial position in conjunction with its overall regularisation plan. The Board is of the opinion that the Proposed Regularisation Plan will strengthen the capital base of Vintage and return Vintage onto a better financial standing and profitability (via strategic investor), thereby benefiting all stakeholders.
- (vii) On 16 July 2010, Vintage had conducted its CCM and obtained approval from its scheme creditors on its Proposed Scheme of Arrangement under Section 176 of the Companies Act, 1965 by the requisite majority in number representing three-fourth (3/4) in value of the Scheme Creditors present and voting in that class either in person or by proxy at the CCM.

**B4. Profit forecast**

There was no profit forecast or profit guarantee made during the financial quarter under review.

**B5. Taxation**

	<b>Current Quarter 30 September 2010 RM'000</b>	<b>Preceding Year Quarter 30 September 2009 RM'000</b>	<b>Current Year To Date 30 September 2010 RM'000</b>	<b>Preceding Year Year To Date 30 September 2009 RM'000</b>
Income tax				
Current year	-	-	-	-
Prior year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-

No provision for taxation was provided for the current quarter as the Group was basically operating at a loss position.

**B6. Unquoted investments and properties**

There was no disposal of unquoted investments and properties during the quarter under review.

**B7. Quoted investments**

The Group did not deal in any quoted investments.

**B8. Corporate Proposals**

**(a) Status of corporate proposals**

There was no corporate proposal announced but not completed during the period under review

**(b) Status of utilisation of proceeds**

Not applicable.

**B9. Borrowings and debt securities**

The total borrowings of the Group as at 30 September 2010 comprised of the followings:

	<b>30 September 2010 RM'000</b>
Secured bank borrowings:	
Term loans	16,021
Bank overdrafts	8,685
Hire purchase	913
	<u>25,619</u>
Secured bank borrowings:	
Short term borrowing	11,099
Long term borrowings	14,521
	<u>25,619</u>

**B10. Off balance sheet financial instruments**

There were no material instruments with off balance sheet risk issued as at the date of this report.



**B11. Changes in material litigation**

**Foong & Partners (“The Petitioner”) v. VTI Vintage Berhad (Kuala Lumpur High Court, Winding Up No. D-28-2-2009)**

The Group has made an announcement on 26 March 2009 in relation to the advertisement of winding up petition on Vintage (Kuala Lumpur High Court, Winding Up No. D-28-2-2009) by Messrs. Foong & Partners (öthe Petitionerö), alleging that Vintage is indebted to the Petitioner for the sum of RM32,350.00 being the consultancy fees on the legal services rendered to Vintage. There is no interest claimed by the Petitioner. Vintage has dispute on the claim and instructed the solicitor to confirm with the Petitioner on the dispute and currently is pending for reply. The circumstances leading to the filing of the winding up petition against Vintage was due to the fact that the Company did not make the said payment in the sum of RM32,350.00 to the Petitioner as the said amount is in dispute.

Vintage had made an application pending the preparation of an initial scheme of debt restructuring scheme compromise between the Group and its creditors under Section 176 (1) of the Act for a restraining order under Section 176 (10) to restrain actions and proceedings against the Petitioner for a period of ninety (90) days from the date of the Restraining Order ie. 22 July 2009, which had been expired on 19 October 2009.

Upon expiry of the Restraining Order obtained on 22 July 2009, Vintage had further applied for an extension of Restraining Order. On 23 November 2009, The Court has granted Vintage with an extension for another sixty (60) days from 23 November 2009, which had been expired on 22 January 2010.

Upon expiry of the extended Restraining Order obtained on 23 November 2009, Vintage had further applied for an extension of Restraining Order. On 4 March 2010, the High Court granted a further extension to the Restraining Order for a period of 60 days from 4 March 2010 to 3 May 2010.

On 4 May 2010, Vintage had applied for an application for meeting of the creditors or class of creditors of Vintage pursuant to Section 176 (1) of the Companies Act, 1965. On 19 May 2010, the High Court also granted the above said application be summoned within 90 days from 19 May 2010. Therefore, the said meeting ought to be summoned on or before 18 August 2010 being 90 days from the date of the Court Order.

In order to conduct the Creditor Convened Meeting (“CCM”), Vintage had further applied for an fresh Restraining Order. On 19 May 2010, the High Court granted the Restraining Order for a period of 90 days from 19 May 2010 to 18 August 2010.

On 16 July 2010, Vintage had conducted its CCM and obtained approval from its scheme creditors on its Proposed Scheme of Arrangement under Section 176 of the Companies Act, 1965 by the requisite majority in number representing three-fourth (3/4) in value of the Scheme Creditors present and voting in that class either in person or by proxy at the

**Star Shine Global Trading Sdn Bhd (“Star Shine”) v. VTI Vintage Berhad (Kuala Lumpur High Court, Winding Up No. D1-28-265-2009)**

The Group made an announcement on 25 May 2009 pertaining to the winding up petition on Vintage (Kuala Lumpur High Court, Winding Up No. D1-28-265-2009) by Star Shine, alleging that Vintage is indebted to the Petitioner for the sum of RM1,492,675.95 together with accrued interest of RM383,148.50 calculated as at 14 January 2009 and further interest to be charged on the principal sum at 1.5% per month from 15 January 2009 until full settlement for the goods sold and delivered to Newsteel, a subsidiary of Vintage by virtue of the Corporate Guarantee dated 9 August 2005 executed by Vintage in favour of Star Shine whereby Vintage has guaranteed to pay on demand all monies due and owing by Newsteel to the Petitioner up to limit of RM2,000,000.00. Newsteel has dispute on the claim and instructed the solicitor to confirm with Star Shine on the dispute.

The Group has adequate resources to meet the commitment of the claims and therefore, the petition has no financial and operational impact to the Group. Vintage has appointed solicitor to oppose or strike out these Petitions and the Applications.

#### B11. Changes in material litigation (Cont'd)

##### Restraining Order

The Group made an announcement on 27 July 2009 pertaining to the Kuala Lumpur High Court (Court) had on 22 July 2009 granted a restraining order (Order) to Vintage for a period of 90 days effective from 22 July 2009 to 19 October 2009 pursuant to Section 176 (10) of the Companies Act, 1965. The Group has faced with numerous suits filed by trade creditors who have alleged that outstanding debts are owed to them. In an effort to settle the debts and come to an agreement with the creditors, Vintage had prepared an initial scheme for the purposes of a debt restructuring scheme under Section 176 (10) of the Companies Act, 1965. On the basis of the proposed scheme, the Companies had filed an application under Section 176 (10) of the Companies Act, 1965. The Company had on 22 July 2009 obtained a restraining order under Section 176 (10) of the Companies Act, 1965 which restrained and stayed for a period of 90 days further proceedings in any action or the institution or commencement of any proceedings against the Company or any of the companies in the Group.

Upon expiry of the Restraining Order obtained on 22 July 2009, Vintage had further applied for an extension of Restraining Order. On 23 November 2009, The Court has granted Vintage with an extension for another sixty (60) days from 23 November 2009, which had been expired on 22 January 2010.

Upon expiry of the extended Restraining Order obtained on 23 November 2009, Vintage had further applied for an extension of Restraining Order. On 4 March 2010, the High Court granted a further extension to the Restraining Order for a period of 60 days from 4 March 2010 to 3 May 2010.

On 4 May 2010, Vintage had applied for an application for meeting of the creditors or class of creditors of Vintage pursuant to Section 176 (1) of the Companies Act, 1965. On 19 May 2010, the High Court also granted the above said application be summoned within 90 days from 19 May 2010. Therefore, the said meeting ought to be summoned on or before 18 August 2010 being 90 days from the date of the Court Order.

In order to conduct the CCM, Vintage had further applied for an fresh Restraining Order. On 19 May 2010, the High Court granted the Restraining Order for a period of 90 days from 19 May 2010 to 18 August 2010.

On 8 November 2010, VVB had announced that the application for the extension of the Restraining Order has been dismissed by the Court in the hearing held on 8 November 2010. However, the Company has instructed the solicitors to file a fresh application to the Court for the said RO and any updates or further details will be announced in due course.

##### Affin Bank Berhad ("The Petitioner") v. Vintage Roofing & Construction Sdn Bhd, VTI Vintage Berhad and Ong Thuan Ming (collectively "Defendants") (Kuala Lumpur High Court Civil Suit No.: D-22-NCC-75-2009)

The Group has made an announcement on 14 September 2010 that the Company and Vintage Roofing & Construction Sdn Bhd, a wholly-owned subsidiary of the Company have received the letter from Messrs. Manjit Singh Sachdev, Mohammad Radzi & Partners dated 8 September 2010 (Letter), the solicitors for Affin Bank Berhad (Affin), demanding the Judgment sum of RM3,000,000.00 as at 31 March 2009 together with interest at the rate of 1.75% above the Base Lending Rate calculated from 1 April 2009 until the date of realisation and cost of RM225.00 within fourteen (14) days from the date of the Letter.

The Board of Directors of VVB wishes to inform that the Company has no knowledge on the said Judgement until the Company received the said Letter.

However, the Company wishes to inform that the scheme creditors of VVB and its subsidiary companies (Scheme Creditors) had at the CCM of the Company held on 16 July 2010 approved the Proposed Scheme of Arrangement under Section 176 of the Companies Act, 1965 (Proposed Scheme). Based on the legal advice obtained, Affin will be bound under the approved Proposed Scheme as Affin is one of the Scheme Creditors under the approved Proposed Scheme.

**B11. Changes in material litigation (Cont'd)**

**Notice Pursuant Section 218 of the Companies Act, 1965**

(i) **KTS Trading Sdn Bhd**

On 19 October 2010, VVB announced that Vintage Tiles Industries Sdn Bhd (öVTISBö), a subsidiary of the Company have received the Notice Pursuant to Section 218 (2)(a) of the Companies Act, 1965 (öNoticeö) from Messrs. Chan, Moosdeen & Partners, the advocates & solicitors for KTS Trading Sdn Bhd (öKTSö), demanding the total sum of RM72,897.90 being the judgment sum of RM61,152.00, interest of 8% per annum on the total judgement sum from 22 August 2008 until the date of summons on 17 October 2008 which works out to RM763.98, further interest of 8% per annum on the total judgement sum from 17 October 2008 to 15 October 2010 which works out to RM9,770.92 and costs of RM1,211.00 within three (3) weeks from the date of the Notice, failing which, the VTISB is deemed to be unable to pay its debts and a winding-up petition may be filed against VTISB. The sealed Judgment is dated 19 December 2008.

However, the Company wishes to inform that the Group had on 22 July 2009 initiated the Proposed Scheme of Arrangement under Section 176 of the Companies Act, 1965 (öProposed Schemeö) which had been approved during the CCM of the Group held on 16 July 2010.

Based on the legal advice obtained, KTS will be included as one of the Scheme Creditors, once the Court sanctions the Scheme of Arrangement under Section 176 of the Companies Act, 1965, KTS will be bound to accept the Scheme under the approved Proposed Scheme. Therefore, pending the completion of the Proposed Scheme, no payment was made to the Scheme Creditors including KTS.

(ii) **Anshin Steel Services Centre Sdn Bhd**

On 28 September 2010, VVB announced that the Company and Newsteel Building Systems Sdn Bhd (öNewsteelö), a subsidiary of the Company have received the Notice Pursuant to Section 218 (1) (e) & (i) of the Companies Act, 1965 (öNoticeö) from Messrs. Shui-Tai, the solicitors for Anshin Steel Services Centre Sdn Bhd (öAnshinö), demanding the total sum of RM58,152.97 being the judgment sum of RM35,768.88, interest of RM7,110.00 as at 31 March 2008, interest at 1.3% per month on RM35,768.88 from 1 April 2008 to 27 September 2010 (and still continuing until the date of full realization) and costs of RM1,170.00 within three (3) weeks from the date of receipt of the Notice, failing which, the Company and Newsteel is deemed to be unable to pay its debts and a winding-up petition may be filed against the Company and Newsteel.

However, the Company wishes to inform that the Group had on 22 July 2009 initiated the Proposed Scheme of Arrangement under Section 176 of the Companies Act, 1965 (öProposed Schemeö) and has included Anshin as one of the Scheme Creditors under the Proposed Scheme of Arrangement under Section 176 of the Companies Act, 1965 (öProposed Schemeö) which had been approved during the CCM of the Group held on 16 July 2010.

**B12. Dividends**

No dividend has been recommended to date in respect of the current financial year.

**B13. Basic earnings per share**

Basic earnings per share is calculated by dividing the net loss for the period by weighted average number of shares in issue during the period.

	<b>Current Quarter 30 September 2010</b>	<b>Preceding Year Quarter 30 September 2009</b>	<b>Current Year To Date 30 September 2010</b>	<b>Preceding Year To Date 30 September 2009</b>
Net loss for the period (RM000)	<u>(1,346)</u>	<u>(2,942)</u>	<u>(3,359)</u>	<u>(7,378)</u>
Weighted average no of ordinary Shares in issue (000)	<u>97,486</u>	<u>97,486</u>	<u>97,486</u>	<u>97,486</u>
Basic loss per share (sen)	<u>(1.38)</u>	<u>(3.02)</u>	<u>(3.45)</u>	<u>(7.57)</u>

The company does not have in issue any financial instrument or other contract that may entitle its holders to ordinary shares and therefore dilute its basic earnings.

**B14. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors on 30 November 2010.