

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2014**

	Unaudited 30 June 2014 RM'000	Audited 31 December 2013 RM'000
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant & equipment	31,786	32,884
<b>Current Assets</b>		
Inventories	1,539	1,384
Trade receivables	9,065	7,369
Other receivables	492	531
Current tax assets	-	22
Fixed deposit	4	4
Cash and bank balances	261	153
	<b>11,361</b>	<b>9,463</b>
<b>Non current assets held for sale</b>	<b>2,150</b>	<b>2,150</b>
<b>TOTAL ASSETS</b>	<b>45,297</b>	<b>44,497</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	97,486	97,486
Reserves	(116,318)	(112,571)
	<b>(18,832)</b>	<b>(15,085)</b>
<b>Non controlling interests</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>(18,832)</b>	<b>(15,085)</b>
<b>Non current liabilities</b>		
Long term borrowings	B8 -	-
<b>Current Liabilities</b>		
Trade payables	14,274	13,631
Other payables	6,813	5,934
Amount owing to directors	18,972	16,247
Current tax liabilities	376	368
Short term borrowings	B8 17,921	17,680
Bank overdraft	B8 5,773	5,722
	<b>64,129</b>	<b>59,582</b>
<b>Total Liabilities</b>	<b>64,129</b>	<b>59,582</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>45,297</b>	<b>44,497</b>
Net assets per share attributable to ordinary equity holders (RM)	<b>(0.19)</b>	<b>(0.15)</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the condensed financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED 30 JUNE 2014**

	Preceding Year	Preceding Year		Preceding Year
	Current Quarter	Corresponding Quarter	Current Period To Date	Period To Date
	30-Jun 2014	30-Jun 2013	30-Jun 2014	30-Jun 2013
	RM'000	RM'000	RM'000	RM'000
Revenue	2,306	5,251	4,099	6,865
Cost of Sales	<u>(2,129)</u>	<u>(4,465)</u>	<u>(4,257)</u>	<u>(6,335)</u>
Gross Profit	177	786	(158)	530
Other income	2,027	-	2,027	-
Operating Expenses	(3,250)	(473)	(4,602)	(1,115)
Depreciation	(143)	(172)	(287)	(346)
Plant & Equipment Written Off	<u>(534)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit from Operations	(1,723)	141	(3,020)	(931)
Financial cost	(364)	(307)	(727)	(515)
Profit / ( Loss) Before Taxation	<u>(2,087)</u>	<u>(166)</u>	<u>(3,747)</u>	<u>(1,446)</u>
Taxation	-	-	-	-
Profit / ( Loss ) After Taxation	<u>(2,087)</u>	<u>(166)</u>	<u>(3,747)</u>	<u>(1,446)</u>
Other comprehensive income	-	-	-	-
Total comprehensive profit for the	<u>(2,087)</u>	<u>(166)</u>	<u>(3,747)</u>	<u>(1,446)</u>
Equity holders of the Parent	(2,087)	(166)	(3,747)	(1,446)
Non controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(2,087)</u>	<u>(166)</u>	<u>(3,747)</u>	<u>(1,446)</u>
Total comprehensive loss attributable to:				
Equity Holders of The Parent	(2,087)	(166)	(3,747)	(1,446)
Non controlling interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(2,087)</u>	<u>(166)</u>	<u>(3,747)</u>	<u>(1,446)</u>
Basic earnings per ordinary share (sen)	(2.14)	(0.17)	(3.84)	(1.48)
Diluted earnings per ordinary share (sen)	(2.14)	(0.17)	(3.84)	(1.48)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the condensed financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 30 JUNE 2014**

	<b>&lt;- Attributable to Equity Holders of the Parent -&gt;</b>				
	<b>Share Capital RM'000</b>	<b>Accumulated Losses RM'000</b>	<b>Total RM'000</b>	<b>Non Controlling Interests RM'000</b>	<b>Total Equity RM'000</b>
At 1 January 2014	97,486	(112,571)	(15,085)	-	(15,085)
Total comprehensive profit for the period	-	(3,747)	(3,747)	-	(3,747)
At 30 June 2014	<u>97,486</u>	<u>(116,318)</u>	<u>(18,832)</u>	<u>-</u>	<u>(18,832)</u>
At 1 January 2013	97,486	(109,838)	(12,352)	-	(12,352)
Total comprehensive profit for the period	-	(1,446)	(1,446)	-	(1,446)
At 30 June 2013	<u>97,486</u>	<u>(111,284)</u>	<u>(13,798)</u>	<u>-</u>	<u>(13,798)</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 2013 and the accompanying explanatory notes attached to the condensed financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE HALF YEAR ENDED 30 JUNE 2014**

	<b>Current Period to Date 30 June 2014 RM'000</b>	<b>Preceding Period To Date 30 June 2013 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit / ( Loss) before taxation	(3,747)	(1,446)
Adjustments for:		
Depreciation	546	547
Amortisation of leasehold land	-	
Property, plant and equipment written off	534	-
Impairment on trade receivables	2,014	-
Impairment on leasehold land		-
Loss on disposal of property, plant and equipment	-	-
Reversal of Impairment on trade receivable	(1,319)	-
Bad Debts written off	-	-
Interest expenses	727	515
<b>Operating profit before working capital changes</b>	<b>(1,245)</b>	<b>(384)</b>
Changes in working capital		
Inventories	(155)	33
Receivables	(2,352)	7,934
Payables	1,762	(7,735)
Amount owing to directors	2,725	387
	<b>1,980</b>	<b>619</b>
<b>Cash generated from operations</b>	<b>735</b>	<b>235</b>
Interest paid	(727)	(515)
Tax Refund	31	-
<b>Net cash (used in) / generated from operating activities</b>	<b>39</b>	<b>(280)</b>
<b>Cash flows from investing activities</b>		
	-	-
Purchase of of property, plant and equipment	-	-
Proceeds from disposal of property, plant and equipment	18	-
Acquisition of subsidiary, net of cash and cash equivalents acquired	-	-
Interest received	-	-
<b>Net cash from/(used in) investing activities</b>	<b>18</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
	-	-
Repayment of hire purchase	-	-
Drawdown of bank borrowings	-	-
Repayment of bank borrowings	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>57</b>	<b>(280)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(5,569)</b>	<b>(7,933)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>(5,512)</b>	<b>(8,213)</b>
Note:		
<b>Closing balance of cash and cash equivalents comprises:</b>		
Cash and bank balances	261	188
Fixed deposits	4	4
Bank overdrafts	(5,773)	(8,401)
	<b>(5,508)</b>	<b>(8,209)</b>
Fixed deposits pledged to bank	(4)	(4)
	<b>(5,512)</b>	<b>(8,213)</b>
	<b>0</b>	<b>-</b>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the condensed financial statements.

## NOTES TO CONDENSED FINANCIAL STATEMENT (UNAUDITED)

### A1. Basis of Preparation

The condensed financial statements is unaudited and has been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The condensed financial statements have been prepared on the assumption that the Group is a going concern. The appropriateness of using the going concern assumption is highly dependent upon the successful implementation of a regularisation plan. As such, the condensed financial statements have not included any adjustments to the value and classification of assets and liabilities that may be necessary if the going concern assumption is no longer appropriate. Although it is the intention of the Directors to continue to operate the Group as a going concern, this can only be assured with the support of the lenders and shareholders.

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013. 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 2013.

The financial information presented herein has been prepared in accordance with the accounting policies to be used in preparing the annual consolidated financial statements for 31 December 2013 under the Malaysian Financial Reporting Standards ("MFRS") framework. These policies do not differ significantly from those used in the audited consolidated financial statements for 31 December 2012.

### 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 2013 except for the adoption of the following :

During the financial period, the Group have adopted the following applicable new Malaysian Financial Reporting Standards ("MFRSs") , revised MFRSs, Issues Committee ("IC") Interpretations and amendments to MFRSs, issued by the Malaysian Accounting Standards Board that are mandatory for the current financial period:

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (revised)
MFRS 127	Separate Financial Statements
MFRS 128	Investments in Associates and Joint Ventures
Amendments to MFRS 7	Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 11	Joint Arrangements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 132	Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)
Amendments to MFRS 134	Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

The adoption of the above pronouncements does not have material impact on the financial statements of the Group.

## A2. Changes in Accounting Policies (cont'd)

The Group and the Company have not adopted the following MFRSs and interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ( " MASB" ) but are not yet effective for the Group and the Company : -

		<b>Effective for financial period beginnings on or after</b>
MFRS 9	Financial Instruments	1 January 2015
Amendments to MFRS 9 and MFRS 7	Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10, MFRS 12 and MFRS 127	Investment Entities	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to MFRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014

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

The auditors' report on the financial statements for the financial year ended 31 December 2013, was qualified as follows :

We draw attention to Note 3(b) to the financial statements, which disclosed the premises upon which the Group and the Company have prepared their financial statements by applying the going concern assumption, notwithstanding that during the financial year ended 31 December 2013, the Group have incurred losses of RM 2,733,898 and as of that date, the Group's and the Company's current liabilities exceeded their current assets by RM 50,119,357 and RM 10,074,659 respectively.

In addition, the Company is considered an Affected Listed issuer pursuant to the Practice Note 17 ( "PN 17" ) Paragraph 2.1(a) and Paragraph 8.04 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ( " Bursa Securities " ). A regularisation Plan was submitted to Bursa Securities on 22 April 2011 and had gone through numerous revision and application for extension of time to implement the proposed regularisation plan as disclosed in Note 31(a). On 5 December 2013, Bursa Securities approved an extension of time until 31 August 2014 to implement the proposed regularisation plan.

We were unable to ascertain the ability of the Group and of the Company to continue as going concern which is dependent on the successful completion of the proposed regularisation plan, achieving sustainable and viable operations and generating adequate cash flows from its operating activities.

## A4. Segmental Information

(a) Segment analysis for the financial period to date ended 30 June 2014 :

	<b>Manufacturing &amp; Trading RM'000</b>	<b>Construction Contract RM'000</b>	<b>Inter- segment eliminations RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
External	4,099	-	-	4,099
Inter-segmental sales	600	-	(600)	-
Total Revenue	<u>4,698</u>	<u>-</u>	<u>(600)</u>	<u>4,099</u>
<b>Results</b>				
(Loss)/Profit from operations	(3,020)	-	-	(3,020)
Interest expenses	(727)	-	-	(727)
(Loss)/Profit before taxation	(3,747)	-	-	(3,747)
Taxation	-	-	-	-
(Loss)/Profit after taxation	<u>(3,747)</u>	<u>-</u>	<u>-</u>	<u>(3,747)</u>
<b>Non-Cash Expenses</b>				
Allowance for doubtful debts	-	-	-	-
Depreciation of property, plant and equipment	539	7	-	546

**A4. Segmental Information (cont'd)**

(b) Segment analysis for the financial period to date ended 30 June 2013 :

	<b>Manufacturing &amp; Trading RM'000</b>	<b>Construction Contract RM'000</b>	<b>Inter-segment eliminations RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
External	3,318	3,547	-	6,865
Inter-segmental sales	600	-	(600)	-
Total Revenue	<u>3,918</u>	<u>3,547</u>	<u>(600)</u>	<u>6,865</u>
<b>Results</b>				
(Loss)/Profit from operations	(710)	(221)	-	(931)
Interest expenses	(479)	(36)	-	(515)
(Loss)/Profit before taxation	<u>(1,189)</u>	<u>(257)</u>	<u>-</u>	<u>(1,446)</u>
Taxation	-	-	-	-
(Loss)/Profit after taxation	<u>(1,189)</u>	<u>(257)</u>	<u>-</u>	<u>(1,446)</u>
<b>Non-Cash Expenses</b>				
Allowance for doubtful debts	-	-	-	-
Depreciation of property, plant and	546	1	-	547
	<u>546</u>	<u>1</u>	<u>-</u>	<u>547</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 31 December 2013.

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

There was no fair value adjustment of property, plant and equipment during the quarter.

**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 2013.

**A14. Significant Events**

(a) **Practice Note 17 - Status of Plan to Regularise Condition**

On 10 February 2011, Vintage had announced that MIMB Investment Bank Berhad ("MIMB") on behalf of the Company submitted an application for an extension of time to Bursa Malaysia to submit the proposed regularisation plan.

On 18 April 2011, reference was made to Vintage's requisite announcement dated 9 September 2010 and the announcement dated 15 March 2011, whereby Bursa Malaysia had approved Vintage's application for an extension of time until 24 April 2011 to submit its regularisation plan pursuant to PN17 of the Listing Requirements.

In the event that:

- (i) The Company fails to submit the regulation plan to the regulatory authorities for approval on or before 24 April 2011;
- (ii) The Company fails to obtain the approval from any of the regulatory authorities necessary for the implementation of its regularisation plan; or
- (iii) The Company fails to implement its regularisation plan within the time frame or extended time frames stipulated by the regulatory authorities.

Bursa Malaysia reserves the right to proceed with the suspension of the trading of the securities of the Company and to commence delisting procedures against the Company.

Upon occurrence of any of the events set out in (i) to (iii) above, the suspension should be imposed on the trading of the listed securities of the Company upon the expiry of five (5) market days from the date the Company was notified by Bursa Malaysia and de-listing procedures shall be commenced against the Company.

The Company submitted its regularisation plan to Bursa Malaysia for approval on 22 April 2011 which comprises of:

- (i) Proposed reduction of VTI Vintage Berhad's existing issued and paid-up share capital from approximately RM97.49 million comprising 97,486,002 Existing Shares to approximately RM9.75 million comprising 97,486,002 ordinary shares of RM0.10 each via the cancellation of RM0.90 of the par value of each Existing Share pursuant to Section 64 of the Act;
- (ii) Proposed share consolidation via the consolidation of five (5) Reduced Shares into one (1) VTI Vintage Berhad's share after the Proposed Capital Reduction;
- (iii) Proposed amendments to the M&A of VTI Vintage Berhad to facilitate the change in the par value of the VTI Vintage Berhad's Shares resulting from the Proposed Capital Reduction and Proposed Share Consolidation;
- (iv) Proposed Private Placement of 12,000,000 new VTI Vintage Berhad's shares;
- (v) Proposed renounceable rights issue of up to 31,497,200 new VTI Vintage Berhad's Shares on the basis of one (1) new VTI Vintage Berhad's for every one (1) existing VTI Vintage Berhad's Share held by the shareholders of Vintage after the Proposed Shareholders' Scheme and Proposed Private Placement;
- (vi) Proposed formal scheme of arrangement and compromise pursuant to Section 176 of the Act in respect to the amounts owing to the secured and unsecured creditors of VTI Vintage Berhad via the issuance of up to 18,556,106 new VTI Vintage Berhad's Shares after a seventy five percent (75%) debt waiver by the unsecured creditors; and
- (vii) Proposed set-off of any cash advances against the subscription monies payable by a Director pursuant to his irrevocable undertaking to subscribe for his rights entitlement and/or procure subscriptions for the Proposed Rights Issue up to a maximum amount of RM5.0 million.



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

(a) **Practice Note 17 - Status of Plan to Regularise Condition (Cont'd)**

On 2 November 2011, MIMB on behalf of Vintage had announced on the following variation to the Proposals. It was previously announced in Section 2.7(ii)(d) of the announcement dated 9 September 2010 that if any of the unsecured creditors is a subsidiary of Vintage, its entitlement to the VTI Vintage Berhad's Shares shall be allotted and issued to a trustee and/or an agent for the creditor who will subsequently dispose of the shares allotted and issued to it and remit the proceeds to the subsidiary concerned.

After further deliberation by the Board, the Company has decided to vary the said distribution such that if any of the unsecured creditors is the Company itself or a subsidiary of the Company, its entitlement to the VTI Vintage Berhad's Shares will be allotted and issued to a placee to be identified ("Placee") and the cash proceeds therefrom will be paid to the Company who will then distribute the respective entitlement to its subsidiaries ("Proposed Variation"). The Proposed Variation was decided by the Board to avoid any possible infringement of Section 17 of the Companies Act, 1965.

On 23 December 2011, MIMB Investment Bank Berhad on behalf of the Company had announced that the variation of the regularisation plan as the following

- (i) variations on the inter-conditionality of the Proposals; and
- (ii) assignment of the VTI Vintage Berhad's Group inter-company debt to Distinct Treasures Sdn. Bhd.

On 2 April 2012, Bursa Malaysia rejected the Company proposed regularisation plan which was submitted to Bursa Securities on 22 April 2011

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Malaysia ACE Market Listing Requirements:

- (i) the trading in the securities of the Company will be suspended with effect from 10 April 2012; and
- (ii) the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Malaysia on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Malaysia.

In the event of the Company submits an appeal to Bursa Malaysia within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Malaysia on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Malaysia approved the Company's proposed regularisation plan after due consideration of relevant facts and circumstances including:

- (i) the changes to the Company's business model for its manufacturing and distribution of tiles division;
- (ii) the growth of the Company's secured order book for its construction division;
- (iii) the changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write-off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;
- (iv) the approval of the secured and unsecured creditors of VVB and its subsidiary companies (collectively defined as the "Group") for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and
- (v) VVB's plan to add diversification to its revenue stream.

With regards to the Company's appeal against de-listing, the securities of the Company shall be removed from the Official List of Bursa Securities upon expiry of 2 market days from the notification or such other date specified by Bursa Securities to the Company in the event it fails to implement its regularisation plan within the timeframe or extended timeframes stipulated by Bursa Securities.

On 14 February 2013, Hong Leong Investment Bank Berhad ('HLIB', previously known as MIMB Investment Bank Berhad) has made an announcement on behalf of the Company to revise the allocations of the Proposed Private Placement and the Proposed Rights Issue and the terms of the Proposed Set-Off. In addition, the Board has also decided to undertake a Proposed Exemption (as defined within), pursuant to the revised allocations of the Proposed Private Placement and Proposed Rights Issue.

The Company has submitted an application for the Extension Of Time (EOT) to Bursa Malaysia on 9 July 2013 to facilitate the completion of the Scheme. However, it was rejected by Bursa Malaysia via their letter dated 18 September 2013. The Company has on 25 September 2013 submitted its appeal on the rejection of the EOT Application to Bursa Malaysia, and has requested for an audience with Bursa Malaysia for the Company to present its case to understand better the Company's confidence on the prospects after the completion of the proposed regularisation plan. The meeting was subsequently granted, and the Company has presented its case to Bursa Malaysia on 19 November 2013. The application for the Extension Of Time (EOT) was subsequently approved by Bursa Malaysia until August 2014.

On 18 February 2014, HLIB has made announcement on behalf of the Company further changes as follows:

- i) Proposed private placement: Pursuant to the revised allocation of Placement Shares, GYM's subscription of the Placement Shares will be entirely taken up by LBS Bina Group Berhad ("LBGB"), a company listed on the Main Market of Bursa Securities, the incoming strategic investor replacing GYM. The allocation of Placement Shares to Dato' Beh Hang Kong ("DBHK") will remain unchanged.
- ii) Proposed rights issue: The irrevocable undertaking and additional undertaking to subscribe for the Rights Shares previously provided by GYM and Dato' Abu Sujak bin Mahmud ("DASM") will be rescinded as their undertakings now will be assumed by LBGB.
- iii) Proposed exemption: In view of the change in the placee and the eventual shareholding structure upon completion of the proposed regularisation plan, the Proposed Exemption will no longer be required.
- iv) Proposed profit guarantee: As a result of the Revised Allocation and Revised Additional Undertakings, LBGB shall replace GYM as a party, together with DBHK, to provide a profit guarantee, on a proportionate basis, of an audited operational after tax profit of RM6 million per annum of the VVB group for the 2 financial years following the successful implementation of the proposed regularisation plan.

On 23 May 2014, Vti Vintage Berhad ("VVB") had announced that :-

- i) The share holders of VVB have at its Extraordinary General Meeting ("EGM") held on 23 May 2014 approved all the resolutions by poll as set out in the Notice of EGM dated 29 April 2014. The results of the resolutions voted by poll was 22,806,448 number of shares (100.00%) vote for and zero number of shares (0.00%) vote against the Special Resolutions 1 and 2 and Ordinary Resolution 1 to 5. As for the Ordinary Resolution 6, there was 22,362,848 number of shares (99.05%) vote for and 443,600 number of shares (1.95%) vote against the resolution.
- ii) The share holders of VVB have at its Court Convene Meeting ("CCM") held on 23 May 2014 approved the resolution by poll as set out in the Notice of CCM dated 29 April 2014. The results of the resolution voted by poll was 21,851,924 number of shares (98.01%) vote for and 443,600 number of shares (1.99%) vote against the resolution.

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

(b) **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.

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 10 November 2010, Vintage 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 Restraining Order.

On 9 February 2011, Vintage had announced that Restraining Order has been granted by the High Court of Malaya at Kuala Lumpur on 8 February 2011 pursuant to Section 176(10) of the Act, to restrain all further proceedings, and any and all actions or proceedings against the Company and the following subsidiaries for a period of ninety (90) days from 8 February 2011 to 7 May 2011.

- (i) Vintage Tiles Industries Sdn Bhd
- (ii) Vintage Roofing & Construction Sdn Bhd
- (iii) Newsteel Building Systems Sdn Bhd
- (iv) Vintage Tiles Industries (EM) Sdn Bhd

Upon expiry of the Restraining Order obtained on 8 February 2011, Vintage had further applied for an extension on the Restraining Order. On 11 May, 2011, the High Court of Malaya at Kuala Lumpur has granted a further period of another one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Upon expiry of the extended Restraining Order obtained on 11 May 2011, Vintage had further applied for an extension of Restraining Order. On 20 September 2011, the High Court of Malaya has been granted a further extension to the Restraining Order for a period of 60 days from 20 September 2011 to 18 November 2011.

On 22 November 2011, the Board of Directors of Vintage had announced that the Company's solicitors notified the Company that an application had been submitted to the Court on 18 November 2011 for the extension of Restraining Order which had been expired on 18 November 2011 and the hearing of the said application has been fixed on 1 December 2011.

Pursuant to an order made on the 16 December 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including VTI will be stayed until 15 February, 2012.

Upon expiry of the Restraining Order obtained on 16 December 2011, VVB had further applied for an extension on the Restraining Order. On 15 February 2012, the Court at Kuala Lumpur had granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

On 2 December 2011, the Board of Directors of Vintage had announced that the Company's solicitors notified the Company that the hearing for the application for extension of Restraining Order which expired on 18 November 2011 has been postponed to 8 December 2011.

On 8 December 2011, the Board of Directors of Vintage had announced that the Company's solicitors notified the Company that the hearing for the application for extension of Restraining Order which expired on 8 December 2011 has been postponed to 16 December 2011.

Upon expiry of the extended Restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 19 December 2011, the High Court of Malaya has been granted a further extension to the Restraining Order for a period of 60 days from 16 December 2011 to 15 February 2012.

Upon expiry of the Restraining Order obtained on 15 February 2012, Vintage had further applied for an extension on the Restraining Order. On 15 February 2012, the High Court of Malaya at Kuala Lumpur has granted a further period of another sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012 the Kuala Lumpur High Court granted an extension of a period of thirty (30) days commencing on 13 April and expiring on 12 May 2012.

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

(b) **Restraining Order (cont'd)**

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the Restraining Order. On 16 May 2012, the Court at Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 14 July 2012.

Upon the expiry of Restraining Order on 14 July 2012, another application was made and approval granted by the court to further extend the Restraining Order from 19 July to 25 July 2012. On 25 July 2012 the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July and expiring on 25 September 2012.

Upon expiry of Restraining Order on 25 September 2012, an order has been granted by the High Court of Malaya at Kuala Lumpur on 8 November 2012, to restrain all further proceedings in any action and/or proceedings against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 7 March 2013.

Upon the expiry of Restraining Order on 7 March 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 16 April 2013, to restrain all further proceedings in any action and/or proceedings against the Company and its subsidiaries for a period of sixty (60) days from 16 April 2013 to 14 June 2013.

Upon the expiry of Restraining Order on 14 June 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 14 June 2013, to restrain all further proceeding in any action and/or proceedings against the Company and its subsidiaries for a period of ninety (90) days from 14 June 2013 to 14 September 2013.

Upon the expiry of Restraining Order on 14 September 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 13 September 2013, to restrain all further proceeding in any action and/or proceedings against the Company and its subsidiaries for a period of ninety (90) days from 13 September 2013 to 11 December 2013.

Upon the expiry of Restraining Order on 11 December 2013, an order has been granted by the High Court of Malaya at Kuala Lumpur on 15 January 2014, to restrain all further proceeding in any action and/or proceedings against the Company and its subsidiaries for a period of ninety (90) days from 15 January 2014 to 15 April 2014.

Upon the expiry of Restraining Order on 15 April 2014, an order has been granted by the High Court of Malaya at Kuala Lumpur on 11 April 2014, to restrain all further proceeding in any action and/or proceedings against the Company and its subsidiaries for a period of eighty (80) days from 11 April 2014 and expiring on 29 June 2014.

Restraining Order had expired on 29 June 2014. However, the Court Sanction Order has been granted by High Court of Malaysia at Kuala Lumpur on 18 June 2014.

(c) **Disposal of Land**

On 7 January 2011, the Board of Directors of Vintage announced that its wholly-owned subsidiary, Vintage Tiles Industries (EM) Sdn Bhd ("VTIEM") had on 5 January 2011 entered into a Sale and Purchase Agreement ("SPA") with SW 2020 Sdn Bhd (Company No. 861050-M) having its registered address at 3rd Floor, TB 292, Block 30, Fajar Commercial Complex, Jalan Haji Karim, Tawau, Sabah ("SW2020") to dispose of the land held under Country Lease No. 045086379 and measuring a total of 5 acres, 2 roods and 25 perches in the District of Tuaran, Sabah including all structures and buildings erected thereupon ("Land") for a total consideration of Ringgit Malaysia Two Million One Hundred and Fifty Thousand (RM2,150,000.00) only.

(d) **Memorandum of Understanding**

On 3 March 2011, the Board of Directors of Vintage announced that the Company had on 2 March 2011 signed a Memorandum of Understanding ("MOU") with Shenzhen Guang Real Estate Group Co., Ltd ("Shenzhen Guang").

Shenzhen Guang is an exempted company organised under the laws of the People's Republic of China ("PRC"). Shenzhen Guang is a well established property development company with the head quarter in Shenzhen.

(Hereinafter, Vintage and Shenzhen Guang are collectively referred to as "the Parties")

Based on the mutual consent, the Parties agree to reach the MOU as follows:

- (i) Shenzhen Guang intends to participate in the restructuring and the private placement of Vintage; and
- (ii) Shenzhen Guang, as the proposed strategic investor, intends to explore the possibilities of merger or acquisition of certain PRC companies whose business are involving the interior decoration and trading of the firefighting equipment.

On 25 April 2012, Vintage had announced that VRC had on 24 April 2012 accepted a letter of award from Shenzhen Guang to administer the renovation project for 2 blocks 19 stories condominium cum shoplots in Shansui Mingren Garden, Huizhou, Guang Dong Province, China for a total contract sum of RMB2.4 million or approximately RM1.2 million (“The Contract”). The date of commencement and the date to hand over the site will be mutually agreed and determined later.

On 1 June 2011, the Board of Directors of Vintage announced that Mr Gou Zan Ming, the owner of Shenzhen Guang had on 18 April 2011 signed an undertaking letter to subscribe for up to 6,500,000 placements shares of RM0.50 each pursuant to Proposed Private Placement exercise to be undertaken by the Company.

**A15. Contingent Liabilities**

	<b>As at 30 June 2014 RM'000</b>	<b>As at 30 June 2013 RM'000</b>
Corporate guarantees given to banks for credit facilities granted to subsidiaries	24,512	24,512
Corporate guarantees issued to third parties in respect of trade facilities granted to subsidiaries	7,000	7,000

**A16. 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”) *	63

\* Dato’ Beh Hang Kong is a shareholder of ECSB with a shareholding of 50.0%. He is also the Managing Director and substantial shareholder of Vintage.

These transactions have 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**

For the period ended 30 June 2014, the Group's revenue had decreased by **40% to RM 4.10** million as compared to **RM 6.87** million in corresponding year in 2013. This decrease in revenue was due to the company has not started any new projects and there was no revenue generated from the construction contracts despite there was an increased in roofing tiles sales quantity and unit price by 12% and 10% respectively during the period under review.

For the period ended 30 June 2014, the Group suffered a loss before tax of RM 3.75 million compared to a loss before tax of RM 1.45 million for the same period last year. This was mainly due to the increase in cost of sales by 23.1% and administrative expenses and finance cost by 133% and 40.9% respectively. The increase in loss also due to the impairment of receivables and PPE written off amounted RM 1.23 million.

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

	<b>Current Quarter Ended 30 June 2014 RM'000</b>	<b>Preceeding Quarter Ended 31 March 2014 RM'000</b>	<b>Corresponding Quarter Ended 30 June 2013 RM'000</b>
Revenue	2,306	1,793	5,251
Profit /(Loss) before taxation	(2,087)	(1,659)	(166)

For the quarter under review, the revenue of the Group had increased by 28.6% as compared to the preceeding quarter ended 31 March 2014. This was due to the increase in sales of roofing tiles as compared to the preceding quarter. However, the Company registered a loss before tax amounted to RM 2.09 million as compared to loss before tax of RM 1.66 million in the preceeding quarter ended 31 March 2014 mainly due to the higher Cost of sales and administrative expense and finance cost in the quarter under review as compared to the preceding quarter.

**B3. Profit forecast**

On 22 April 2011, Vintage announced that the Group has submitted its Regularisation Plan for Bursa Malaysia Securities Berhad ("Bursa Malaysia") approval together with the profit forecast. Other than that, there was no profit forecast released to the market.

**B4. Taxation**

No provision for taxation was provided for the current quarter.

**B5. Unquoted investments and properties**

A subsidiary, Vintage Tiles Industries (EM) Sdn Bhd had entered into a sale and purchase agreement to dispose its leasehold land having a net book value of RM 2.603 million for a fair value consideration of RM 2.150 million. However, the sale is not completed yet at the date of this report.

**B6. Quoted investments**

The Group did not deal in any quoted investments.

**B7. Corporate Proposals**

**(a) Status of corporate proposals**

On 22 April 2011, Vintage announced that the Group has submitted its Regularisation Plan for Bursa Malaysia approval.

On 2 April 2012, Bursa Malaysia rejected the Company's Proposed Regularisation Plan.

In the circumstances and pursuant to Rule 8.04(5) of the Bursa Malaysia ACE Market Listing Requirements:

- (i) the trading in the securities of the Company will be suspended with effect from 10 April 2012; and
- (ii) the securities of the Company will be de-listed on 4 May 2012 unless an appeal against the rejection of the regularisation plan and de-listing is submitted to Bursa Malaysia on or before 1 May 2012 ("the Appeal Timeframe"). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Malaysia.

In the event of the Company submits an appeal to Bursa Malaysia within the Appeal Timeframe, the removal of the securities of the Company from the official list of Bursa Malaysia on 4 May 2012 shall be deferred pending the decision on the Company's appeal.

On 30 April 2012, the Company had made an appeal on the said rejection. On 24 July 2012, Bursa Malaysia approved the Company's proposed regularisation plan after due consideration of relevant facts and circumstances including:

- (i) the changes to the Company's business model for its manufacturing and distribution of tiles division;
- (ii) the growth of the Company's secured order book for its construction division;
- (iii) the changes and improvements to the Company's proposed regularisation plan including addition fund raising for the Company's business operations and a proposed profit guarantee of RM6 million profit after taxation (i.e. excluding write-off/other income/adjustments not in the ordinary course of business) for 2 consecutive financial years following the successful implementation of the proposed regularisation plan;
- (iv) the approval of the secured and unsecured creditors of VVB and its subsidiary companies (collectively defined as the "Group") for the Company's proposed debt settlement which forms part of the proposed regularisation plan; and
- (v) VVB's plan to add diversification to its revenue stream.

With regards to the Company's appeal against de-listing, the securities of the Company shall be removed from the Official List of Bursa Securities upon expiry of 2 market days from the notification or such other date specified by Bursa Securities to the Company in the event it fails to implement its regularisation plan within the timeframe or extended timeframes stipulated by Bursa Securities.

The Company has submitted an application for the Extension Of Time (EOT) to Bursa Malaysia on 9 July 2013 to facilitate the completion of the Scheme. However, it was rejected by Bursa Malaysia via their letter dated 18 September 2013. The Company has on 25 September 2013 submitted its appeal on the rejection of the EOT Application to Bursa Malaysia, and has requested for an audience with Bursa Malaysia for the Company to present its case to understand better the Company's confidence on the prospects after the completion of the proposed regularisation plan. The meeting was subsequently granted, and the Company has presented its case to Bursa Malaysia on 19 November 2013. The application for the Extension Of Time (EOT) was subsequently approved by Bursa Malaysia until August 2014.

On 18 February 2014, HLIB has made announcement on behalf of the Company further changes as follows:

- i) Proposed private placement: Pursuant to the revised allocation of Placement Shares, GYM's subscription of the Placement Shares will be entirely taken up by LBS Bina Group Berhad ("LBGB"), a company listed on the Main Market of Bursa Securities, the incoming strategic investor replacing GYM. The allocation of Placement Shares to Dato' Beh Hang Kong ("DBHK") will remain unchanged.
- ii) Proposed rights issue: The irrevocable undertaking and additional undertaking to subscribe for the Rights Shares previously provided by GYM and Dato' Abu Sujak bin Mahmud ("DASM") will be rescinded as their undertakings now will be assumed by LBGB.
- iii) Proposed exemption: In view of the change in the placee and the eventual shareholding structure upon completion of the proposed regularisation plan, the Proposed Exemption will no longer be required.
- iv) Proposed profit guarantee: As a result of the Revised Allocation and Revised Additional Undertakings, LBGB shall replace GYM as a party, together with DBHK, to provide a profit guarantee, on a proportionate basis, of an audited operational after tax profit of RM6 million per annum of the VVB group for the 2 financial years following the successful implementation of the proposed regularisation plan.

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

Not applicable.

**B8. Borrowings and debt securities**

The total borrowings of the Group as at 30 June 2014 comprised of the followings:

	<b>30 June 2014 RM'000</b>
Secured bank borrowings:	
Term loans	16,982
Bank overdrafts	5,773
Hire purchase	939
	<u>23,694</u>
Secured bank borrowings:	
Short term borrowing	23,694
Long term borrowings	-
	<u>23,694</u>

**B9. Off balance sheet financial instruments**

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

## **B10. MATERIAL LITIGATION, CLAIMS OR ARBITRATION**

Save as disclosed below, neither VVB nor its subsidiary companies are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Directors of VVB has no knowledge of any proceedings pending or threatened against the VVB Group or of any facts likely to give rise to any proceeding which may materially and adversely affect the financial position or business of the VVB Group as at the LPD.

- a) On 29 January 2009, Section 218 Statutory Notice under the Act was served on NBS and VVB (as guarantor) for the amount of RM1,492,675.95 being the sum payable to them for goods sold. The estimate of maximum exposure to liabilities is RM1,492,675.95 plus interest and cost.

On 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

**Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September and expiring on 18 November, 2011**

**Pursuant to an order made on the 16 December, 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including NBS will be stayed until 15 February 2012**

Upon expiry of the extended Restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 14 February 2012, the High Court of Malaysia at Kuala Lumpur has granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 14 July 2012.

Upon expiry of the Restraining Order on 16 July 2012, another application was made and approval was granted by the Court to further extend the Restraining Order from 19 July 2012 to 25 July 2012. On 25 July 2012, the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July 2012 and expiring on 25 September 2012.

Upon expiry of the Restraining Order on 25 September 2012, a fresh application was made via Originating Summons Ex-Parte No. 24NCC-382-11/2012 and approval was granted by court on 8 November 2012 to restrain all further processing in any action and /or proceeding against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 15 March 2013.

Upon the expiry of Restraining Order on 15 March 2013, a fresh application has been made via Originating Summons Ex-Parte No. 26NCC-40-04/2013 where an order has been granted on 16 April 2013, to restrain all further processing in any action and / or proceedings against the Company and its subsidiaries for a periods of sixty (60) days from 16 April 2013 to 14 June 2013.

Subsequently, another application was made to further extend the Restraining Order and on 17 June 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 17 June 2013 and expiring on 14 September 2013

**Subsequently, another application was made to further extend the Restraining Order and on 13 September 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 13 September 2013 and expiring on 11 December 2013**

Subsequently, another application was made to further extend the Restraining Order and on 15 January 2014, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 15 January 2014 and expiring on 15 April 2014.

Subsequently, another application was made to further extend the Restraining Order and on 11 April 2014, the Kuala Lumpur High Court granted an extension of a period of eighty (80) days commencing on 11 April 2014 and expiring on 29 June 2014.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

- b) Action was instituted in early 2008 against VTI by Syarikat Logistik Petikemas Sdn Bhd ("**SLP**") for failure to settle amount outstanding due to SLP for transport services rendered. Summary Judgement in favour of SLP against VTI for the sum of RM495,013.36 was obtained on 29 February 2008.

On 11 November 2008, a winding up petition vide Writ No. D5-28-361-2008 was withdrawn by SLP after an out of court agreement where VTI agreed to settle the amount owed in 10 monthly instalments. Only 1 payment of RM70,000.00 was made. On 22 January 2009, SLP was ready to begin fresh proceedings

On 29 November 2010, Judgment in Default was recorded against VTI. However, the Restraining Order restrains among others any further proceedings in any action and/or proceedings against the relevant parties above, including but not limited to receivership, winding-up, execution and arbitration except by leave of Court.



The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

- c) On 3 July 2009, proceedings was instituted by CMCM Perniagaan Sdn Bhd ("CMCM") against VTI for failure to settle outstanding amount of RM1,464,706.64 for supply of cement. The final case management was on 10 January 2011 and hearing of the Plaintiff's Application for Summary Judgment was fixed on 15 March 2011.

However on 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September and expiring on 18 November, 2011

Pursuant to an order made on the 16 December, 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including NBS will be stayed until 15 February 2012

Upon expiry of the extended restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 14 February 2012, the High Court of Malaysia at Kuala Lumpur has granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 16 July 2012.

Upon expiry of the Restraining Order on 16 July 2012, another application was made and approval granted by court to further extend the restraining Order from 19 July 2012 to 25 July 2012. On 25 July 2012, the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July 2012 and expiring on 25 September 2012.

Upon expiry of the Restraining Order on 25 September 2012, fresh application was made via Originating Summons Ex-Parte No. 24NCC-382-11/2012 and approval was granted by court on 8 November 2012 to restrain all further processing in any action and/or proceeding against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 15 March 2013.

Upon the expiry of Restraining Order on 15 March 2013, fresh application has been made via Originating Summons Ex-Parte No. 26NCC-40-04/2013 where an order has been granted on 16 April 2013, to restrain all further processing in any action and/or proceedings against the Company and its subsidiaries for a periods of sixty (60) days from 16 April 2013 to 14 June 2013.

Subsequently, another application was made to further extend the Restraining Order and on 17 June 2013, the Kuala Lumpur High Court granted an extension of a periods of ninety (90) days commencing on 17 June 2013 and expiring on 14 September 2013.

CMCM's application for Summary Judgment is pending due to the Restraining Order. Next Case Management is on 23 September 2013 where Court will fix the hearing date in the event extension for Restraining Order is not granted

Subsequently, another application was made to further extend the Restraining Order and on 13 September 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 13 September 2013 and expiring on 11 December 2013.

Subsequently, another application was made to further extend the Restraining Order and on 15 January 2014, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 15 January 2014 and expiring on 15 April 2014.

Subsequently, another application was made to further extend the Restraining Order and on 11 April 2014, the Kuala Lumpur High court granted an extension of a period of eighty (80) days commencing on 11 April 2014 and expiring on 29 June 2014

The matter is fixed for Case Management on 1 July 2014.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

- d) On 14 May 2008, a suit was instituted by Winning Objective Sdn Bhd ("WO") against VVB and Ong Thuan Ming for failure to settle WO's consultancy fees. The amount claimed is RM375,000.00. The case was transferred Sessions Court Kuala Lumpur to Kuala Lumpur High Court pursuant to Section 66(2) of the Lower Courts Act 1948 in relation to order dated 4 May 2009. No hearing date has been fixed by the court. The VVB's solicitors have written to the Managing Judge Unit for further action.

The estimate of maximum exposure to liabilities is RM375,000.00 plus interest and cost as may be awarded by the Court.

On 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011.

Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September and expiring on 18 November 2011

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Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 16 July 2012.

Upon expiry of the Restraining Order on 16 July 2012, another application was made and approval granted by court to further extend the restraining Order from 19 July 2012 to 25 July 2012. On 25 July 2012, the Kuala Lumpur High Court again granted another extension for a period of sixty (60) days commencing on 25 July 2012 and expiring on 25 September 2012

Upon expiry of the Restraining Order on 25 September 2012, fresh application was made via Originating Summons Ex-Parte No. 24NCC-382-11/2012 and approval was granted by court on 8 November 2012 to restrain all further processing in any action and/or proceeding against the Company and its subsidiaries companies, for a period of one hundred and twenty (120) days from 8 November 2012 to 15 March 2013.

Upon the expiry of Restraining Order on 15 March 2013, fresh application has been made via Originating Summons Ex-Parte No. 26NCC-40-04/2013 where an order has been granted on 16 April 2013, to restrain all further processing in any action and/or proceedings against the Company and its subsidiaries for a periods of sixty (60) days from 16 April 2013 to 14 June 2013

Subsequently, another application was made to further extend the Restraining Order and on 17 June 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 17 June 2013 and expiring on 14 September 2013.

Subsequently, another application was made to further extend the Restraining Order and on 13 September 2013, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 13 September 2013 and expiring on 11 December 2013.

Subsequently, another application was made to further extend the Restraining Order and on 15 January 2014, the Kuala Lumpur High Court granted an extension of a period of ninety (90) days commencing on 15 January 2014 and expiring on 15 April 2014.

Subsequently, another application was made to further extend the Restraining Order and on 11 April 2014, the Kuala Lumpur High Court granted an extension of a period of eighty (80) days commencing on 11 April 2014 and expiring on 29 June 2014.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals.

- e) A suit was instituted by AmBank on 17 July 2009 against VTI and VVB for non repayment of banking facilities granted by AmBank. The claim was for principal amount of RM234,919.71 together with interest thereon. Summary Judgment was obtained by AmBank against VTI on 17 January 2011 at the High Court.

On 8 February 2011, a restraining order was obtained by VVB and four (4) of its subsidiaries including NBS from the Kuala Lumpur High Court vide Originating Summons Ex-parte No. D-24NCC-30-2011 under Section 176(1) of the Act. In view of the aforementioned Order, all proceedings involving VVB and the said subsidiaries will be stayed for ninety (90) days from 8 February 2011.

Upon expiry of the Restraining Order obtained on 8 February 2011, VVB had further applied for an extension on the Restraining Order. On 11 May 2011, the Court at Kuala Lumpur had granted a further period of one hundred and twenty (120) days from 11 May 2011 to 7 September 2011

Subsequently, another application was made to further extend the Restraining Order and on 20 September 2011 the Kuala Lumpur High Court granted an extension of a period of sixty (60) days commencing on 20 September 2011 and expiring on 18 November 2011.

Pursuant to an order made on the 16 December 2011 by the Kuala Lumpur High Court, an extension of sixty (60) days was granted in respect of the Restraining Order. As it currently stands all proceedings involving VVB and four of its subsidiaries including NBS will be stayed until 15 February 2012.

Upon expiry of the extended restraining Order obtained on 16 December 2011, Vintage had further applied for an extension of Restraining Order. On 14 February 2012, the High Court of Malaysia at Kuala Lumpur has granted a further period of sixty (60) days from 14 February 2012 to 13 April 2012.

Subsequently, another application was made to further extend the Restraining Order and on 13 April 2012, the Kuala Lumpur High Court granted an extension of a periods of thirty (30) days commencing on 13 April 2012 and expiring on 12 May 2012.

Upon expiry of the Restraining Order obtained on 13 April 2012, VVB had further applied for an extension on the restraining Order. On 16 May 2012, the High Court of Kuala Lumpur had granted a further period of sixty (60) days from 16 May 2012 to 16 July 2012.

Both parties then appealed to the Court of Appeal via Appeal No. W-04(IM)-49-11. VTI and VVB then withdraw the Notice of Appeal with costs of RM500.00 on 18 June 2012.

However, the Restraining Order restrains among others any further proceedings in any action and/or proceedings against the relevant parties above, including but not limited to receivership, winding-up, execution and arbitration except by leave of Court.

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals

- f) On 27 May 2011 Affin Bank Berhad served unto VVB (as guarantor) and Vintage Roofing & Construction Sdn Bhd (VRC) a wholly owned subsidiary of the Company (as Borrower), a Section 218(1)(e) Notice of the Companies Act 1965 demanding payment within twenty one (21) days from the date of the Notice, of the outstanding judgment sum of RM3,656,879.32 as at 26 May 2011 together with interest thereon at the rate of 1.75% per annum above the Bank's Base lending rate commencing from 27 May 2011 until date of full settlement. A sealed copy of the winding up petition dated 9 September 2011 was served on VRC on 22 September 2011. VRC subsequently applied for permanent stay of execution of the winding up order and on 14 December 2011 the application was allowed by the Court.

The estimate of maximum exposure to liabilities is RM3,656,879.32 plus interest and cost as may be awarded by the Court

The Board of VVB is of the opinion that the case will be settled amicably upon completion of the Proposals

#### **B11. Realised and Unrealised Profits**

	<b>Current Quarter Ended 30 June 2014 RM'000</b>	<b>Previous Quarter Ended 31 March 2014 RM'000</b>
Total accumulated losses of the Group		
- Realised	(116,318)	(114,230)
- Unrealised	-	-
	<u>(116,318)</u>	<u>(114,230)</u>

#### **B12. Dividends**

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

**B13. Basic earnings per share**

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

	<b>Current Quarter 30 June 2014</b>	<b>Preceding Quarter 31 March 2014</b>	<b>Current Period To Date 30 June 2014</b>	<b>Preceding Period To Date 30 June 2013</b>
Total comprehensive profit attributable to equity holders of the parent (RM'000)	<u>(2,087)</u>	<u>(1,659)</u>	<u>(3,747)</u>	<u>(1,446)</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 earnings/(losses) per ordinary share (sen)	<u>(2.14)</u>	<u>(1.70)</u>	<u>(3.84)</u>	<u>(1.48)</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 25 August 2014.