

KAMDAR GROUP (M) BERHAD  
(Company No. 577740-A)  
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DEC 2007

	AS AT END OF CURRENT QUARTER 31 Dec 07 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31 Dec 06 RM'000 (Audited)
<b>NON-CURRENT ASSETS</b>		
PROPERTY, PLANT AND EQUIPMENT	143,466	154,059
PREPAID LAND AND BUILDING LEASE PAYMENT	18,152	18,464
DEFERRED TAX ASSETS	1,132	1,655
GOODWILL	434	434
FIXED DEPOSITS WITH LICENSED BANKS	2,486	2,386
	165,670	176,998
<b>CURRENT ASSETS</b>		
Inventories	88,704	87,342
Trade receivables	8,347	8,481
Other receivables, deposits and prepayments	4,402	4,328
Taxation recoverable	2,437	3,260
Cash and bank balances	19,744	11,035
Total current assets	123,634	114,446
<b>CURRENT LIABILITIES</b>		
Trade payables	7,516	6,353
Other payables & accruals	6,638	6,468
Short term borrowings	44,247	42,496
Finance payables	412	320
Taxation	322	414
Bank overdrafts	871	136
Total current liabilities	60,006	56,187
NET CURRENT ASSETS	63,628	58,259
	229,298	235,257
<b>FINANCED BY:</b>		
SHARE CAPITAL	126,143	125,999
SHARE PREMIUM	110	110
CAPITAL RESERVES	2,382	824
MERGER RESERVES	(176,580)	(176,580)
IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ICULS (EQUITY COMPONENT)	65,638	65,782
Retained Profits	125,714	121,671
TOTAL SHAREHOLDERS' EQUITY	143,407	137,806
<b>LONG TERM LIABILITIES</b>		
BOND	60,000	60,000
ICULS	2,029	3,892
Deferred tax liabilities	2,422	3,980
Term loans	20,751	28,776
Finance payables	689	803
	85,891	97,451
	229,298	235,257
Net assets per share attributable to ordinary equity holder of the parent (sen)	114	109

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

KAMDAR GROUP (M) BERHAD  
(Company No. 577740-A)  
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE FOURTH QUARTER ENDED 31 DEC 2007

	Individual Quarter		Cumulative Quarter	
	Current Year Fourth Quarter 31 Dec 07 RM'000 <u>(Unaudited)</u>	Preceding year Corresponding Quarter 31 Dec 06 RM'000 <u>(Unaudited)</u>	Current Year to date 31 Dec 07 RM'000 <u>(Unaudited)</u>	Preceding year Corresponding period 31 Dec 06 RM'000 <u>(Audited)</u>
Revenue	54,236	55,873	176,616	168,646
Cost of sales	<u>(32,983)</u>	<u>(34,052)</u>	<u>(114,133)</u>	<u>(108,916)</u>
Gross profit	21,253	21,821	62,483	59,730
Other income	386	325	2,756	1,423
Selling and distribution expenses	(839)	(1,234)	(2,499)	(4,403)
Administrative expenses	(12,139)	(11,303)	(44,120)	(41,125)
Finance costs	<u>(1,127)</u>	<u>(1,410)</u>	<u>(5,119)</u>	<u>(5,674)</u>
Profit before tax	7,534	8,199	13,501	9,951
Taxation	(2,661)	(2,623)	(5,778)	(5,141)
Profit for the period	<u>4,873</u>	<u>5,576</u>	<u>7,723</u>	<u>4,810</u>
Attributable to:				
Equity holders of the parent	<u>4,873</u>	<u>5,576</u>	<u>7,723</u>	<u>4,810</u>
<b>Earnings per share attributable to equity holders of the parent:</b>				
Basic earnings/(loss) per share (sen)	3.86	4.43	6.12	3.89
Diluted earnings/(loss) per share (sen)	2.51	2.88	4.12	2.75

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

## KAMDAR GROUP (M) BERHAD

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007  
 (Company No. 577740-A)

Note	12 Months ended 31 Dec 2007 RM'000 <u>(Unaudited)</u>	12 Months ended 31 Dec 2006 RM'000 <u>(Audited)</u>
<b>1. Cashflows from operating activities</b>		
Profit before tax	13,501	9,951
Adjustments for:		
Depreciation	4,199	4,317
Bab debts written off	-	111
Amortisation of prepaid land and building lease payment	313	314
Gain on disposal of property, plant and equipment	(1,587)	(62)
Loss on disposal of property, plant and equipment	41	-
Interest expenses	5,119	5,613
Interest income	(210)	(82)
Property, plant and equipment written off	201	337
Operating profit before working capital changes	21,577	20,499
Inventories	(1,362)	9,421
Payables	1,238	(479)
Receivables	60	(350)
Cash generated from operations	21,513	29,091
Interest received	210	82
Interest paid	(6,848)	(6,648)
Tax paid	(4,773)	(5,687)
Tax refund	249	-
Net cash generated from operating activities	10,351	16,838
<b>2. Cashflows from investing activities</b>		
Placement of fixed deposits	(100)	(40)
Proceed from disposal of property, plant and equipment	9,794	203
Purchase of property, plant and equipment	(1,580)	(12,004)
Net cash generated from / (used in) investing activities	8,114	(11,841)
<b>3. Cashflows from financing activities</b>		
Bankers' acceptances	7,396	(2,663)
Drawdown of term loans	7,000	6,791
Dividend paid	(3,680)	(4,536)
Repayment of finance payables	(404)	(277)
Repayment of term loans	(13,364)	(3,090)
Revolving credit	(7,200)	5,700
Trust receipts	(239)	(172)
Net cash (used in)/generated from financing activities	(10,491)	1,753
<b>Cash and cash equivalents</b>		
Net changes	7,974	6,750
Brought forward	10,900	4,150
Carried forward	(A) 18,874	10,900
<b>A. Cash and cash equivalents comprise of:</b>		
Fixed deposits with a licensed bank	6,600	1,500
Cash and bank balances	13,144	9,536
Bank overdrafts	(870)	(136)
	18,874	10,900

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

KAMDAR GROUP (M) BERHAD  
(Company No. 577740-A)  
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 December 2007

	←----- Reserves -----→							Total
	←----- Non distributable -----→				----- Distributable -----			
	Share Capital	Share Premium	ICULS (equity component)	Capital Reserve	Merger Deficit	Reserve on Consolidation	Retained Profits	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2006	125,990	110	65,791	824	(176,580)	2,784	118,613	137,532
5% first and final dividend less 28% taxation	-	-	-	-	-	-	(4,536)	(4,536)
Issuance of shares arising from conversion of ICULS	9	-	(9)	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	4,810	4,810
Effect of adopting FRS 3	-	-	-	-	-	(2,784)	2,784	-
At 31 December 2006	<u>125,999</u>	<u>110</u>	<u>65,782</u>	<u>824</u>	<u>(176,580)</u>	<u>-</u>	<u>121,671</u>	<u>137,806</u>

	←----- Reserves -----→							Total
	←----- Non distributable -----→				----- Distributable -----			
	Share Capital	Share Premium	ICULS (equity component)	Capital Reserve	Merger Reserve	Reserve on Consolidation	Retained Profits	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2007	125,999	110	65,782	824	(176,580)	-	121,671	137,806
4% first and final dividend less 27% taxation	-	-	-	-	-	-	(3,680)	(3,680)
Issuance of shares arising from conversion of ICULS	144	-	(144)	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	7,723	7,723
Transfer from deferred tax	-	-	-	1,558	-	-	-	1,558
At 31 December 2007	<u>126,143</u>	<u>110</u>	<u>65,638</u>	<u>2,382</u>	<u>(176,580)</u>	<u>-</u>	<u>125,714</u>	<u>143,407</u>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

KAMDAR GROUP (M) BERHAD (Company no: 577740-A)  
(Incorporated in Malaysia)

Quarterly Report On Results For The Fourth Quarter Ended 31 Dec 2007

NOTES TO INTERIM FINANCIAL REPORT

1. Accounting Policies and Method of Computation

The interim financial report of the Group is unaudited and has been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006.

2. Changes in Accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006 except for the adoption of the following revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2006:

FRS 117 - Leases

FRS 124 - Related Party Disclosure

Amendment to FRS 119<sup>2004</sup> - Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures

The adoption of FRS 124 and FRS 119<sup>2004</sup> did not have any significant financial impact on the Group.

FRS 117 - Leases

The adoption of the revised FRS 117 - Leases has resulted in a change in the accounting policy relating to the classification of leases of land and buildings.

Prior to 1 January 2007, leasehold land and buildings held for own use were classified as property, plant and equipment and were stated at cost less accumulated depreciation and impairment loss. FRS 117 requires that leasehold land and buildings be classified as operating or finance leases in the same way as leases of other assets.

The Group has applied the change in accounting policy with respect to leasehold land and building in accordance with the transitional provisions of FRS 117. The reclassification of leasehold land and building as prepaid land and building lease payments has been accounted for retrospectively. Certain comparatives within the consolidation balance sheet as at 31 December 2006 have been restated as set out below. There were no effects on the income statement of the Group for the quarter ended 31 Dec 2007.

## 2. Changes in Accounting policies (Cont'd)

The following comparative amounts have been restated due to adoption of FRS 117:

	As previously <u>reported</u> RM'000	<u>FRS 117</u> RM'000	<u>As restated</u> RM'000
Balance Sheet as at 31 December 2006			
Property, plant and equipment	172,523	(18,464)	154,059
Prepaid land building lease payments		18,464	18,464

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

The auditors' report on the financial statements for the year ended 31 December 2006 was not qualified.

## 4. Seasonal or Cyclical Factors

The business of the Group is generally affected by the festive seasons.

## 5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 Dec 2007.

## 6. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

## 7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities in current quarter.

## 8. Dividends Paid

Dividend paid on 27 July 2007 were approved by shareholders on 29 June 2007. In respect of the year ended 31 December 2006 being final dividend of 4% less 27% taxation, on 126,040,302 ordinary shares, amounting to RM3,680,377.

## 9. Segmental Information

No segment report is prepared as the principal activities of the Group are predominantly carried out in Malaysia and are engaged in a single business segment of retailing textile and textile based products within the retailing industry.

## 10. Carrying Amount of Revalued Assets

The group does not have any carrying amount of revalued assets.

## 11. Subsequent Events

There were no material events subsequent to the end of the current quarter.

## 12. Changes in the Composition of the Group

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

## 13. Changes in Contingent Liabilities and Contingent Assets

Save as disclosed below, the Company is not aware of any other contingent liabilities as at 31 Dec 2007:

	31 Dec 2007 (RM'000)
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Sdn Bhd	31,700
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Stores Sdn Bhd	10,440
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Holdings Sdn Bhd	<u>14,000</u>
	<u>56,140</u>

## 14. Capital Commitments

Not applicable.

## 15. Performance Review

A.

	Individual Quarter 3 months ended 31 Dec 2007 RM'000 (Unaudited)	Cumulative Quarter 12 months ended 31 Dec 2007 RM'000 (Unaudited)
Revenue	54,236	176,616
Profit before taxation	7,534	13,501

The performances of the business are further elaborated in Section B below.

B.

The Group's revenue for the current financial period ended 31 Dec 2007 is RM176.616 million as compared to RM168.646 million in the prior financial period ended 31 Dec 2006, a increase of 4.73%. The Group's profit before taxation has increased from RM9.951 million for the prior financial period ended 31 Dec 2006 to RM13.501 million for the current financial period ended 31 Dec 2007, an increase of 35.67% due to the increase in turnover.

16. Material changes in the quarterly results compared with immediate preceding quarter

For the current quarter ended 31 Dec 2007, the Group recorded revenues of approximately RM54.236 million as compared to approximately RM56.324 million in the preceding quarter ended 30 Sept 2007, an decrease of RM2.088 million. The Group's profit before taxation for the current quarter ended 31 Dec 2007 was RM7.534 million as compared to a profit before tax of RM7.895 million in the preceding quarter ended 30 Sept 2007. This decrease in the Group's profit is due to major portion of the Hari Raya sales taking place a fortnight earlier thus being captured in the previous quarter.

17. Commentary on Prospects

The retail sector continues to operate in a very challenging environment even if the Group's future prospects remain cautiously optimistic.

18. Profit Forecast

Not applicable.

19. Taxation

	Current Quarter 31S Dec 2007 RM'000	Current Year To Date 31 Dec 2007 RM'000
Current taxation - Malaysian - current year's provision	2,661	5,778

The effective tax rate for the Group for the current quarter and the cumulative financial period ended 31 Dec 2007 was higher than the statutory tax rate mainly due to non availability of the Group tax relief in respect of losses suffered by certain companies.

20. Sale of Unquoted Investments and Properties

There were no sales of unquoted securities for the financial period to date except on 6 March 2007, the company announced that Kamdar Holdings Sdn Bhd (a wholly-owned subsidiary) has entered into a Sale and Purchase Agreement with Cosmic Region Sdn Bhd on 6<sup>th</sup> March 2007 to dispose of a five (5) storey commercial building erected on two (2) contiguous plot of commercial land held under GRN12930 Lot 158 & GRN55032 Lot 162 Seksyen 0033, both in Bandar Kuala Lumpur, Negeri Wilayah Persekutuan for a sale price of RM9.4 million. The proceeds of the said sale were received on 13 July 2007.

21. Marketable Securities

There were no disposals of quoted securities for the financial period to date.

22. Corporate Proposals

There were no corporate proposals announced and completed as at 31 Dec 2007.



### 23. Borrowings

As at 31 Dec 2007, the total borrowings of KGMB Group were as follows:

	As at 31/12/2007 RM000	As at 31/12/2006 RM000
Short term borrowings:		
Secured	24,244	21,792
Unsecured	21,286	21,160
	<hr/>	<hr/>
	45,530	42,952
	<hr/>	<hr/>
Long term borrowings:		
Secured	21,440	29,579
Unsecured	62,029	63,892
	<hr/>	<hr/>
	83,469	93,471
	<hr/>	<hr/>

The above borrowings are denominated in Ringgit Malaysia.

### 24. Off Balance Sheet Financial instruments

The Group does not have any off balance sheet financial instruments including foreign currency contracts nor has it entered into any during the current quarter and financial period-to-date.

### 25. Changes in Material Litigation

The Group was not engaged in any material litigation nor had there been any legal proceedings against the Group which would adversely affect the activities and performance of the Group or give rise to any contingent liabilities which would affect the position and business of the Group except for the following: -

- (i) the charge by Indah Water Consortium Sdn Bhd, of approximately RM0.2 million which has been provided for in the financial statements for the period ended 31 Dec 2007.

### 26. Dividend

No interim dividend has been declared for the financial period ended 31 Dec 2007.

## 27. Earning Per Share

### (a) Basic

Basic earnings per share are calculated by dividing the profit after tax by the weighted average number of ordinary shares in issue during the financial period.

	Individual Quarter 31 Dec 2007	Cumulative Quarter 31 Dec 2007
Profit after tax (RM'000)	4,873	7,723
Weighted average number of Ordinary shares in issue ('000)	126,035	126,035
Basic earnings per share (sen)	3.86	6.12

### (b) Diluted

For the purpose of calculating diluted earnings per share for the current and cumulative quarter, the net profit for the current and cumulative quarter and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. Irredeemable Convertible Unsecured Loan Stocks ("ICULS").

	Individual Quarter 31 Dec 2007	Cumulative Quarter 31 Dec 2007
Profit after tax (RM'000)	4,873	7,723
After tax effect of interest on ICULS (RM'000)	93	430
	4,966	8,153
Weighted average number of Ordinary shares in issue ('000)	126,035	126,035
Effect of dilution: ICULS (000')	71,955	71,955
Adjusted weighted average number of Ordinary share in issue and issuable	197,990	197,990
	=====	=====
Basic earnings per share (sen)	2.51	4.12

28. Authorization of issue

The interim financial statements were authorized for release by the Board in accordance with a resolution of the Directors on 26 February 2008.

By order of the Board

Lim Seck Wah  
Company Secretary