

KAMDAR GROUP (M) BERHAD
(Company No. 577740-A)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DEC 2008

	AS AT END OF CURRENT QUARTER 31 Dec 08 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31 Dec 07 RM'000 (Audited)
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	157,255	154,585
PREPAID LAND LEASE PAYMENTS	6,993	7,074
DEFERRED TAX ASSETS	605	1,129
GOODWILL	434	434
FIXED DEPOSITS WITH LICENSED BANKS	2,551	2,486
	<u>167,838</u>	<u>165,708</u>
CURRENT ASSETS		
Inventories	98,180	88,670
Trade receivables	7,308	8,348
Other receivables, deposits and prepayments	7,144	4,367
Taxation recoverable	1,661	2,712
Cash and bank balances	13,623	19,744
Total current assets	<u>127,916</u>	<u>123,841</u>
CURRENT LIABILITIES		
Trade payables	5,223	7,547
Other payables & accruals	7,485	6,729
Short term borrowings	105,623	44,143
Finance payables	465	391
Taxation	538	449
Bank overdrafts	1,592	871
Total current liabilities	<u>120,926</u>	<u>60,130</u>
NET CURRENT ASSETS	<u>6,990</u>	<u>63,711</u>
	<u>174,828</u>	<u>229,419</u>
FINANCED BY:		
SHARE CAPITAL	126,235	126,143
SHARE PREMIUM	110	110
CAPITAL RESERVES	2,290	2,290
MERGER RESERVES	(176,580)	(176,580)
IRREDEEMABLE CONVERTIBLE UNSECURED LOAN STOCKS ICULS (EQUITY COMPONENT)	65,546	65,638
Retained Profits	134,472	125,910
TOTAL SHAREHOLDERS' EQUITY	<u>152,073</u>	<u>143,511</u>
LONG TERM LIABILITIES		
BOND	-	60,000
ICULS	-	2,030
Deferred tax liabilities	2,314	2,314
Term loans	19,892	20,854
Finance payables	549	710
	<u>22,755</u>	<u>85,908</u>
	<u>174,828</u>	<u>229,419</u>
Net assets per share attributable to ordinary equity holder of the parent (sen)	120	114

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 2008

	Individual Quarter		Cumulative Quarter	
	Current Year Fourth Quarter 31 Dec 2008 RM'000 (Unaudited)	Preceding year Corresponding Quarter 31 Dec 2007 RM'000 (Unaudited)	Current Year to date 31 Dec 2008 RM'000 (Unaudited)	Preceding year Corresponding period 31 Dec 2007 RM'000 (Audited)
Revenue	49,368	54,236	182,417	177,443
Cost of sales	<u>(28,517)</u>	<u>(32,983)</u>	<u>(114,287)</u>	<u>(114,866)</u>
Gross profit	20,851	21,253	68,130	62,577
Other income	454	386	1,489	3,218
Selling and distribution expenses	(696)	(839)	(3,066)	(2,739)
Administrative expenses	(13,786)	(12,139)	(47,000)	(44,511)
Finance costs	<u>(1,060)</u>	<u>(1,127)</u>	<u>(4,579)</u>	<u>(5,193)</u>
Profit before tax	5,763	7,534	14,974	13,352
Taxation	(2,704)	(2,661)	(6,412)	(5,433)
Profit for the period	<u><u>3,059</u></u>	<u><u>4,873</u></u>	<u><u>8,562</u></u>	<u><u>7,919</u></u>
Attributable to:				
Equity holders of the parent	<u><u>3,059</u></u>	<u><u>4,873</u></u>	<u><u>8,562</u></u>	<u><u>7,919</u></u>
Earnings per share attributable to equity holders of the parent:				
Basic earnings/(loss) per share (sen)	2.42	3.86	6.78	6.30
Diluted earnings/(loss) per share (sen)	1.61	2.51	4.57	4.20

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 2008

←── Reserves ───→
 ←────────────────── Non distributable ───────────────────→ Distributable

	Share Capital	Share Premium	ICULS (equity component)	Capital Reserve	Merger Deficit	Reserve on Consolidation	Retained Profits	Total
	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	-	-	-	-	-	-	7,919	7,919
Transfer from deferred tax	-	-	-	1,466	-	-	-	1,466
At 31 December 2007	126,143	110	65,638	2,290	(176,580)	-	125,910	143,511

	Share Capital	Share Premium	ICULS (equity component)	Capital Reserve	Merger Reserve	Reserve on Consolidation	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2008	126,143	110	65,638	2,290	(176,580)	-	125,910	143,511
Issuance of shares arising from conversion of ICULS	92	-	(92)	-	-	-	-	-
Net Profit for the period	-	-	-	-	-	-	8,562	8,562
Transfer from deferred tax	-	-	-	-	-	-	-	-
At 31 December 2008	126,235	110	65,546	2,290	(176,580)	-	134,472	152,073

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

KAMDAR GROUP (M) BERHAD
 UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
 FOR THE PERIOD ENDED 31 DECEMBER 2008
 (Company No. 577740-A)

Note	12 Months ended 31 Dec 2008 RM'000 <u>(Unaudited)</u>	12 Months ended 31 Dec 2007 RM'000 <u>(Audited)</u>
1. Cashflows from operating activities		
Profit before tax	14,974	13,352
Adjustments for:		
Depreciation	4,500	4,412
Bab debts written off	-	-
Amortisation of prepaid land and building lease payment	80	80
Gain on disposal of property, plant and equipment	2	(1,603)
Loss on disposal of property, plant and equipment	-	-
Interest expenses	4,579	7,258
Interest income	(145)	(174)
Property, plant and equipment written off	79	201
Operating profit before working capital changes	24,069	23,526
Inventories	(9,509)	(1,328)
Payables	(1,581)	1,555
Receivables	(1,737)	(5)
Cash generated from operations	11,242	23,748
Interest received	145	174
Interest paid	(6,431)	(8,988)
Tax paid	(4,747)	(4,774)
Tax refund	-	249
Net cash generated from operating activities	209	10,409
2. Cashflows from investing activities		
Placement of fixed deposits	(65)	(100)
Proceed from disposal of property, plant and equipment	219	9,790
Purchase of property, plant and equipment	(7,131)	(1,905)
Net cash generated from / (used in) investing activities	(6,977)	7,785
3. Cashflows from financing activities		
Bankers' acceptances	1,197	7,396
Drawdown of term loans	4,705	7,164
Dividend paid	-	(3,680)
Repayment of finance payables	(427)	(133)
Repayment of term loans	(5,491)	(13,528)
Revolving credit	-	(7,200)
Trust receipts	(59)	(239)
Net cash (used in)/generated from financing activities	(75)	(10,220)

KAMDAR GROUP (M) BERHAD

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2008
(Company No. 577740-A)

Cash and cash equivalents

Net changes		(6,843)	7,974
Brought forward		<u>18,874</u>	<u>10,900</u>
Carried forward	(A)	<u><u>12,031</u></u>	<u><u>18,874</u></u>

A . Cash and cash equivalents comprise of:

Fixed deposits with a licensed bank		540	6,100
Cash and bank balances		13,083	13,644
Bank overdrafts		<u>(1,592)</u>	<u>(870)</u>
		<u><u>12,031</u></u>	<u><u>18,874</u></u>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 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 Financial Ended 31 December 2008

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 financial year ended 31 December 2007.

2. Changes in Accounting policies

The accounting policies used in the preparation of interim financial statements are consistent with those previously adopted in the audited financial statements of the Group for the financial year ended 31 December 2007 save for the adoption of all the new/revised Financial Reporting Standards (“FRSs”) issued by MASB that are relevant to its operations and effective for financial periods beginning on or after 1 July 2007 as follows:

FRS 107	Cash Flow Statement
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the abovementioned new/revised FRSs has not resulted in principal changes in accounting policies of the Group and does not have any material financial effect on the results of the Group for the current and prior financial years.

3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 31 December 2007 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 2008.

6. Changes in Estimates

There were no changes in estimates that have had a material effect in the current financial 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

No dividend has been paid during the financial quarter under review.

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 financial 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 2008 :

	31 Dec 2008 (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	14,000
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kesar Sdn Bhd	9,990
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Pusat Membeli- belah Kamdar (Penang) Sdn Bhd	2,700
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	<u>68,830</u>

14. Capital Commitments

Not applicable.

15. Performance Review

A.

	Individual Quarter 3 months ended 31 Dec 2008 RM'000 (Unaudited)	Cumulative Quarter 12 months ended 31 Dec 2008 RM'000 (Unaudited)
Revenue	49,368	182,417
Profit/(Loss) before taxation	5,763	14,974

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 2008 is RM49.368 million as compared to RM54.236 million in the prior financial period ended 31 Dec 2007, a decrease of 8.98%. The Group's profit before taxation has decreased from RM7.534 million for the prior financial period ended 31 Dec 2008 to a profit of RM5.763 million for the current financial period ended 31 Dec 2008, a decrease of 23.51% due to the following:-

- (i) Decrease in turnover; and
- (ii) An increase in administrative expenses of approximately RM1.6million due to operational expenses incurred in the opening of 4 new outlets.

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

For the current financial quarter ended 31 Dec 2008, the Group recorded a revenue of approximately RM49.368 million as compared to approximately RM63.844 million in the preceding financial quarter ended 30 Sept 2008, a decrease of RM14.476 million. The Group's profit before taxation for the current quarter ended 31 Dec 2008 was RM5.763 million as compared to a profit before tax of RM7.513 million in the preceding financial quarter ended 30 Sept 2008. This decrease in the Group's profit is due to the 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 31 Dec 2008 RM'000	Current Year To Date 31 Dec 2008 RM'000
Current taxation - Malaysian - current financial quarter/ Year Provision	2,704	6,412

The effective tax rate for the Group for the current quarter and the cumulative financial period ended 31 Dec 2008 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 or properties for the financial period to date.

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 30 Sept 2008.

23. Borrowings

As at 31 Dec 2008, the total borrowings of KGMB Group were as follows:

	As at 31/12/2008 RM000	As at 31/12/2007 RM000
Short term borrowings:		
Secured	45,181	43,145
Unsecured	62,034	1,869
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	107,215	45,014
	<hr/>	<hr/>
Long term borrowings:		
Secured	19,892	20,854
Unsecured	0	62,030
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	19,892	82,884
	<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.

26. Dividend

The directors do not recommend any interim dividend for the financial quarter under review.

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 2008	Cumulative Quarter 31 Dec 2008
Profit after tax (RM'000)	3,059	8,562
Weighted average number of Ordinary shares in issue ('000)	126,197	126,197
Basic profit per share (sen)	2.42	6.78

27. Earning Per Share (cont'd)

(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 2008	Cumulative Quarter 31 Dec 2008
Profit after tax (RM'000)	3,059	8,562
After tax effect of interest on ICULS (RM'000)	56	290
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	3,115	8,852
Weighted average number of Ordinary shares in issue ('000)	126,197	126,197
Effect of dilution: ICULS (000')	67,677	67,677
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Adjusted weighted average number of Ordinary share in issue and issuable	193,874	193,874
	=====	=====
Diluted earnings per share (sen)	1.61	4.57

28. Authorization of issue

The interim financial statements were authorized for release by the Board in accordance with a resolution of the Directors on 25 Feb 2009.

By order of the Board

Lim Seck Wah
Company Secretary