

KAMDAR GROUP (M) BERHAD
(Company No. 577740-A)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2011

	AS AT 31 Mar 2011 RM'000 (Unaudited)	AS AT 31 Dec 2010 RM'000 (Audited)
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	148,501	149,182
INVESTMENT PROPERTIES	1,511	1,515
PREPAID LAND LEASE PAYMENTS	6,420	6,439
INVESTMENT IN ASSOCIATED COMPANY	509	499
DEFERRED TAX ASSETS	-	-
GOODWILL	374	374
FIXED DEPOSITS WITH LICENSED BANKS	4,728	4,715
	<u>162,043</u>	<u>162,724</u>
CURRENT ASSETS		
Inventories	103,582	99,930
Trade receivables	9,546	8,549
Other receivables, deposits and prepayments	4,680	4,352
Amount due from an associate company	75	75
Taxation recoverable	847	702
Fixed deposits with licensed banks	-	5,170
Cash and bank balances	13,298	14,491
Non-current asset held for sale	438	438
	<u>132,466</u>	<u>133,707</u>
TOTAL ASSETS	<u>294,509</u>	<u>296,431</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL	197,990	197,990
RESERVES	(16,090)	(16,858)
TOTAL EQUITY	<u>181,900</u>	<u>181,132</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	3,210	3,210
Term loans	39,461	36,732
Finance payables	993	1,246
	<u>43,664</u>	<u>41,188</u>
CURRENT LIABILITIES		
Trade payables	5,432	5,203
Other payables & accruals	5,693	5,649
Short term borrowings	57,287	58,040
Dividend payable	-	3,960
Finance payables	302	371
Taxation	231	888
	<u>68,945</u>	<u>74,111</u>
TOTAL LIABILITIES	<u>112,609</u>	<u>115,299</u>
TOTAL EQUITY AND LIABILITIES	<u>294,509</u>	<u>296,431</u>
Net assets per share attributable to ordinary equity holder of the parent (sen)	92	91

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

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KAMDAR GROUP (M) BERHAD
(Company No. 577740-A)
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MAR 2011

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2011 RM'000 (Unaudited)	Preceding year Corresponding Quarter 31 Mar 2010 RM'000 (Unaudited)	Current Year To date 31 Mar 2011 RM'000 (Unaudited)	Preceding year Corresponding Period 31 Mar 2010 RM'000 (Audited)
Revenue	41,132	39,205	41,132	39,205
Cost of sales	<u>(24,919)</u>	<u>(23,914)</u>	<u>(24,919)</u>	<u>(23,914)</u>
Gross profit	16,213	15,291	16,213	15,291
Other income	403	263	403	263
Selling and distribution expenses	(1,371)	(673)	(1,371)	(673)
Administrative expenses	(12,981)	(12,595)	(12,981)	(12,595)
Finance costs	(769)	(802)	(769)	(802)
Share of profit of associate company	10	-	10	-
Profit before tax	<u>1,505</u>	<u>1,484</u>	<u>1,505</u>	<u>1,484</u>
Tax expense	(728)	(779)	(728)	(779)
Profit for the period	<u>777</u>	<u>705</u>	<u>777</u>	<u>705</u>
Other comprehensive income, net of tax				
Exchange translation differences	<u>(9)</u>	<u>-</u>	<u>(9)</u>	<u>-</u>
Total comprehensive income for the period	<u>768</u>	<u>705</u>	<u>768</u>	<u>705</u>
Profit for the period attributable to:-				
Owners of the parent	777	705	777	705
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>777</u>	<u>705</u>	<u>777</u>	<u>705</u>
Total comprehensive income attributable to:-				
Owners of the parent	768	705	768	705
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>768</u>	<u>705</u>	<u>768</u>	<u>705</u>
Earnings per share attributable to owners of the company :				
Basic earnings per share (sen)	0.39	0.35	0.39	0.35
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 QUARTER ENDED 31 MARCH 2011

	← Attributable to owners of the parent →					Retained earnings	Total	Non-controlling interest	Total equity
	Non-distributable				Distributable				
	Share Capital	Share Premium	Capital Reserve	Merger Deficit	Foreign currency translation reserve				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2010	197,990	110	2,290	(176,580)	-	147,735	171,545	-	171,545
Total comprehensive income for the period	-	-	-	-	-	705	705	-	705
At 31 March 2010	<u>197,990</u>	<u>110</u>	<u>2,290</u>	<u>(176,580)</u>	<u>-</u>	<u>148,440</u>	<u>172,250</u>	<u>-</u>	<u>172,250</u>
	Share Capital	Share Premium	Capital Reserve	Merger Reserve	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2011	197,990	110	2,290	(176,580)	(4)	157,326	181,132	-	181,132
Total comprehensive income for the period	-	-	-	-	(9)	777	768	-	768
At 31 March 2011	<u>197,990</u>	<u>110</u>	<u>2,290</u>	<u>(176,580)</u>	<u>(13)</u>	<u>158,103</u>	<u>181,900</u>	<u>-</u>	<u>181,900</u>

The unaudited Condensed Consolidated Statements of Changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

KAMDAR GROUP (M) BERHAD
(Company No. 577740-A)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE QUARTER ENDED 31 MARCH 2011

	3 Months ended 31 March 2011 RM'000 <u>(Unaudited)</u>	3 Months ended 31 March 2010 RM'000 <u>(Unaudited)</u>
Cash flows from operating activities		
Profit before tax	1,505	1,484
Adjustment for :		
Amortisation of prepaid land and building lease paymen	19	19
Depreciation on property, plant and equipmen	1,117	1,043
Depreciation on investment properties	4	-
(Gain)/loss on disposal of property, plant and equipmen	-	(26)
Impairment loss on receivables	6	-
Impairment loss on receivables no longer requirec	(5)	-
Interest expenses	769	802
Interest income	(39)	(26)
Property, plant and equipment written of	1	-
Share of profit of investment in associate company	(10)	-
Operating profit before working capital changes	<u>3,367</u>	<u>3,296</u>
Inventories	(3,652)	(352)
Associates	-	50
Payables	259	(219)
Receivables	<u>(1,324)</u>	<u>(636)</u>
Net cash from/(used in) operating activities	(1,350)	2,139
Tax paid	<u>(1,530)</u>	<u>(1,347)</u>
Net cash from/(used in) operating activities	<u>(2,880)</u>	<u>792</u>
Cash flows from investing activities		
Interest received	39	26
Dividend paid	(3,960)	-
Proceed from disposal of property, plant and equipment	-	185
Purchase of property, plant and equipmen	<u>(435)</u>	<u>(589)</u>
Net cash used in investing activities	<u>(4,356)</u>	<u>(378)</u>
Cash flows from financing activities		
Drawdown of term loan	5,000	-
Bankers' acceptances	(5,583)	563
Interest paid	(769)	(802)
Placement of fixed deposits	(13)	(13)
Repayment of finance payables	(322)	(122)
Repayment of term loans	(1,999)	(2,095)
Revolving credit	-	(4,000)
Trust receipts	87	-
Advance from directors	<u>-</u>	<u>(33)</u>
Net cash used in financing activities	<u>(3,599)</u>	<u>(6,502)</u>
Net changes in Cash and Cash Equivalents	(10,835)	(6,088)
Cash and cash equivalents at 1 January	<u>16,086</u>	<u>7,555</u>
Cash and cash equivalents at 31 March	<u><u>5,251</u></u>	<u><u>1,467</u></u>
Cash and cash equivalents at the end of financial period comprise the following		
	3 Months ended 31 March 2011 RM'000 <u>(Unaudited)</u>	3 Months ended 31 Mar 2010 RM'000 <u>(Unaudited)</u>
Cash and bank balance	13,298	8,013
Bank Overdraft	(8,052)	(6,546)
Effect of exchange rate changes	5	-
	<u><u>5,251</u></u>	<u><u>1,467</u></u>

The unaudited Condensed Consolidated Statement of Cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 First Quarter Financial Ended 31 March 2011
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 2010. The explanatory notes attached to the interim 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 the Group since the financial year ended 31 December 2010.

FRS, Interpretations and amendments effective for annual periods beginning on or after 1 July 2010

- FRS 1, First-time Adoption of Financial Reporting Standards (revised)
- FRS 3, Business Combinations (revised)
- FRS 127, Consolidated and Separate Financial Statements (revised)
- Amendments to FRS 138, Intangible Assets
- Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives

FRSs, Interpretation and amendments effective for annual periods beginning on or after 1 January 2011

- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards
- Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
- Additional Exemption for First-time Adopters
- Amendments to FRS 7, Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
- Improvements to FRSs (2010)

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

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2010 was not qualified.

3. Seasonal or Cyclical Factors

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

4. 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 March 2011.

5. Changes in Estimates

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

6. Debt and Equity Securities

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

7. Dividends Paid

An interim single tier dividend of 2% per ordinary share amounting to RM3,959,801 for the year ended 31 December 2010 was paid on 21 February 2011.

8. 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.

9. Carrying Amount of Revalued Assets

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

10. Subsequent Events

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

11. Changes in the Composition of the Group

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

12. Changes in Contingent Liabilities and Contingent Assets

Save as disclosed below, the Company is not aware of any other contingent liabilities as at 31 March 2011:

	31 Mar 2011 (RM'000)
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Sdn Bhd	54,950
- 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	30,540
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Mint Saga (M) Sdn Bhd	5,900
	<u>115,830</u>

13. Capital Commitments

Not applicable.

14. Performance Review

A.

	Individual Quarter 3 months ended 31 Mar 2011 RM'000 (Unaudited)	Cumulative Quarter 3 months ended 31 Mar 2010 RM'000 (Unaudited)
Revenue	41,132	39,205
Profit before taxation	1,505	1,484

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

B.

The Group's revenue for the current financial period ended 31 March 2011 is RM41.132 million as compared to RM39.205 million in the prior financial period ended 31 March 2010, an increase of 4.92%. The Group's profit before taxation has increased from RM1.484 million for the prior financial period ended 31 March 2010 to a profit of RM1.505 million for the current financial period ended 31 March 2011, an increase of 1.42% due to increase in turnover.

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

For the current financial quarter ended 31 March 2011, the Group recorded a revenue of approximately RM41.132 million as compared to approximately RM56.233 million in the preceding financial quarter ended 31 December 2010, a decrease of RM15.101 million. The Group's profit before taxation for the current quarter ended 31 March 2011 was RM1.505 million as compared to a profit before tax of RM7.295 million in the preceding financial quarter ended 31 December 2010. This decrease in the Group's profit is due to the seasonal nature of the industry.

16. Commentary on Prospects

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

17. Profit Forecast

Not applicable.

18. Taxation

	Current Quarter 31 Mar 2011 RM'000	Current Year to Date 31 Mar 2011 RM'000
Current taxation – Malaysian - Current financial period	728	728

The effective tax rate for the Group for the current quarter 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.

19. Sale of Unquoted Investments and Properties

There was no sale of unquoted investments and/or properties during the quarter under review and financial period-to-date.

20. Marketable Securities

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

21. Corporate Proposals

There were no corporate proposals announced and completed as at 31 March 2011.

22. Borrowings

As at 31 March 2011, the total borrowings of KGMB Group were as follows:

	As at 31 Mar 2011 RM'000	As at 31 Dec 2010 RM'000
Secured:		
Short term	57,287	58,040
Long term	<u>39,461</u>	<u>36,732</u>
	<u>96,748</u>	<u>94,772</u>

The above borrowings are denominated in Ringgit Malaysia.

23. Financial instruments

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

24. 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.

25. Dividend

An interim Single Tier dividend of 2% per ordinary share of RM1.00 each for the financial year ended 31 December 2010 was declared and payable on 21 February 2011.

26. 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 Mar 2011	Cumulative Quarter 31 Mar 2011
Profit after tax (RM'000)	<u>777</u>	<u>777</u>
Weighted average number of Ordinary shares in issue ('000)	197,990	197,990
Basic profit per share (sen)	0.39	0.39

(b) Diluted

Not applicable.

27. Disclosure of Realised and Unrealised Profits

	As at 31 Mar 2011 RM'000	As at 31 Dec 2010 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	179,518	179,475
- Unrealised	<u>(2,575)</u>	<u>(2,575)</u>
	176,943	176,900
Total share of retained profits from associated companies:		
- Realised	226	(123)
	<u>177,169</u>	<u>176,777</u>
Consolidation adjustments	<u>(19,066)</u>	<u>(19,451)</u>
	<u>158,103</u>	<u>157,326</u>

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 May 2011.

By order of the Board

Lim Seck Wah
Company Secretary