

**KAMDAR GROUP (M) BERHAD**  
(Company No. 577740-A)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2013**

	AS AT 31 Mar 2013 RM'000 (Unaudited)	AS AT 31 Dec 2012 RM'000 (Audited)
<b>NON-CURRENT ASSETS</b>		
PROPERTY, PLANT AND EQUIPMENT	121,700	121,199
INVESTMENT PROPERTIES	9,685	9,685
PREPAID LAND LEASE PAYMENTS	6,285	6,285
INVESTMENT IN ASSOCIATED COMPANY	460	481
GOODWILL	374	374
	<u>138,504</u>	<u>138,024</u>
<b>CURRENT ASSETS</b>		
Inventories	124,890	125,596
Trade receivables	10,385	10,370
Other receivables, deposits and prepayments	4,795	4,804
Amount due from an associate company	75	75
Taxation recoverable	553	560
Fixed deposits with licensed banks	5,783	7,193
Cash and bank balances	11,914	11,519
	<u>158,395</u>	<u>160,117</u>
Non-current assets held for sale	20,199	20,199
Total current assets	<u>178,594</u>	<u>180,316</u>
<b>TOTAL ASSETS</b>	<u>317,098</u>	<u>318,340</u>
<b>EQUITY AND LIABILITIES</b>		
SHARE CAPITAL	197,990	197,990
RESERVES	9,737	6,614
<b>TOTAL EQUITY</b>	<u>207,727</u>	<u>204,604</u>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	38,464	40,345
Deferred tax liabilities	1,924	2,009
Finance lease liabilities	403	499
	<u>40,791</u>	<u>42,853</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	6,553	5,822
Other payables	5,604	5,224
Short term borrowings	52,902	58,781
Amount due to director	3,000	-
Finance lease liabilities	302	376
Tax payables	219	680
	<u>68,580</u>	<u>70,883</u>
<b>TOTAL LIABILITIES</b>	<u>109,371</u>	<u>113,736</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>317,098</u>	<u>318,340</u>
 Net assets per share attributable to ordinary equity holder of the parent (sen)	 105	 103

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements.

**KAMDAR GROUP (M) BERHAD**  
 (Company No. 577740-A)  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED 31 MARCH 2013**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2013 RM'000 (Unaudited)	Preceding year Corresponding Quarter 31 Mar 2012 RM'000 (Unaudited)	Current Year To date 31 Mar 2013 RM'000 (Unaudited)	Preceding year Corresponding Period 31 Mar 2012 RM'000 (Unaudited)
Revenue	45,718	42,698	45,718	42,698
Cost of sales	<u>(26,268)</u>	<u>(25,715)</u>	<u>(26,268)</u>	<u>(25,715)</u>
Gross profit	19,450	16,983	19,450	16,983
Other income	430	429	430	429
Selling and distribution expenses	(1,420)	(1,315)	(1,420)	(1,315)
Administrative expenses	(12,995)	(13,124)	(12,995)	(13,124)
Finance costs	(734)	(698)	(734)	(698)
Share of loss of associate company	(22)	(16)	(22)	(16)
Profit before tax	<u>4,709</u>	<u>2,259</u>	<u>4,709</u>	<u>2,259</u>
Tax expense	(1,586)	(929)	(1,586)	(929)
Profit for the period	<u>3,123</u>	<u>1,330</u>	<u>3,123</u>	<u>1,330</u>
Other comprehensive income, net of tax				
Exchange translation differences	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>3,123</u>	<u>1,330</u>	<u>3,123</u>	<u>1,330</u>
Profit for the period attributable to:-				
Owners of the parent	3,123	1,330	3,123	1,330
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,123</u>	<u>1,330</u>	<u>3,123</u>	<u>1,330</u>
Total comprehensive income attributable to:-				
Owners of the parent	3,123	1,330	3,123	1,330
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,123</u>	<u>1,330</u>	<u>3,123</u>	<u>1,330</u>
<b>Earnings per share attributable to owners of the company :</b>				
Basic earnings per share (sen)	1.58	0.67	1.58	0.67
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 2012 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 2013**

	←----- Attributable to owners of the parent ----->								
	←----- Non-distributable ----->					Distributable			
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Merger Deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 January 2012	197,990	110	2,290	(176,580)	-	171,617	195,427	-	195,427
Total comprehensive income for the period	-	-	-	-	-	1,330	1,330	-	1,330
At 31 March 2012	<u>197,990</u>	<u>110</u>	<u>2,290</u>	<u>(176,580)</u>	<u>-</u>	<u>172,947</u>	<u>196,757</u>	<u>-</u>	<u>196,757</u>
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Merger Reserve RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 January 2013	197,990	110	-	(176,580)	-	183,084	204,604	-	204,604
Adjustmet of Investment properties stated at fair value	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	3,123	3,123	-	3,123
At 31 March 2013	<u>197,990</u>	<u>110</u>	<u>-</u>	<u>(176,580)</u>	<u>-</u>	<u>186,207</u>	<u>207,727</u>	<u>-</u>	<u>207,727</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 2012 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 2013

	3 Months ended 31 Mar 2013 RM'000 (Unaudited)	3 Months ended 31 Mar 2012 RM'000 (Unaudited)
<b>Cash flows from operating activities</b>		
Profit before tax	4,709	2,259
Adjustment for :		
Amortisation of prepaid land and building lease payment	-	19
Bad debts written off	-	4
Depreciation on property, plant and equipment	997	997
Depreciation on investment properties	-	5
Gain on disposal of assets held for sale	(8)	
Interest expenses	734	695
Interest income	(88)	(64)
Property, plant and equipment written off	9	32
Share of loss of investment in associate company	21	16
<b>Operating profit before working capital changes</b>	<b>6,374</b>	<b>3,963</b>
Inventories	706	(1,572)
Payables	1,111	1,779
Receivables	(6)	835
<b>Cash from operating activities</b>	<b>8,185</b>	<b>5,005</b>
Tax refund	-	22
Tax paid	(2,124)	(1,527)
<b>Net cash from operating activities</b>	<b>6,061</b>	<b>3,500</b>
<b>Cash flows from investing activities</b>		
Interest received	88	64
Proceed from disposal of property, plant and equipment and prepaid land lease payments	135	-
Purchase of property, plant and equipment	(1,499)	(6,575)
<b>Net used in investing activities</b>	<b>(1,276)</b>	<b>(6,511)</b>
<b>Cash flows from financing activities</b>		
Bankers' acceptances	(6,149)	(8,954)
Drawdown of term loans	-	13,276
Interest paid	(734)	(695)
Repayment of finance lease liabilities	(305)	(103)
Repayment of term loans	(1,896)	(2,440)
Trust receipts	-	49
Advance from director	3,000	-
<b>Net cash (used in)/from financing activities</b>	<b>(6,084)</b>	<b>1,133</b>
<b>Net changes in Cash and Cash Equivalents</b>	<b>(1,299)</b>	<b>(1,878)</b>
Cash and cash equivalents at 1 January	12,452	18,961
<b>Cash and cash equivalents at 31 Mar</b>	<b>11,153</b>	<b>17,083</b>
Cash and cash equivalents at the end of financial period comprise the following:		
	3 Months ended 31 Mar 2013 RM'000 (Unaudited)	3 Months ended 31 Mar 2012 RM'000 (Unaudited)
Fixed deposits with licenced banks	5,783	6,089
Bank Overdrafts	(6,544)	(8,683)
Cash and bank balance	11,914	19,677
	<b>11,153</b>	<b>17,083</b>

The unaudited Condensed Consolidated Statement of Cash flow should be read in conjunction with the audited financial statements for the year ended 31 December 2012 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 2013  
NOTES TO INTERIM FINANCIAL REPORT

**A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134**

1. Accounting Policies and Method of Computation

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

The interim financial report is the Group's first MFRS interim financial report for part of the period covered by the Group's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 First-Time Adoption of Malaysia Financial Reporting Standard ("MFRS 1") has been applied.

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012. 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 2012.

In preparing its opening MFRS Statement of Financial Position as at 1 January 2012 (which is also the date of transition), there are no adjustment required on the amounts previously reported in financial statements prepared in accordance with FRS. The transition from FRS to MFRS has no significant impact on the Group's financial statements.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2012.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2012 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 December 2012.

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. Dividend

On 29 April 2013, the company has proposed a first and final single tier dividend of 3 sen per ordinary share of RM1.00 each, amounting to RM5,939,700 for the financial year ended 31 December 2012, subject to shareholders' approval at the forthcoming annual General Meeting, the dividend of RM5,939,700 will be paid on 19 August 2013.

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 Mar 2013:

	31 Mar 2013 (RM'000)
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Sdn Bhd	29,641
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Beauty Gallent Sdn Bhd	10,293
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Stores Sdn Bhd	4,310
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Holdings Sdn Bhd	15,345
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kesar Sdn Bhd	15,886
- Corporate guarantee given by the Company to licensed bank for credit facilities granted to Pusat Membeli-belah Kamdar (Penang) Sdn Bhd	110
	<hr/>
Total:	75,585

#### 14. Related Party Transactions

The Group's recurrent related party transactions in the current quarter and the cumulative period to date ended 31 Mar 2013 are as follows:

	Sale of goods (RM'000)	Purchase of goods (RM'000)	Rental expenses (RM'000)	Total (RM'000)
Current quarter:				
Kamdar Properties Sdn Bhd (1)	-	-	356	356
Parklane Fabrics Sdn Bhd (2)	74	-	-	74
Deepak Textiles (3)	-	2	-	2
<b>Total</b>	<b>74</b>	<b>2</b>	<b>356</b>	<b>432</b>
Cumulative period:				
Kamdar Properties Sdn Bhd (1)	-	-	356	356
Parklane Fabrics Sdn Bhd (2)	74	-	-	74
Deepak Textiles (3)	-	2	-	2
<b>Total</b>	<b>74</b>	<b>2</b>	<b>356</b>	<b>432</b>

Note (1) a company which Mr Bipinchandra A/L Balvantrai has substantial interest.

Note (2) a company which Mr Kamal Kumar Kishorchandra has substantial interest.

Note (3) a company which Mr Rajesh Kumar A/L Gejinder Nath's father has substantial interest.

#### 15. Capital Commitments

Not applicable.



**B. ADDITION INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BHD.**  
**MAIN MARKET LISTING REQUIREMENTS**

1. Review of Performance

	3 months ended 31 Mar 2013 RM'000 (Unaudited)	3 months ended 31 Mar 2012 RM'000 (Unaudited)
Revenue	45,718	42,698
Profit before taxation	4,709	2,259

The performance of the business is further elaborated in Section B below.

The Group's revenue for the current financial period ended 31 Mar 2013 is higher than the previous year's financial period ended 31 Mar 2012 by RM3.02million, whilst the profit before taxation has increased by RM2.450million due to improved sales performance.

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

	Individual Quarter 3 months ended 31 Mar 2013 RM'000 (Unaudited)	Preceding Quarter 3 months ended 31 Dec 2012 RM'000 (Unaudited)
Revenue	45,718	55,648
Profit before taxation	4,709	4,634

For the current financial quarter ended 31 Mar 2013, the Group recorded a revenue of approximately RM45.718 million as compared to approximately RM55.648 million in the preceding financial quarter ended 31 Dec 2012, a decrease of RM9.930 million. This decrease is due to the seasonal nature of the industry. The Group's profit before taxation for the current quarter ended 31 Mar 2013 was RM4.709 million as compared to a profit before tax of RM4.634 million in the preceding financial quarter ended 31 Dec 2012 due to decrease in administrative expenses.

3. Commentary on Prospects

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

4. Profit Forecast

Not applicable.

5. Taxation

	3 months ended 31 Mar 2013 (RM'000)	3 months ended 31 Mar 2012 (RM'000)	3 months ended 31 Mar 2013 (RM'000)	3 months ended 31 Mar 2012 (RM'000)
Current taxation - Malaysia - Current financial period	1,586	929	1,586	929
Total	<u>1,586</u>	<u>929</u>	<u>1,586</u>	<u>929</u>

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 and non-allowable tax expenses.

6. 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.

7. Marketable Securities

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

8. Corporate Proposals

There were no corporate proposals announced and completed as at 31 March 2013.

9. Borrowings

As at 31 Mar 2013, the total borrowings of KGMB Group were as follows:

	As at 31 Mar 2013 (RM'000)	As at 31 Dec 2012 (RM'000)
Secured:		
Short term	52,902	58,781
Long term	38,464	40,345
TOTAL	<u>91,366</u>	<u>99,126</u>

The above borrowings are denominated in Ringgit Malaysia.

10. 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.

11. 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: -

Kamdar Holdings Sdn Bhd ("KHSB"), a wholly owned subsidiary of the Company, was served with a notice of demand on 3 May 2012 by Kompleks Bukit Jambul Sdn Bhd ("KBJSB") for the amount of RM876,819.03 for outstanding payment of maintenance fee, insurance premium, quit rent together with interest.

KHSB has been paying the amount claimed above to a solicitor as stakeholder, due to an ongoing dispute between KBJSB & Perbadanan Pengurusan Bersama Kompleks Bukit Jambul (PPBKBJ) with regard to the management of the complex. The suit against KHSB will therefore be defended by PPBKBJ.

12. Dividend

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

### 13. Earning Per Share

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.

	3 months ended 31 Mar 2013 (RM'000)	3 months ended 31 Mar 2012 (RM'000)
Profit after tax	3,123	1,330
Number of Ordinary shares in issue	197,990	197,990
Basic earnings per share(sen)	1.58	0.67

Diluted earnings per share are not applicable for the Company.

### 14. Disclosure of Realised and Unrealised Profits

	As at 31 Mar 2013 (RM'000)	As at 31 Dec 2012 (RM'000)
Total retained profits of the Company and its subsidiaries:		
- Realised	207,675	203,771
- Unrealised	77,168	77,168
	<hr/> 284,843	<hr/> 280,939
Total share of retained profits from associated companies:		
- Realised	(255)	(234)
	<hr/> 284,588	<hr/> 280,705
Consolidation adjustments	<hr/> (98,381)	<hr/> (97,621)
TOTAL	<hr/> 186,207	<hr/> 183,084

15. Note to the Statement of comprehensive Income

	3 months ended 31 Mar 2013 (RM'000) (Unaudited)	3 months ended 31 Mar 2012 (RM'000) (Unaudited)
Profit from operations from the period is arrived at after charging:		
Depreciation and amortization	997	997
Property, plant and equipment written off	9	32
Bad debts written off	-	4
And after credited:		
Proceeds from insurance claims	-	40
Gains on disposal of property, plant and equipment	8	-

16. Authorization of issue

The interim financial statements were authorized for release by the Board in accordance with a resolution of the Directors on 29 May 2013.

By order of the Board

Lim Seck Wah  
Company Secretary