

# KAMDAR

## KAMDAR GROUP (M) BERHAD

Company No. 577740-A  
(Incorporated in Malaysia)

### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

The Board of Directors of Kamdar Group (M) Berhad is pleased to announce the following unaudited consolidated financial statements for the third quarter ended 30 September 2017 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 31 December 2016 and the accompanying explanatory notes attached to the unaudited consolidated financial statements.

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Year Quarter 30.09.2017 RM'000 (unaudited)	Preceding Year Quarter 30.09.2016 RM'000 (unaudited)	Changes %	Current Year To Date 30.09.2017 RM'000 (unaudited)	Preceding Year To Date 30.09.2016 RM'000 (unaudited)	Changes %
Revenue	29,759	34,666	-14.2	111,633	122,078	-8.6
Cost of sales	(15,962)	(22,057)	-27.6	(64,918)	(74,260)	-12.6
<b>Gross profit</b>	<b>13,797</b>	<b>12,609</b>	<b>9.4</b>	<b>46,715</b>	<b>47,818</b>	<b>-2.3</b>
Other income	557	296	88.2	1,614	1,384	16.6
Selling and distribution expenses	(498)	(645)	-22.8	(1,893)	(2,504)	-24.4
Administrative expenses	(11,926)	(13,836)	-13.8	(36,678)	(40,893)	-10.3
Finance costs	(984)	(762)	29.1	(2,708)	(2,215)	22.3
<b>Profit/(Loss) before tax</b>	<b>946</b>	<b>(2,338)</b>	<b>140.5</b>	<b>7,050</b>	<b>3,590</b>	<b>96.4</b>
Tax income/(expense)	373	(455)	182.0	(1,610)	(2,481)	-35.1
<b>Profit/(Loss) for the financial period</b>	<b>1,319</b>	<b>(2,793)</b>	<b>147.2</b>	<b>5,440</b>	<b>1,109</b>	<b>390.5</b>
Other comprehensive income for the financial period, net of tax	-	-	-	-	-	-
Total comprehensive income/(loss) for the financial period	1,319	(2,793)	147.2	5,440	1,109	390.5
<b>Profit/(Loss) for the financial period attributable to:</b>						
Owners of the Company	1,319	(2,793)	147.2	5,440	1,109	390.5
<b>Total comprehensive income/(loss) for the financial period attributable to:</b>						
Owners of the Company	1,319	(2,793)	147.2	5,440	1,109	390.5
<b>Earnings/(Losses) per ordinary share attributable to equity holders of the Company</b>						
Basic and Diluted (sen)	0.67	(1.41)	147.2	2.75	0.56	390.5

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.09.2017 RM'000 (unaudited)	As at 31.12.2016 RM'000 (audited)
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	122,600	124,395
Investment properties	37,395	37,395
Prepaid land lease payment	5,862	5,932
Capital work-in-progress	18,670	15,869
Goodwill	374	374
Deferred tax assets	175	175
<b>Total non-current assets</b>	<b>185,076</b>	<b>184,140</b>
<b>Current Assets</b>		
Inventories	133,213	135,084
Trade receivables	9,692	9,868
Other receivables	6,046	4,679
Tax recoverable	2,910	3,167
Fixed deposits with licensed banks	5,586	5,495
Cash and bank balances	2,799	8,028
<b>Total current assets</b>	<b>160,246</b>	<b>166,321</b>
<b>TOTAL ASSETS</b>	<b>345,322</b>	<b>350,461</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity Attributable to Owners of the Company</b>		
Share capital	197,990	197,990
Reserves	26,702	21,262
<b>Total equity</b>	<b>224,692</b>	<b>219,252</b>
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Long term borrowings	53,475	49,276
Deferred tax liabilities	1,463	2,256
Finance lease liabilities	50	180
<b>Total non-current liabilities</b>	<b>54,988</b>	<b>51,712</b>
<b>Current Liabilities</b>		
Trade payables	7,324	5,090
Other payables	13,666	9,952
Short term borrowings	43,673	64,039
Finance lease liabilities	605	70
Tax payables	374	346
<b>Total current liabilities</b>	<b>65,642</b>	<b>79,497</b>
<b>Total liabilities</b>	<b>120,630</b>	<b>131,209</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>345,322</b>	<b>350,461</b>
<b>Net Assets Per Share (sen)</b>	<b>113</b>	<b>111</b>

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	[-----NON-DISTRIBUTABLE-----]				DISTRIBUTABLE	
	Share capital RM'000	Share premium RM'000	Merger deficit RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total equity RM'000
As at 1 January 2017	197,990	110	(176,580)	6,424	191,308	219,252
Total comprehensive income for the financial period	-	-	-	-	5,440	5,440
As at 30 September 2017 (unaudited)	197,990	110	(176,580)	6,424	196,748	224,692
As at 1 January 2016	197,990	110	(176,580)	6,424	189,658	217,602
Total comprehensive income for the financial period	-	-	-	-	1,109	1,109
As at 30 September 2016 (unaudited)	197,990	110	(176,580)	6,424	190,767	218,711

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## KAMDAR GROUP (M) BERHAD

Company No. 577740-A  
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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

#### CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date 30.09.2017 RM'000 (unaudited)	Preceding Year To Date 30.09.2016 RM'000 (unaudited)
<b>Operating activities</b>		
Profit before tax	7,050	3,590
Adjustments for:-		
Amortisation of prepaid lease payments	70	69
Depreciation on property, plant and equipment	2,597	2,452
(Gain)/Loss on disposal of property, plant and equipment	(3)	168
Interest expenses	3,646	3,259
Interest income	(115)	(126)
Inventories written down	990	-
Property, plant and equipment written down	535	50
Operating profit before working capital changes	14,770	9,462
Changes in working capital:-		
Inventories	881	(8,899)
Payables	5,948	(12,323)
Receivables	(1,191)	1,081
Cash generated from/(used in) operations	20,408	(10,679)
Tax refund	4	553
Tax paid	(680)	(3,448)
Interest paid	(2,121)	(536)
<b>Net cash from/(used in) operating activities</b>	<b>17,611</b>	<b>(14,110)</b>
<b>Investing activities</b>		
Interest received	115	126
Proceeds from disposal of property, plant and equipment	196	19
Purchase of property, plant and equipment	(1,022)	(1,597)
Capital work-in-progress incurred	(2,801)	(148)
<b>Net cash used in investing activities</b>	<b>(3,512)</b>	<b>(1,600)</b>
<b>Financing activities</b>		
Net (repayment)/drawdown of bankers' acceptance	(21,700)	6,417
Interest paid	(2,966)	(2,682)
Repayment of finance lease liabilities	(103)	(48)
Net drawdown of terms loans	4,091	8,171
Placement of fixed deposits	(91)	(109)
<b>Net cash (used in)/from financing activities</b>	<b>(20,769)</b>	<b>11,749</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Net changes	(6,670)	(3,961)
Brought forward	(1,220)	(1,547)
Carried forward	(7,890)	(5,508)
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
Cash and bank balances	2,799	4,367
Fixed deposits with licensed banks	5,586	5,461
Bank overdraft	(10,689)	(9,875)
	(2,304)	(47)
Less: Fixed deposits with licensed banks	(5,586)	(5,461)
	(7,890)	(5,508)

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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS****A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134 INTERIM FINANCIAL REPORTING**

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**A1. Basis of Preparation**

The interim financial report of the Group is unaudited and has been prepared in accordance with Malaysian Financial Reporting Standards (MFRS) 134: Interim Financial Reporting and Chapter 9 Appendix 9B of the Main Market Listing Requirements of the 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 2016 and the accompanying explanatory notes attached to the interim financial statements.

These explanatory notes 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 2016.

The accounting policies and methods of computation used in the interim financial statements are consistent with those adopted in the audited financial statements of the Group for the financial year ended 31 December 2016 except for the changes in accounting policies and presentation resulting from the adoption of new and revised MFRSs and amendments to MFRSs that are effective for financial periods beginning on or after 1 January 2017.

The Group has not adopted the following new MFRSs and amendments to MFRSs issued by the Malaysian Accounting Standards Board:

<b>Title</b>	<b>Effective date</b>
MFRS 9 Financial Instruments (IFRS 9 as issued by IASB in July 2014)	1 January 2018
MFRS 15 Revenue from Contracts with Customers	1 January 2018
MFRS 16 Leases	1 January 2019
IC Interpretation 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Amendments to MFRS 2 Classification and Measurement of Share-based Payment Transactions	1 January 2018

The possible impact on adoption of the above pronouncements in the period of initial application cannot be determined at present.

**A2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the latest audited financial statements for the financial year ended 31 December 2016 was not subject to any audit qualification.

**A3. Seasonal or Cyclical Factors of Interim Operations**

The Group’s performances are generally affected by the festive seasons.

**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group during the current financial quarter.

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017****A5. Material Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial years, which may have a material effect in the current financial quarter results.

**A6. Issues, Repurchases, and Repayments of Debt and Equity Securities**

There were no issues, repurchases, and repayments of debts and equity securities of the Group during the current financial quarter.

**A7. Dividend Paid**

There was no dividend paid in respect of the current financial quarter.

**A8. Segmental Information**

	<b>Trading activities</b> <b>30.09.2017</b> <b>RM'000</b>	<b>Investment</b> <b>30.09.2017</b> <b>RM'000</b>	<b>Elimination</b> <b>30.09.2017</b> <b>RM'000</b>	<b>Total</b> <b>30.09.2017</b> <b>RM'000</b>
Revenue				
External revenue	111,281	352	-	111,663
Inter-segment revenue	12,711	7,287	(19,998)	-
Total revenue	123,992	7,639	(19,998)	111,663
<b>Results</b>				
Interest income	115	-	-	115
Finance costs	(1,571)	(2,075)	-	(3,646)
Depreciation & amortisation	(1,347)	(256)	(1,064)	(2,667)
Other non-cash expenses	(1,552)	-	-	(1,552)
Income tax expenses	(978)	(1,430)	798	(1,610)
Segmental gain/(loss)	4,000	5,060	(89)	8,971
<b>Assets</b>				
Additional to non-current assets other than deferred tax assets	1,530	2,801	-	4,331
Segment assets	231,465	577,421	(466,649)	342,237
<b>Liabilities</b>				
Segment liabilities	72,744	65,319	(117,073)	20,990

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

The Group did not revalue any of its property, plant and equipment during the current financial quarter.

**A10. Events after the End of the Quarter**

There were no other material events subsequent to the end of the current financial quarter up to 21 November 2017.

**A11. Changes in the Composition of the Group**

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

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

#### A12. Changes in Contingent Liabilities and Contingent Assets

Save as disclosed below, the Company is not aware of any other contingent liabilities as at 30 September 2017:

	30.09.2017 RM'000
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Sdn Bhd	18,485
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Pusat Membeli-belah Kamdar Sdn Bhd	327
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Pusat Membeli-belah Kamdar (Penang) Sdn Bhd	944
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Beauty Gallant Sdn Bhd	7,359
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Stores Sdn Bhd	20,222
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Holdings Sdn Bhd	15,360
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kesar Sdn Bhd	18,862
Corporate guarantee given by the Company to licensed bank for credit facilities granted to Mint Saga (M) Sdn Bhd	66
<b>Total</b>	<b>81,625</b>

#### A13. Signification Related Party Transactions

The Group's recurrent related party transactions in the current quarter and the cumulative period to date ended 30 September 2017 are as follows:

	Sale of goods RM'000	Purchase of goods RM'000	Total RM'000
Current quarter:			
Aum Fabrics Pte Ltd <sup>(1)</sup>	36	-	36
<b>Total</b>	<b>36</b>	<b>-</b>	<b>36</b>
Cumulative period:			
Aum Fabrics Pte Ltd <sup>(1)</sup>	225	-	225
SNS Textiles Sdn Bhd <sup>(2)</sup>	-	96	96
<b>Total</b>	<b>225</b>	<b>96</b>	<b>321</b>

<sup>(1)</sup> a company where the director, Ms Pragna A/P K M Kamdar has substantial interest.

<sup>(2)</sup> a company where the subsidiary's director, Mr Hamendra a/l B.M. Kamdar's son has substantial interest.

#### A14. Capital Commitments

Capital commitments not provided for in the financial statement as at 30 September 2017 are as follows:

	30.09.2017 RM'000	30.09.2016 RM'000
Authorised and contracted for:- Property, plant and equipment	55	3,356

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017****EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING  
REQUIREMENT OF BURSA SECURITIES****B1. Review of Performance****Statement of Profit & Loss and Other Comprehensive Income**

	<b>Current Year Quarter 30.09.2017 RM'000 (unaudited) RM'000</b>	<b>Preceding Year Quarter 30.09.2016 RM'000 (unaudited) RM'000</b>
Revenue	29,759	34,666
Gross profit	13,797	12,609
Profit/(Loss) before tax	946	(2,338)

The Group registered a revenue of RM29.8 million for the current quarter ended 30 September 2017 ("3Q2017") down by 14.2% comparing to RM34.7 million in the preceding year corresponding quarter ("3Q2016"). This is evidenced by the competitive retail market environment in Malaysia coupled with weaker purchasing power by Malaysians.

Despite the deceleration in revenue, the Group has recorded positive growth in gross margin to 46.4% during 3Q2017, comparing to 36.4% in 3Q2016 as the Group has enjoyed a fairly stable foreign currency movement during 2017 comparing to previous year.

Plus, with the stringent effort by the Group to reduce operating expenses, profit before tax in 3Q2017 recorded at RM0.9 million comparing to RM2.4 million of loss before tax in 3Q2016.

**Statement of Financial Position**

	<b>As at 30.09.2017 RM'000 (unaudited) RM'000</b>	<b>As at 31.12.2016 RM'000 (audited) RM'000</b>
Total assets	345,322	350,461
Total liabilities	120,630	131,209

Non-current assets largely comprising property, plant and equipment, investment properties and capital work-in-progress, which marginally increased to RM185.1 million as at 30 September 2017 from RM184.1 million as at 31 December 2016. This was mainly due to the increase in capital work in progress by RM2.8 million pertaining to the acquisition of nine lots of commercial lots together with shop office in Kuantan, Pahang, and partially mitigated by the depreciation and amortisation expenses.

Total current assets decreased to RM345.3 million as at 30 September 2017 from RM350.5 million as at 31 December 2016, mainly due to decrease in cash and bank balances by RM5.2 million which will be explained in Statement of Cash Flow below.



**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

Non-current liabilities mainly comprising long term borrowings and deferred tax liabilities, which increased by 6.3% to RM55.0 million as at 30 September 2017 comparing to 31 December 2016. The increase was due to the additional draw down of term loan during the reporting period.

Current liabilities largely comprise mainly short terms borrowings, trade and other payables, which reduced by 17.4% to RM65.6 million as at 30 September 2017 comparing to 31 December 2016. The drop in current liabilities was largely due to the repayment of borrowings of RM24.5 million during the reporting period.

**Statement of Cash Flows**

	<b>As at 30.09.2017 RM'000 (unaudited) RM'000</b>	<b>As at 30.09.2016 RM'000 (unaudited) RM'000</b>
Operating activities	17,611	(14,110)
Investing activities	(3,512)	(1,600)
Financing activities	(20,769)	11,749
<b>Net changes in cash and cash equivalents</b>	<b>(6,670)</b>	<b>(3,961)</b>

Our Group's net cash and cash equivalents decreased by RM6.7 million from negative RM1.2 million as of 31 December 2016 to negative RM7.9 million as of 30 September 2017. The decline was mainly due to the net repayment of borrowings of RM17.6 million during the reporting period. Besides financing activities, the major cash used was in investing activities where RM2.8 million has paid out as part of the consideration for the acquisition of nine lots of commercial lots together with shop office as mentioned above.

**B2. Material Changes in the Profit Before Taxation for the Quarter Compared with Immediate Preceding Quarter**

	<b>Current Year Quarter 30.09.2017 RM'000 (unaudited) RM'000</b>	<b>Immediate Preceding Quarter 30.06.2017 RM'000 (unaudited) RM'000</b>
Revenue	29,759	45,794
Profit before tax	946	5,514

For 3Q2017, the Group's revenue decreased by 35% to RM29.8 million as compared to RM45.8 million in the previous quarter ended 30 June 2017 ("2Q2017"). This decrease in turnover is largely attributable to the seasonal Hari Raya Sales in the previous quarter resulting the sales in 2Q2017 higher than current quarter. Hence, the profit before tax of RM0.9 million in 3Q2017 was 82.8% lower than 2Q2017 of RM5.5 million.

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017****B3. Commentary on Prospects**

As Malaysian consumers were still concerned on their rising cost of living and remained cautious in their monthly spending, Malaysia retail industry recorded another disappointing negative growth rate in retail sales, as compared to the previous year, in accordance to a report by Malaysia Retailers Association. Trading condition remains tough for retailers during the second half of 2017. Moreover, the recovery of retail sales is highly dependence on external economic demand and ringgit performance for the rest of the year.

Notwithstanding the above, retailers in the fashion and fashion accessories sector expect their businesses to recover with a positive growth in the subsequent years. Despite the retail sales in Malaysia are supported by increased tourism, consumer confidence is also increasing on higher disposable income stemming from the economic reforms undertaken by the government. Efforts to digitalise the Malaysian economy are also expected to benefit the retail sector.

This sustained growth underpins our prospects for the coming years, and we aim to capture the opportunities in the local and regional markets. On top of that, our Group has also taken various initiatives to improve our financial performance.

**B4. Variation on Revenue or Profit Estimate, Forecast, Projection or Internal Targets**

Not applicable.

**B5. Variance of Actual Profit After Tax and Minority Interest and the Forecast Profit after Tax and Minority Interest**

Not applicable.

**B6. Shortfall in the Profit Guarantee**

Not applicable.

**B7. Tax Income/(Expense)**

	<b>Current Year Quarter 30.09.2017 RM'000 (unaudited) RM'000</b>	<b>Cumulative Year To Date 30.09.2017 RM'000 (unaudited) RM'000</b>
Income tax:		
- Current	(425)	(2,408)
Deferred tax:	798	798
	373	(1,610)

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.

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017****B8. Status of Corporate Proposals**

There were no corporate proposals announced and completed as at 21 November 2017.

**B9. Utilisation of Proceeds Raised from Corporate Proposal**

There were no proceeds raised from corporate proposal as at 21 November 2017.

**B10. Borrowings and Debts Securities**

	As at 30 September 2017		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
<b>Secured</b>			
Bankers' acceptance	-	27,555	27,555
Bank overdrafts	-	10,689	10,689
Term loans	53,475	5,429	58,904
<b>Total</b>	<b>53,475</b>	<b>43,673</b>	<b>97,148</b>

	As at 30 September 2016		
	Long Term RM'000	Short Term RM'000	Total Borrowings RM'000
<b>Secured</b>			
Bankers' acceptance	-	44,123	44,123
Bank overdrafts	-	9,875	9,875
Term loans	51,640	4,276	55,916
<b>Total</b>	<b>51,640</b>	<b>58,274</b>	<b>109,914</b>

**B11. Material Litigation**

There were no material changes in the material litigation as at 21 November 2017.

**B12. Dividends**

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

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017****B13. Earnings 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.

	<b>Cumulative Current Year Quarter 30.09.2017 RM'000 (unaudited) RM'000</b>	<b>Cumulative Preceding Year Quarter 30.09.2016 RM'000 (unaudited) RM'000</b>
Profit after tax	5,440	1,109
Number of ordinary share in issued	197,990	197,990
Basic and diluted earnings per share (sen)	2.75	0.56

**B14. Note to the Statements of Profit or Loss and Other Comprehensive Income**

	<b>Current Year Quarter 30.09.2017 RM'000 (unaudited) RM'000</b>	<b>Preceding Year Quarter 30.09.2016 RM'000 (unaudited) RM'000</b>
Profit from operations from the period is arrived at after charging:		
Amortisation of prepaid land and building lease payment	70	69
Depreciation on property, plant and equipment	2,597	2,452
Interest expenses	3,646	3,259
Inventories written down	990	-
Loss on disposal of property, plant and equipment	-	168
Property, plant and equipment written down	535	50
And after crediting:		
Gain on disposal of property, plant and equipment	3	-
Proceeds from insurance claims	4	256
Interest income	115	126

Save for the above, the other items as required under Chapter 9 Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

**B15. Foreign Currency Risk Management**

The Group does not enter into any foreign currency contracts during the current financial quarter.

**B16. Material Impairment of Assets**

There was no material impairment of assets during the current financial quarter.

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

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#### B17. Disclosure of Realised and Unrealised Profits

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to the Bursa Securities' Listing Requirements, issued by the Malaysian Institute of Accountants:

	As at 30.09.2017 RM'000 (unaudited) RM'000	As at 30.09.2016 RM'000 (unaudited) RM'000
Total retained earnings of the Company and its subsidiaries:		
- realised	237,274	233,058
- unrealised	84,948	81,622
Consolidation adjustments	322,222 (125,474)	314,680 (123,913)
Total	196,748	190,767

#### By order of the Board

**Lim Seck Wah (MAICSA 0799845)**

**M. Chandrasegaran A/L. S.Murugasu (MAICSA 0781031)**

**Company Secretary**

**30 November 2017**