

# KAMDAR

## KAMDAR GROUP (M) BERHAD

Registration No.: 200201010077 (577740-A)

(Incorporated in Malaysia)

### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

The Board of Directors of Kamdar Group (M) Berhad is pleased to announce the following unaudited consolidated financial statements for the quarter ended 31 March 2023 which should be read in conjunction with the audited consolidated financial statements for the financial year ended 30 June 2022 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<br>Quarter<br>31.03.2023<br>RM'000<br>(unaudited) | Preceding Year<br>Quarter<br>31.03.2022<br>RM'000<br>(unaudited) | Changes %   | Current Year<br>To Date<br>31.03.2023<br>RM'000<br>(unaudited) | Preceding Year<br>To Date<br>31.03.2022<br>RM'000<br>(unaudited) | Changes %   |
| Revenue   | 19,742   | 18,336   | 0.1         | 51,563   | 38,844   | 0.3         |
| Cost of sales   | (11,682)   | (10,841)   | 0.1         | (29,964)   | (22,868)   | 0.3         |
| <b>Gross profit</b>   | <b>8,060</b>   | <b>7,495</b>   | <b>0.1</b>  | <b>21,599</b>  | <b>15,976</b>  | <b>0.4</b>  |
| Other income  | 182  | 761  | -0.8        | 355  | 2,858  | -0.9        |
| Selling and distribution expenses   | (113)  | (176)  | -0.4        | (566)  | (372)  | 0.5         |
| Administrative expenses   | (7,037)  | (7,963)  | -0.1        | (21,326)   | (20,233)   | 0.1         |
| Finance income  | 98   | 8  | 100.0       | 139  | 14   | 100.0       |
| Finance costs   | (682)  | (482)  | 0.4         | (1,904)  | (1,620)  | 0.2         |
| Other expenses  | (2)  | (457)  | -1.0        | (386)  | (792)  | -0.5        |
| Net gain on impairment of financial assets  | 2  | 13   | -0.8        | 7  | 61   | -0.9        |
| <b>Profit/(Loss) before tax</b>   | <b>508</b>   | <b>(801)</b>   | <b>-1.6</b> | <b>(2,082)</b>   | <b>(4,108)</b>   | <b>-0.5</b> |
| Tax expense   | (503)  | (233)  | 1.2         | (1,063)  | (621)  | 0.7         |
| <b>Profit/(Loss) for the financial period</b>   | <b>5</b>   | <b>(1,034)</b>   | <b>-1.0</b> | <b>(3,145)</b>   | <b>(4,729)</b>   | <b>-0.3</b> |
| <b>Other comprehensive income<br/>for the financial period, net of tax</b>                        | <b>-</b>   | <b>-</b>   | <b>0.0</b>  | <b>-</b>   | <b>-</b>   | <b>0.0</b>  |
| <b>Total comprehensive income/(loss)<br/>for the financial period</b>                             | <b>5</b>   | <b>(1,034)</b>   | <b>-1.0</b> | <b>(3,145)</b>   | <b>(4,729)</b>   | <b>-0.3</b> |
| <b>Profit/(Loss) for the financial<br/>period attributable to:-</b>                               |  |  |             |  |  |             |
| Owners of the Company   | 5  | (1,034)  | -1.0        | (3,145)  | (4,729)  | -0.3        |
| <b>Total comprehensive income/(loss)<br/>for the financial period<br/>attributable to:-</b>       |  |  |             |  |  |             |
| Owners of the Company   | 5  | (1,034)  | -1.0        | (3,145)  | (4,729)  | -0.3        |
| <b>Earnings/(Losses) per ordinary share<br/>attributable to equity<br/>holders of the Company</b> |  |  |             |  |  |             |
| Basic and Diluted (sen)   | -  | (0.52)   | -1.0        | (1.59)   | (2.39)   | -0.3        |

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|   | As at<br>31.03.2023<br>RM'000<br>(unaudited) | As at<br>30.06.2022<br>RM'000<br>(audited) |
|---|--|--|
| <b>ASSETS</b>   |  |  |
| <b>Non-Current Assets</b>                               |  |  |
| Property, plant and equipment                           | 97,342                                       | 100,051                                    |
| Investment properties                                   | 83,780                                       | 83,780                                     |
| Goodwill on consolidation                               | 374  | 374  |
| <b>Total non-current assets</b>                         | <b>181,496</b>                               | <b>184,205</b>                             |
| <b>Current Assets</b>                                   |  |  |
| Inventories   | 86,392                                       | 84,788                                     |
| Trade receivables                                       | 398  | 1,087                                      |
| Other receivables                                       | 4,032  | 14,266                                     |
| Tax recoverable   | 2,555  | 2,658                                      |
| Fixed deposits with licensed banks                      | 1,207  | 1,108                                      |
| Cash and bank balances                                  | 19,205                                       | 7,874                                      |
| <b>Total current assets</b>                             | <b>113,789</b>                               | <b>111,781</b>                             |
| <b>TOTAL ASSETS</b>                                     | <b>295,285</b>                               | <b>295,986</b>                             |
| <b>EQUITY AND LIABILITIES</b>                           |  |  |
| <b>EQUITY</b>   |  |  |
| <b>Equity Attributable to Owners<br/>of the Company</b> |  |  |
| Share capital   | 197,990                                      | 197,990                                    |
| Reserves  | 29,671                                       | 32,816                                     |
| <b>Total equity</b>                                     | <b>227,661</b>                               | <b>230,806</b>                             |
| <b>LIABILITIES</b>                                      |  |  |
| <b>Non-Current Liabilities</b>                          |  |  |
| Loan and borrowings                                     | 38,189                                       | 40,947                                     |
| Lease liabilities                                       | 1,163  | 1,483                                      |
| Deferred tax liabilities                                | 475  | 402  |
| <b>Total non-current liabilities</b>                    | <b>39,827</b>                                | <b>42,832</b>                              |
| <b>Current Liabilities</b>                              |  |  |
| Trade payables  | 5,772  | 4,349                                      |
| Other payables  | 4,117  | 6,285                                      |
| Loan and borrowings                                     | 17,356                                       | 10,369                                     |
| Lease liabilities                                       | 492  | 1,283                                      |
| Tax payable   | 60   | 62   |
| <b>Total current liabilities</b>                        | <b>27,797</b>                                | <b>22,348</b>                              |
| <b>Total liabilities</b>                                | <b>67,624</b>                                | <b>65,180</b>                              |
| <b>TOTAL EQUITY AND LIABILITIES</b>                     | <b>295,285</b>                               | <b>295,986</b>                             |
| <b>Net Assets Per Share (sen)</b>                       | <b>115</b>                                   | <b>117</b>                                 |

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(Incorporated in Malaysia)

### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|   | [-----NON-DISTRIBUTABLE-----] |                |                     | DISTRIBUTABLE     |              |
|---|-------------------------------|----------------|---------------------|-------------------|--------------|
|   | Share capital                 | Merger deficit | Revaluation reserve | Retained earnings | Total equity |
|   | RM'000                        | RM'000         | RM'000              | RM'000            | RM'000       |
| As at 1 July 2022                                 | 197,990                       | (176,470)      | 17,605              | 191,681           | 230,806      |
| Total comprehensive loss for the financial period | -                             | -              | -                   | (3,145)           | (3,145)      |
| As at 31 March 2023 (unaudited)                   | 197,990                       | (176,470)      | 17,605              | 188,536           | 227,661      |
| As at 1 July 2021                                 | 197,990                       | (176,470)      | 6,424               | 186,235           | 214,179      |
| Total comprehensive loss for the financial period | -                             | -              | -                   | (4,729)           | (4,729)      |
| As at 31 March 2022 (unaudited)                   | 197,990                       | (176,470)      | 6,424               | 181,506           | 209,450      |

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### CONSOLIDATED STATEMENT OF CASH FLOWS

|  | Current Year To<br>31.03.2023<br>RM'000<br>(unaudited) | Preceding Year To<br>31.03.2022<br>RM'000<br>(unaudited) |
|--|--|--|
| <b>Operating activities</b>  |  |  |
| Loss before tax  | (2,082)  | (4,108)  |
| Adjustments for:-  |  |  |
| Bad debts written off  | -  | 1  |
| Deposits written off   | 4  | -  |
| Depreciation and amortisation on property,<br>plant and equipment                                | 2,467  | 4,387  |
| Impairment loss on trade receivables<br>no longer required                                       | (7)  | (71)   |
| Impairment loss on other receivables   | -  | 10   |
| Inventories written down   | 4,542  | 1,482  |
| Inventories written off  | -  | 3  |
| Interest expenses  | 1,904  | 1,867  |
| Interest income  | (139)  | (14)   |
| Net gain on early termination of leases  | (117)  | -  |
| Net (gain)/loss on disposal of property, plant and<br>equipment                                  | (21)   | 5  |
| Property, plant and equipment written off  | 382  | 471  |
| Operating profit before working capital changes  | 6,933  | 4,033  |
| Changes in working capital:-   |  |  |
| Inventories  | (6,146)  | 7,659  |
| Payables   | (745)  | 3,708  |
| Receivables  | 10,926   | 399  |
| Cash generated from operations   | 10,968   | 15,799   |
| Net tax paid   | (889)  | (1,475)  |
| <b>Net cash from operating activities</b>  | <b>10,079</b>  | <b>14,324</b>  |
| <b>Investing activities</b>  |  |  |
| Acquisition of property, plant and equipment   | (474)  | (308)  |
| Interest received  | 139  | 14   |
| Placement of fixed deposits  | (99)   | (11)   |
| Proceeds from disposal of property,<br>plant and equipment                                       | 122  | 10   |
| <b>Net cash used in investing activities</b>   | <b>(312)</b>   | <b>(295)</b>   |
| <b>Financing activities</b>  |  |  |
| Interest paid  | (1,904)  | (1,867)  |
| Net repayment of lease liabilities   | (761)  | (1,342)  |
| Net repayment of terms loans   | (3,986)  | (1,228)  |
| Net drawdown/(repayment) of bankers' acceptance  | 8,454  | (7,992)  |
| <b>Net cash from/(used in) financing activities</b>  | <b>1,803</b>   | <b>(12,429)</b>  |
| <b>Net increase in cash and cash equivalents</b>   | <b>11,570</b>  | <b>1,600</b>   |
| <b>Cash and cash equivalents at the beginning<br/>of the financial period</b>                    | <b>7,635</b>   | <b>895</b>   |
| <b>Cash and cash equivalents at the end of the<br/>financial period</b>                          | <b>19,205</b>  | <b>2,495</b>   |
| <b>Cash and cash equivalents at the end of the<br/>financial period comprise the following:-</b> |  |  |
| Cash and bank balances   | 19,205   | 5,156  |
| Fixed deposits with licensed banks   | 1,207  | 1,108  |
| Bank overdraft   | -  | (2,661)  |
|  | 20,412   | 3,603  |
| Less: Fixed deposits pledged with licensed banks   | (1,207)  | (1,108)  |
|  | <u>19,205</u>  | <u>2,495</u>   |

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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023**

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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 30 June 2022 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 30 June 2022.

**A2. Accounting policies**

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 30 June 2022 except for the changes in accounting policies and presentation resulting from the adoption of the new and revised Malaysian Financial Reporting Standards (“MFRSs”), Amendments to MFRSs and Issues Committee Interpretations (“IC Interpretations”) that are effective and relevant to the Group for financial year beginning 1 July 2022.

The adoption of the new and revised MFRSs, Amendments to MFRSs and IC Interpretations are not expected to have any material financial impact to the Group.

The Group has not early adopted new or revised MFRSs, Amendments to MFRSs and IC Interpretations that have been issued but are not yet effective for the accounting period beginning 1 July 2022.

**A3. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the latest audited financial statements for the financial year ended 30 June 2022 was not subject to any audit qualification.

**A4. Seasonal or Cyclical Factors of Interim Operations**

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

**A5. 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.

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

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#### A6. 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 results of the current financial quarter.

#### A7. 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.

#### A8. Dividend Paid

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

#### A9. Segmental Information

For management purposes, the Group is organised into two major business units based on their products and services, which comprises the following:-

- (i) Textile – Retailing textile and textile-based products within the retailing industry.
- (ii) Investment and management – Investment holding company and providing management services.

|  | <b>Trading<br/>activities</b> | <b>Investment</b> | <b>Elimination</b> | <b>Total</b>      |
|--|-------------------------------|-------------------|--------------------|-------------------|
|  | <b>31.03.2023</b>             | <b>31.03.2023</b> | <b>31.03.2023</b>  | <b>31.03.2023</b> |
|  | <b>RM'000</b>                 | <b>RM'000</b>     | <b>RM'000</b>      | <b>RM'000</b>     |
| <b>Revenue</b>   |                               |                   |                    |                   |
| External revenue   | 49,614                        | 1,949             | -                  | 51,563            |
| Inter-segment revenue  | 27,850                        | 142               | (27,992)           | -                 |
| <b>Total revenue</b>   | <b>77,464</b>                 | <b>2,091</b>      | <b>(27,992)</b>    | <b>51,563</b>     |
| <b>Results</b>   |                               |                   |                    |                   |
| Interest income  | 686                           | 317               | (864)              | 139               |
| Finance costs  | (942)                         | (1,824)           | 862                | (1,904)           |
| Depreciation & amortisation                                      | (3,029)                       | (631)             | 1,193              | (2,467)           |
| Other non-cash expenses  | (4,783)                       | -                 | -                  | (4,783)           |
| Tax expense  | (718)                         | (270)             | (75)               | (1,063)           |
| <b>Segmental profit/(loss)</b>                                   | <b>7,381</b>                  | <b>6,044</b>      | <b>(14,805)</b>    | <b>(1,380)</b>    |
| <b>Assets</b>  |                               |                   |                    |                   |
| Addition to non-current assets<br>other than deferred tax assets | 474                           | -                 | -                  | 474               |
| <b>Segment assets</b>  | <b>261,133</b>                | <b>353,305</b>    | <b>(321,708)</b>   | <b>292,730</b>    |
| <b>Liability</b>   |                               |                   |                    |                   |
| <b>Segment liabilities</b>                                       | <b>60,241</b>                 | <b>17,141</b>     | <b>(67,493)</b>    | <b>9,889</b>      |

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

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#### A10. Valuation of Investment Properties

The Group adopts fair value model for its investment properties. The Group did not revalue any of its investment properties during the current financial quarter.

#### A11. Material Events Subsequent to the End of the Quarter

There were no material events subsequent to the end of the current financial quarter up to 22 May 2023.

#### A12. Changes in the Composition of the Group

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

#### A13. Changes in Contingent Liabilities and Contingent Assets

Save as disclosed below and the contingent liabilities arising from the material litigation as disclosed in Note B.11, the Company is not aware of any other contingent liabilities as at 31 March 2023:-

|  | <b>31.03.2023</b> |
|--|-------------------|
|  | <b>RM'000</b>     |
| Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Sdn Bhd          | 11,210            |
| Corporate guarantee given by the Company to licensed bank for credit facilities granted to Beauty Gallant Sdn Bhd  | 3,700             |
| Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Stores Sdn Bhd   | 14,065            |
| Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kamdar Holdings Sdn Bhd | 10,902            |
| Corporate guarantee given by the Company to licensed bank for credit facilities granted to Kesar Sdn Bhd           | 2,156             |
| <b>Total</b>   | <b>42,033</b>     |

There was no contingent asset as at 31 March 2023.

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#### A14. Significant Related Party Transactions

The Group's recurrent related party transactions in the current quarter and the cumulative year to date ended 31 March 2023 are as follows:-

|  | Current Year<br>Quarter<br>31.03.2023<br>(unaudited)<br>RM'000 | Cumulative Year<br>To Date<br>31.03.2023<br>(unaudited)<br>RM'000 |
|--|--|---|
| Sales of goods:-<br>- Aum Fabrics Pte Ltd <sup>(1)</sup> | -  | -   |

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

#### A15. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2023 are as follows:-

|  | As at<br>31.03.2023<br>(unaudited)<br>RM'000 | As at<br>30.06.2022<br>(audited)<br>RM'000 |
|--|--|--|
| Authorised and contracted for:-<br>- Property, plant and equipment | 707  | 534  |



**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023****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<br/>Quarter<br/>31.03.2023<br/>(unaudited)<br/>RM'000</b> | <b>Preceding Year<br/>Quarter<br/>31.03.2022<br/>(unaudited)<br/>RM'000</b> |
|--------------------------|---|---|
| Revenue                  | 19,742  | 18,336  |
| Gross profit             | 8,060   | 7,495   |
| Profit/(Loss) before tax | 508   | (801)   |

The Group registered a revenue of RM19.7 million for the quarter ended 31 March 2023, increased by RM1.4 million or 7.7% as compared to RM18.3 million recorded in the preceding year corresponding quarter. The positive momentum was underpinned by higher demand and festive spending for textile and textile-based products following the normalisation of operations after two years of COVID-19 related disruptions and in the lead up to Hari Raya Aidilfitri.

Consequently, the Group recorded improved gross profit and a profit before tax of RM0.5 million for the current quarter against a loss before tax of RM0.8 million in the preceding year corresponding quarter. The improved financial performance was in tandem with higher revenue, improved operational efficiencies and cost savings initiatives undertaken by the Group. Its profit before tax had also taken into accounts of inventories written down of RM1.9 million (31.03.2022: RM0.4 million), but in the absence of other income from the Government's wage subsidy programme of RM0.6 million and property, plant and equipment written off of RM0.5 million recorded in the preceding year corresponding quarter.

**Statement of Financial Position**

|                   | <b>As at<br/>31.03.2023<br/>(unaudited)<br/>RM'000</b> | <b>As at<br/>30.06.2022<br/>(audited)<br/>RM'000</b> |
|-------------------|--|--|
| Total assets      | 295,781  | 295,986  |
| Total liabilities | 67,624   | 65,180   |

Total assets decreased by RM0.2 million to RM295.8 million as at 31 March 2023 when compared with RM296.0 million as at 30 June 2022. This was mainly due to depreciation and amortisation charges of RM2.5 million arising from property, plant and equipment and prepaid land lease payment, coupled with the decrease in receivables due to better collection from customers, as well as inventories written down.

Total liabilities which mainly comprise of borrowings, lease liabilities, trade and other payables increased by RM2.4 million, from RM65.2 million as at 30 June 2022 to RM67.6 million as at 31 March 2023. This was mainly due to higher utilisation of bankers' acceptance for working capital purposes, along with the surge in trade payables due to increased credit purchases in anticipation of higher retail sales for the seasonal Hari Raya festivity. However, the effect of the increase was partially offset by the timing differences in payment of accrued expenses and payables, in addition to repayment of lease liabilities.

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### B1. Review of Performance (cont'd)

##### Statement of Cash Flows

|   | <b>As at<br/>31.03.2023<br/>(unaudited)<br/>RM'000</b> | <b>As at<br/>31.03.2022<br/>(unaudited)<br/>RM'000</b> |
|---|--|--|
| Operating activities                            | 10,079   | 14,324   |
| Investing activities                            | (312)  | (295)  |
| Financing activities                            | 1,803  | (12,429)   |
| <b>Net changes in cash and cash equivalents</b> | <b>11,570</b>  | <b>1,600</b>   |

The Group's net cash and cash equivalents increased by RM11.6 million as of 31 March 2023, mainly contributed by net cash from operating and financing activities, net of cash outflows used in investing activities.

The increase in net cash from operating activities was primarily contributed by the receipt of outstanding balance purchase price of RM11.3 million for the disposal of properties in December 2021, net of payment of accrued expenses and payables. Whilst the cash inflows from financing activities were due to drawdown of bankers' acceptance, net of repayment of term loans and lease liabilities, including interest. However, the effect of these increases was offset by cash outflows used in investing activities for the acquisition of property, plant and equipment.

#### B2. Material Changes in the Profit/(Loss) Before Taxation for the Quarter Compared with Immediate Preceding Quarter

|                          | <b>Current Year<br/>Quarter<br/>31.03.2023<br/>(unaudited)<br/>RM'000</b> | <b>Immediate<br/>Preceding<br/>Quarter<br/>31.12.2022<br/>(unaudited)<br/>RM'000</b> |
|--------------------------|---|--|
| Revenue                  | 19,742  | 17,252   |
| Gross profit             | 8,060   | 7,271  |
| Profit/(Loss) before tax | 508   | (801)  |

For current year quarter, the Group's revenue increased by RM2.4 million or 13.9% to RM19.7 million, from RM17.3 million in the preceding quarter ended 31 December 2022, mainly driven by surge in demand and festive spending for textile and textile-based products in preparation for Hari Raya Aidilfitri.

Correspondingly, the Group recorded improved gross profit and a profit before tax of RM0.5 million for the current quarter as opposed to a loss before tax of RM0.8 million in the immediate preceding quarter, in tandem with higher revenue and improvements in cost efficiencies. Its profit before tax for the current quarter had also taken into account of inventories written down of RM1.9 million (31.12.2022: RM0.9 million), as well as net gain on early termination of leases of RM0.1 million (31.12.2022: RMNil).

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**CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED 31 MARCH 2023**

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**B3. Commentary on Prospects**

The International Monetary Fund reported, in an update to its World Economic Outlook, that global economic growth is expected to decelerate to 2.8% in 2023, down from 3.4% in 2022 and from a previous forecast of 2.9% in January 2023. Despite recent signs of recovery observed from the rebound of economic activities post Covid-19 crisis, improved supply-chain functioning, unwinding of dislocations to energy and food markets caused by Russia's invasion of Ukraine, as well as modest fall in global inflation, the outlook for world economy remains fragile and uncertain, given the persistent inflation, alongside rising interest rates. The unfavourable global condition is further compounded by the recent increase in financial market volatilities and uncertainties resulting from the collapse of two big American banks.

The Malaysian economy is expected to moderate in 2023 weighed down by declining pent-up demand, inflationary pressures, weakening of Ringgit Malaysia coupled with the hikes in interest rate and electricity tariffs. These headwinds will continue to dampen domestic trade activities and escalate domestic price pressures, which will likely result in rising cost of living, weakening consumer purchasing power, leading to a shift of consumer discretionary spending patterns to focus on essentials.

Nevertheless, the Group remains hopeful that its retailing business may continue to improve with the arrival of traditionally high-volume season, Hari Raya Aidilfitri, whilst, at the same time, hoping for its business activities to gradually rebound to pre-pandemic level, underpinned by strong and supportive initiatives undertaken by the government to recover, revitalise and reform the economy.

Going forward, the Group's strategies are to streamline its operations and undertake further cost reductions by shutting down unprofitable stores. The Group is also determined to explore new locations and business models to adapt to the changing market tastes, while at the same time, will continue its ongoing efforts to explore modern online business platforms, to form strategic partnerships and develop new marketing strategies to capture a greater market share and particularly, the younger demographics, so as to cushion the economic impact of rising costs on the Group's operating margin and to improve the financial performance of the Group.

**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.

# KAMDAR

## KAMDAR GROUP (M) BERHAD

Registration No.: 200201010077 (577740-A)

(Incorporated in Malaysia)

### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### B7. Tax Expense

|              | Current Year<br>Quarter<br>31.03.2023<br>(unaudited)<br>RM'000 | Cumulative Year<br>To Date<br>31.03.2023<br>(unaudited)<br>RM'000 |
|--------------|--|---|
| Income tax   |  |   |
| - Current    | 511  | 990   |
| Deferred tax | (8)  | 73  |
| Total        | 503  | 1,063   |

Income tax expense is recognised in each quarter based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

#### B8. Status of Corporate Proposals

There were no corporate proposals announced and completed as at 22 May 2023.

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

There were no proceeds raised from corporate proposal as at 22 May 2023.

#### B10. Borrowings and Debts Securities

|                       | As at<br>31.03.2023<br>(unaudited)<br>RM'000 | As at<br>30.06.2022<br>(audited)<br>RM'000 |
|-----------------------|--|--|
| <b>Current</b>        |  |  |
| Secured:-             |  |  |
| - Bankers' acceptance | 13,366                                       | 4,912                                      |
| - Bank overdrafts     | -  | 239  |
| - Term loans          | 3,990  | 5,218                                      |
| Total current         | 17,356                                       | 10,369                                     |
| <b>Non-current</b>    |  |  |
| Secured:-             |  |  |
| - Term loans          | 38,189                                       | 40,947                                     |
| Total non-current     | 38,189                                       | 40,947                                     |
| <b>Total</b>          | <b>55,545</b>                                | <b>51,316</b>                              |

# KAMDAR

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### B11. Material Litigation

There were no material changes in the material litigation since the latest audited financial statements for the financial year ended 30 June 2022 up to 22 May 2023.

#### B12. Dividends

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

#### B13. Earnings/(Losses) Per Share

Earnings/(Losses) per share are calculated by dividing the profit/(loss) after tax by the weighted average number of ordinary shares in issue during the financial period.

|   | Individual Quarter                                      |   | Cumulative Quarter                                      |   |
|---|---|---|---|---|
|   | Current<br>Year<br>Quarter<br>31.03.2023<br>(unaudited) | Preceding<br>Year<br>Quarter<br>31.03.2022<br>(unaudited) | Current<br>Year<br>Quarter<br>31.03.2023<br>(unaudited) | Preceding<br>Year<br>Quarter<br>31.03.2022<br>(unaudited) |
| Earnings/(Losses) attributable to ordinary shareholders of the Company (RM'000) | 5   | (1,034)   | (3,145)   | (4,729)   |
| Number of ordinary shares in issued ('000)                                      | 197,990   | 197,990   | 197,990   | 197,990   |
| Basic and diluted earnings/(losses) per share (sen)                             | -   | (0.52)  | (1.59)  | (2.39)  |

# KAMDAR

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(Incorporated in Malaysia)

### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### B14. Note to the Statement of Profit or Loss and Other Comprehensive Income

|  | Individual Quarter  |   | Cumulative Quarter  |   |
|--|---|---|---|---|
|  | Current<br>Year<br>Quarter<br>31.03.2023<br>(unaudited)<br>RM'000 | Preceding<br>Year<br>Quarter<br>31.03.2022<br>(unaudited)<br>RM'000 | Current<br>Year<br>Quarter<br>31.03.2023<br>(unaudited)<br>RM'000 | Preceding<br>Year<br>Quarter<br>31.03.2022<br>(unaudited)<br>RM'000 |
| Profit/(Loss) from operations from the year is arrived at after charging:- |   |   |   |   |
| Bad debts written off  | -   | 1   | -   | 1   |
| Deposits written off   | 2   | -   | 4   | -   |
| Depreciation and amortisation on property, plant and equipment             | 766   | 1,681   | 2,467   | 4,387   |
| Impairment loss on other receivables                                       | -   | 10  | -   | 10  |
| Interest expenses  | 682   | 549   | 1,904   | 1,867   |
| Inventories written down   | 1,924   | 352   | 4,542   | 1,482   |
| Inventories written off  | -   | (23)  | -   | 3   |
| Net loss on disposal of property, plant and equipment                      | -   | -   | -   | 5   |
| Property, plant and equipment written off                                  | -   | 456   | 382   | 471   |
| Rental of equipment  | 7   | 8   | 22  | 26  |
| Rental expenses  | 471   | 478   | 1,264   | 852   |
| And after crediting:-  |   |   |   |   |
| Net gain on early termination of leases                                    | (117)   | -   | (117)   | -   |
| Net gain on disposal of property, plant and equipment                      | (17)  | -   | (21)  | -   |
| Impairment loss on trade receivables no longer required                    | (2)   | (22)  | (7)   | (71)  |
| Interest income  | (98)  | (8)   | (139)   | (14)  |
| Rental income  | (43)  | (681)   | (136)   | (1,497)   |

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.

# KAMDAR

## KAMDAR GROUP (M) BERHAD

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### CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023

#### B15. Foreign Currency Risk Management

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

#### B16. Trade Receivables

|   | <b>As at<br/>31.03.2023<br/>(unaudited)<br/>RM'000</b> | <b>As at<br/>30.06.2022<br/>(audited)<br/>RM'000</b> |
|---|--|--|
| Neither past due nor impaired           | -  | 125  |
| Past due but not impaired:              |  |  |
| Less than 30 days                       | 140  | 353  |
| 31 to 60 days                           | 64   | 266  |
| 61 to 90 days                           | 5  | 69   |
| More than 90 days                       | 189  | 274  |
| Past due more than 90 days and impaired | 1,119  | 1,126  |
| <b>Total trade receivables, gross</b>   | <b>1,517</b>   | <b>2,213</b>   |

#### B17. Material Impairment of Assets

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

#### By order of the Board

Lim Seck Wah (MAICSA 0799845)

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

Company Secretaries

29 May 2023