

# STAMFORD COLLEGE BERHAD

(Company No. 194977-A) (Incorporated in Malaysia)

### CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2006 - UNAUDITED

In thousands of RM	Note	Three months ended 30 June 2006 2005		Six months ended 30 June 2006 2005	
		2000	(restated)	2000	(restated)
Revenue	9	4,295	3,427	12,427	9,225
Operating expenses		(6,511)	(6,976)	(15,157)	(14,121)
Other operating income		588	470	1,309	1,024
Interest income		3	76	7	150
Finance costs		(33)	(66)	(60)	(107)
Share of profit/(losses) of associates	5	40	-	40	(1)
Loss before taxation		(1,618)	(3,069)	(1,434)	(3,830)
Income tax expense	19	598	1,044	645	989
Loss for the period		(1,020)	(2,025)	(789)	(2,841)
Attributable to :					
Shareholders of the company		(969)	(1,864)	(768)	(2,721)
Minority interests		(51)	(161)	(21)	(120)
Loss for the period		(1,020)	(2,025)	(789)	(2,841)
Basic loss per share (sen)	27	(2.42)	(4.66)	(1.92)	(6.80)

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

## STAMFORD COLLEGE BERHAD



(Company No. 194977-A) (Incorporated in Malaysia)

#### CONDENSED CONSOLIDATED BALANCE SHEETS AT 30 JUNE 2006 - UNAUDITED

ASSETSNon-current assetsProperty, plant and equipment10 $6.877$ $7.235$ Software development expenditure763473Intrangibe assets $1.946$ $1.952$ Land deposit $6.741$ $6.741$ Intangibe assets $1.946$ $1.952$ Land deposit $6.741$ $6.741$ Investment in associates $254$ $214$ Other investments $21$ $2$ Deferred tax assets $825$ $191$ Total non-current assets $26.025$ $25.499$ Current assets $1.387$ $1.353$ Inventories $1.666$ $152$ Trade and other receivables $4.734$ $5.712$ Tax recoverable $1.387$ $1.353$ Cash and cash equivalents $594$ $1.451$ Total current assets $32.906$ $34.167$ EQUITYShare capital $7$ $40.000$ Reserves $(21.206)$ $(20.438)$ Total equity attributable to shareholders of the Company Minority shareholders' interest $395$ $399$ Total equity $19.189$ $19.961$ LIABILITIES $52$ $52$ Current liabilities $52$ $52$ Total ond ther payables $11.086$ $11.828$ Borrowings $23$ $22.63$ $1.875$ Obligations under finance leases $9$ $66$ Current liabilities $13.361$ $13.772$ Total equity and liabilities $13.3717$ $14.206$ Total current	In thousands of RM	Note	Unaudited At 30 June 2006	Audited At 31 Dec 2005 (restated)
Property, plant and equipment       10 $6,877$ 7,235         Software development expenditure       763       473         Interest in leasehold land under an operating lease $8,617$ $8,691$ Intangible assets $1,946$ $1,952$ Land deposit $6,741$ $6,741$ $6,741$ Investment in associates $254$ $214$ Other investments $21$ $2$ $2$ Deferred tax assets $825$ $191$ Total non-current assets $26,025$ $25,499$ Current assets $166$ $152$ Invectories $1,387$ $1,353$ Cash and cash equivalents $594$ $1,451$ Total current assets $32,906$ $34,167$ EQUITY       Share capital       7 $40,000$ Reserves $(21,206)$ $(20,438)$ $(24,206)$ Total equity attributable to shareholders of the Company $395$ $399$ Total equity attributable to shareholders of the Company $395$ $399$ Total equity attributable to shareholders of the Company $395$ $399$ To	ASSETS			
Software development expenditure763473Interest in leasehold land under an operating lease $8,617$ $8,691$ Intangible assets $1,946$ $1,952$ Land deposit $6,741$ $6,741$ Investment in associates $254$ $214$ Other investments $21$ $2$ $2$ Deferred tax assets $8225$ $1911$ Total non-current assets $26,025$ $25,499$ Current assets $26,025$ $25,499$ Inventories $166$ $152$ Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents $594$ $1,451$ Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,552$ Minority shareholders' interest $395$ $399$ Total equity $19,189$ $19,961$ $11,686$ LIABLLITIES $356$ $434$ Current liabilities $52$ $52$ Total non-current liabilities $52$ $52$ Total and other payables $11,086$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current liabilities $13,361$ $13,772$ Total liabilities $13,717$ $14,206$ Current	Non-current assets			
Interest in leasehold land under an operating lease $8,617$ $8,691$ Intangible assets $1,946$ $1,952$ Land deposit $6,741$ $6,741$ Investment in associates $254$ $214$ Other investments $21$ $2$ $2$ Deferred tax assets $26,025$ $25,499$ <b>Current assets</b> $166$ $152$ Inventories $166$ $152$ Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents $594$ $1,451$ Total assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,562$ Minority shareholders' interest $335$ $399$ Total equity $19,189$ $19,961$ LIABILITIES $356$ $434$ Current liabilities $552$ $52$ Total non-current liabilities $356$ $434$ Current liabilities $32,206$ $11,828$ Borrowings $23$ $304$ $382$ Deferred tax inabilities $11,086$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current liabilities $13,717$ $14,206$ Trade and other payable $3$ $3$ Total current liabilities $13,717$ $14,206$ Current liabilities	Property, plant and equipment	10	6,877	7,235
Intangible assets       1,946       1,952         Land deposit       6,741       6,741         Investment in associates       254       214         Other investments       21       2       2         Deferred tax assets       825       191         Total non-current assets       26,025       25,499         Current assets       26,025       25,499         Current assets       166       152         Trade and other receivables       4,734       5,712         Tax recoverable       1,387       1,353         Cash and cash equivalents       594       1,451         Total assets       32,906       34,167         EQUITY       Share capital       7       40,000       40,000         Reserves       (21,206)       (20,438)       19,562         Total equity attributable to shareholders of the Company       18,794       19,562         Minority shareholders' interest       355       399       399         Total equity       19,189       19,961       1441         LIABILITIES       Sc       52       52         Total equity       19,189       19,961       35       399         Deferred tax liabilities <td>Software development expenditure</td> <td></td> <td>763</td> <td>473</td>	Software development expenditure		763	473
Land deposit $6,741$ $6,741$ Investment in associates $254$ $214$ Other investments $21$ $2$ Deferred tax assets $825$ $191$ Total non-current assets $26,025$ $25,499$ Current assets $26,025$ $25,499$ Inventories $166$ $152$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents $594$ $1,451$ Total assets $32,906$ $34,167$ EQUITY       Share capital       7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ $19,562$ Total equity attributable to shareholders of the Company $18,794$ $19,552$ Minority shareholders' interest $395$ $399$ Total equity attributable to shareholders $52$ $52$ Total non-current liabilities $356$ $434$ Current liabilities $32,263$ $1,875$ Doligations under finance leases $9$ $66$ Current liabilities $13,361$ $13,717$ $14,206$	Interest in leasehold land under an operating lease		8,617	8,691
Investment in associates $254$ $214$ Other investments $21$ $2$ $2$ Deferred tax assets $825$ $191$ Total non-current assets $26,025$ $25,499$ Inventories $166$ $152$ Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents $594$ $1,451$ Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITYShare capital $7$ $40,000$ $40,000$ Reserves $32,906$ $34,167$ EQUITYShare capital $7$ $40,000$ $40,000$ Romcurrent liabilities $355$ $399$ Total equity attributable to shareholders of the Company $18,794$ $19,562$ Deferred tax liabilities $52$ $52$ $52$ Total equity $19,189$ $19,961$ LABILITIES $304$ $382$ Deferred tax liabilities $32,203$ $344$ Current liabilities $33$ $33$ Total equity and liabilities $13,361$ $13,772$ Total current liabilities $13,361$	Intangible assets		1,946	1,952
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Land deposit		6,741	6,741
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Investment in associates		254	214
Total non-current assets $26,025$ $25,499$ Current assets166152Inventories1,66152Trade and other receivables4,7345,712Tax recoverable1,3871,353Cash and cash equivalents5941,451Total current assets6,8818,668Total assets32,90634,167EQUITYShare capital740,000Reserves(21,206)(20,438)Total equity attributable to shareholders of the Company18,794Minority shareholders' interest395399Total equity19,18919,961LLABILITIESSoft304Non-current liabilities5252Total non-current liabilities3356434Current liabilities3356434Current liabilities33611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities33Total current liabilities33Total current liabilities33Total current liabilities33Total current liabilities3,36113,772Total liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167	Other investments	21	2	2
Current assets         166         152           Inventories         166         152           Trade and other receivables         1,387         1,353           Cash and cash equivalents         594         1,451           Total current assets         6,881         8,668           Total assets         32,906         34,167           EQUITY         Share capital         7         40,000         40,000           Reserves         (21,206)         (20,438)         19,562           Minority shareholders' interest         395         399         399           Total equity attributable to shareholders of the Company         18,794         19,562           Minority shareholders' interest         395         399           Total equity         19,189         19,961           LLABILITIES         Soff         434           Non-current liabilities         52         52           Total non-current liabilities         356         434           Current liabilities         11,086         11,828           Borrowings         23         2,263         1,875           Obligations under finance leases         9         66         3           Current liabilities         13	Deferred tax assets		825	191
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	Total non-current assets		26,025	25,499
Trade and other receivables $4,734$ $5,712$ Tax recoverable $1,387$ $1,353$ Cash and cash equivalents $594$ $1,451$ Total current assets $6,881$ $8,668$ Total current assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,562$ Minority shareholders' interest $395$ $399$ Total equity $19,189$ $19,961$ LIABILITIES $356$ $434$ Non-current liabilities $52$ $52$ Total on-current liabilities $356$ $434$ Current liabilities $356$ $434$ Current liabilities $32,263$ $1,875$ Obligations under finance leases $9$ $66$ Current liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Current assets			
Tax recoverable       1,387       1,353         Cash and cash equivalents $594$ 1,451         Total current assets $6,881$ $8,668$ Total current assets $32,906$ $34,167$ EQUITY       Share capital       7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ $19,562$ Minority shareholders' interest $395$ $399$ Total equity $19,189$ $19,961$ LIABILITIES       Non-current liabilities $52$ $52$ Borrowings $23$ $304$ $382$ Deferred tax liabilities $552$ $52$ $52$ Trade and other payables $11,086$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current liabilities $13,361$ $13,772$ Total liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Inventories		166	152
Cash and cash equivalents $594$ $1,451$ Total current assets $6,881$ $8,668$ Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITY Share capital $7$ $40,000$ $40,000$ ( $20,438$ )Reserves $(21,206)$ ( $20,438$ ) $(20,438)$ Total equity attributable to shareholders of the Company Minority shareholders' interest $395$ $399$ $399$ Total equity $19,562$ $399$ Mon-current liabilities $395$ $399$ $399$ Borrowings $23$ $356$ $304$ $434$ Current liabilities $52$ $52$ $52$ 	Trade and other receivables		4,734	5,712
Total current assets $6,881$ $8,668$ Total assets $32,906$ $34,167$ EQUITY Share capital7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company Minority shareholders' interest $395$ $399$ Total equity19,18919,562Minority shareholders' interest $395$ $399$ Total equity19,18919,961LIABILITIES Non-current liabilities Borrowings $23$ $304$ $382$ Deferred tax liabilities $52$ $52$ $52$ Total equity payables $11,086$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Tax recoverable		1,387	1,353
Total assets $32,906$ $34,167$ EQUITYShare capital7 $40,000$ $40,000$ Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company $18,794$ $19,562$ Minority shareholders' interest $395$ $399$ Total equity $19,189$ $19,961$ LIABILITIESNon-current liabilitiesBorrowings $23$ $304$ $382$ Deferred tax liabilities $52$ $52$ Total non-current liabilities $356$ $434$ Current liabilities $356$ $434$ Current liabilities $356$ $434$ Current liabilities $356$ $434$ Trade and other payables $11,086$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current tax payable $3$ $3$ Total current liabilities $13,361$ $13,772$ Total liabilities $32,906$ $34,167$	Cash and cash equivalents		594	1,451
EQUITY Share capital740,00040,000Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company Minority shareholders' interest $395$ $399$ Total equity19,18919,562Minority shareholders' interest $395$ $399$ Total equity19,18919,961LIABILITIES Borrowings23 $304$ $382$ Deferred tax liabilities $52$ $52$ Total non-current liabilities $356$ $434$ Current liabilities $356$ $434$ Current liabilities $356$ $434$ Current liabilities $356$ $434$ Current liabilities $31,361$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current liabilities $13,361$ $13,772$ Total current liabilities $13,361$ $13,772$ Total equity and liabilities $32,906$ $34,167$	Total current assets		6,881	8,668
Share capital740,00040,000Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIES919,189Non-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total equity356434Current liabilities356434Current liabilities966Current liabilities33Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities13,36113,772Total equity and liabilities13,71714,206Total equity and liabilities32,90634,167	Total assets		32,906	34,167
Share capital740,00040,000Reserves $(21,206)$ $(20,438)$ Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIES919,189Non-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total equity356434Current liabilities356434Current liabilities966Current liabilities33Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities13,36113,772Total equity and liabilities13,71714,206Total equity and liabilities32,90634,167	EOUITY			
Reserves(21,206)(20,438)Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIESNon-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total non-current liabilities356434Current liabilities356434Current liabilities11,08611,828Borrowings232,2631,875Obligations under finance leases966Current liabilities33Total current liabilities13,36113,772Total equity and liabilities32,90634,167		7	40,000	40,000
Total equity attributable to shareholders of the Company18,79419,562Minority shareholders' interest395399Total equity19,18919,961LIABILITIESNon-current liabilities5252Borrowings23304382Deferred tax liabilities5252Total non-current liabilities356434Current liabilities356434Current liabilities356434Current liabilities32,2631,875Obligations under finance leases966Current liabilities33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167	-			
Minority shareholders' interest395399Total equity19,18919,961LIABILITIESNon-current liabilitiesBorrowings23304Deferred tax liabilities52Total non-current liabilities356Current liabilities356Trade and other payables11,086Borrowings23Obligations under finance leases9Gurrent liabilities3Total current liabilities3Total current liabilities3Total current liabilities13,361Total current liabilities13,717Total equity and liabilities32,90634,167	Total equity attributable to shareholders of the Co	mpany		
LIABILITIESNon-current liabilitiesBorrowings23Deferred tax liabilities52Total non-current liabilitiesTrade and other payablesBorrowings23Current liabilitiesTrade and other payablesBorrowingsObligations under finance leases966Current liabilities3Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167				399
Non-current liabilitiesBorrowings23 $304$ $382$ Deferred tax liabilities $52$ $52$ Total non-current liabilities $356$ $434$ Current liabilities $356$ $434$ Current liabilities $11,086$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current tax payable $3$ $3$ Total current liabilities $13,361$ $13,772$ Total current liabilities $13,717$ $14,206$ Total equity and liabilities $32,906$ $34,167$	Total equity		19,189	19,961
Borrowings23304382Deferred tax liabilities5252Total non-current liabilities356434Current liabilities11,08611,828Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current tax payable33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167				
Deferred tax liabilities $52$ $52$ Total non-current liabilities $356$ $434$ Current liabilities $11,086$ $11,828$ Trade and other payables $11,086$ $11,828$ Borrowings $23$ $2,263$ $1,875$ Obligations under finance leases $9$ $66$ Current tax payable $3$ $3$ Total current liabilities $13,361$ $13,772$ Total liabilities $13,717$ $14,206$ Total equity and liabilities $32,906$ $34,167$		23	304	382
Total non-current liabilities356434Current liabilities11,08611,828Trade and other payables11,08611,828Borrowings232,2631,875Obligations under finance leases966Current tax payable33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167	-		52	52
Trade and other payables       11,086       11,828         Borrowings       23       2,263       1,875         Obligations under finance leases       9       66         Current tax payable       3       3         Total current liabilities       13,361       13,772         Total liabilities       13,717       14,206         Total equity and liabilities       32,906       34,167			356	434
Borrowings         23         2,263         1,875           Obligations under finance leases         9         66           Current tax payable         3         3           Total current liabilities         13,361         13,772           Total liabilities         13,717         14,206           Total equity and liabilities         32,906         34,167	Current liabilities			
Borrowings         23         2,263         1,875           Obligations under finance leases         9         66           Current tax payable         3         3           Total current liabilities         13,361         13,772           Total liabilities         13,717         14,206           Total equity and liabilities         32,906         34,167	Trade and other payables		11,086	11,828
Obligations under finance leases966Current tax payable33Total current liabilities13,36113,772Total liabilities13,71714,206Total equity and liabilities32,90634,167		23		
Total current liabilities         13,361         13,772           Total liabilities         13,717         14,206           Total equity and liabilities         32,906         34,167	Obligations under finance leases			
Total liabilities         13,717         14,206           Total equity and liabilities         32,906         34,167	Current tax payable		3	3
Total equity and liabilities32,90634,167	Total current liabilities		13,361	13,772
	Total liabilities		13,717	14,206
Net Assets per Share (RM)         0.47         0.49	Total equity and liabilities		32,906	34,167
	Net Assets per Share (RM)		0.47	0.49

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

# **STAMFORD COLLEGE BERHAD**



(Company No. 194977-A) (Incorporated in Malaysia)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2006 - UNAUDITED

In thousands of RM	Six months ended 30 June 2006	Six months ended 30 June 2005
Cash flows from operating activities		
Cash receipts from customers and receivables Cash paid to suppliers and employees Cash flows used in operations	14,742 (15,505) (763)	10,951 (13,470) (2,519)
Interest paid Income taxes paid <b>Net cash used in operating activities</b>	- (23) (786)	(107) (236) (2,862)
Cash flows from investing activities		
Interest received Purchase of property, plant and equipment Proceeds from disposal of property, plant and equipment Software development expenditure <b>Net cash used in investing activities</b>	7 (82) 1 (290) (364)	150 (372) 46 - (176)
Cash flows from financing activities		
Repayments of hire purchase and lease financing Subscription of share in subsidiary by a minority shareholder Net cash used in financing activities Net decrease in cash and cash equivalents Cash and cash equivalents at 1 January Cash and cash equivalents at 30 June	(130) 40 (90) (1,240) (272) (1,512)	(214) - (214) (3,252) 12,697 9,445
Cash and cash equivalents at the end of the financial period	l comprise the f	following:
Deposits placed with licensed banks Cash and bank balances	37 <u>557</u> 594	5,035 4,410 9,445
Bank Overdraft	(2,106) (1,512)	9,445

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.