

Tamadam Bonded Warehouse Berhad
(Company No. 82731-A)
(Incorporated in Malaysia)

Interim Financial Report
31 December 2005

Tamadam Bonded Warehouse Berhad

(Company No. 82731-A)
(Incorporated in Malaysia)

Condensed Consolidated Balance Sheet

	As At 31.12.2005 RM'000 (Unaudited)	As At 31.12.2004 RM'000 (Audited)
Property, plant and equipment	50,531	53,918
Interest in associated company	-	142
Amount owing by associated company	-	-
Current assets		
Inventories	-	-
Trade and other receivables	5,808	5,813
Cash and cash equivalents	173	258
	5,981	6,071
Current liabilities		
Trade and other payables	7,354	8,366
Borrowings	18,435	21,498
Taxation	-	-
	25,789	29,864
Net current liabilities	(19,808)	(23,793)
	30,723	30,267
Financed by:-		
Capital and reserves		
Share capital	49,005	49,005
Reserves	(26,497)	(26,378)
	22,508	22,627
Long term liabilities		
Long term borrowings	7,885	6,825
Other long term liabilities	330	815
Deferred taxation	-	-
	30,723	30,267

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004

Tamadam Bonded Warehouse Berhad

(Company No. 82731-A)
(Incorporated in Malaysia)

Condensed consolidated income statement

(Figures have not been audited)

	<u>Individual Quarter</u>		<u>Cumulative</u>	
	<u>Quarter ended</u>		<u>Period ended</u>	
	<u>31 December</u>		<u>31 December</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue	3,993	4,296	16,505	18,216
Operating profit	903	854	2,734	2,721
Interest expense	(821)	(600)	(2,849)	(2,492)
Share of profit/ (loss) in associated company	-	(4)	(4)	(104)
Profit/(Loss) before taxation	82	250	(119)	125
Taxation	-	-	-	-
Net profit /(loss)	82	250	(119)	125
Basic earnings per ordinary share (sen)	<u>0.17</u>	<u>0.51</u>	<u>(0.24)</u>	<u>0.26</u>
Diluted earnings per ordinary share (sen)	<u>@N/A</u>	<u>@N/A</u>	<u>@N/A</u>	<u>@N/A</u>

There is no dilution effect from:

- (a) 21,780,000 warrants issued on 5 January 2000.

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004

Tamadam Bonded Warehouse Berhad

(Company No. 82731-A)
(Incorporated in Malaysia)

Condensed consolidated statement of changes in equity

(Figures have not been audited)

	Non-Distributable RM'000			Accumulated losses RM'000	Total RM'000
	Share Capital	Share premium	Capital Reserve		
At 1 January 2005	49,005	13,623	438	(40,439)	22,627
Net profit for the period				(119)	(119)
At 31 December 2005	49,005	13,623	438	(40,558)	22,508

	Non-Distributable RM'000			Accumulated losses RM'000	Total RM'000
	Share Capital	Share premium	Capital Reserve		
At 1 January 2004	49,005	13,623	438	(40,564)	22,502
Net loss for the period				125	125
At 31 December 2004	49,005	13,623	438	(40,439)	22,627

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004

Tamadam Bonded Warehouse Berhad

(Company No. 82731-A)
(Incorporated in Malaysia)

Condensed consolidated cash flow statement

(Figures have not been audited)

	Period ended 31/12/2005 RM'000	Period ended 31/12/2004 RM'000
Operating activities		
Net profit before tax	(119)	125
Adjustments for:-		
Non-cash items	3,195	3,278
Non-operating items	2,861	2,431
Operating profit before changes in working capital	5,937	5,834
Changes in working capital		
Net change in current assets	5	(1,057)
Net change in current liabilities	(1,012)	824
Cash generated from operations	4,930	5,601
Interest paid	(2,849)	(1,575)
Tax paid	-	-
Net cash generated from operating activities	2,081	4,026
Investing activities		
Decrease/(increase) in amount due from associated company	141	(141)
Purchase of property, plant and equipment	(9)	(309)
Proceeds from disposal of property plant and equipment	190	44
Net cash used in investing activities	322	(406)
Financing activities		
Repayment of interest and other bank borrowings	(1,250)	(2,218)
Repayment of hire-purchase payables	(693)	(953)
Net cash used in financing activities	(1,943)	(3,171)
Net increase/(decrease) in cash and cash equivalents	460	449
Cash and cash equivalents at the beginning of the period	(16,680)	(17,128)
Cash and cash equivalents at the end of the period	(16,220)	(16,680)

The Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004

Tamadam Bonded Warehouse Berhad

(Company No. 82731-A)
(Incorporated in Malaysia)

Notes to the interim financial report

1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with the requirements of FRS134 (previously MASB 26), “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia. The interim financial report should be read in conjunction with the Annual Financial Report for the year ended 31 December 2004.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2004.

2. Qualification of financial statements

The preceding audited financial statements for the year ended 31 December 2004 were not subject to any qualification.

3. Seasonal or cyclical factors

The Group’s operations were not significantly affected by any significant seasonal or cyclical factors during the quarter under review.

4. Unusual items

There were no items affecting assets, liabilities, equity, net income or cash flows that were unusual because of their nature, size or incidence during the quarter under review.

5. Nature and amount of changes in estimates

This note is not applicable.

6. Debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the period under review.

7. Dividend

No interim dividend has been paid or declared by the Company for the financial quarter ended 31 December 2005.

8. Segmental reporting

Cumulative period ended 31.12.2005	Warehousing, Rental, Freight Forwarding & <u>Transportation</u> <i>RM '000</i>	Trading & Insurance <u>Agency</u> <i>RM '000</i>	<u>Elimination</u> <i>RM '000</i>	<u>Total</u> <i>RM '000</i>
Revenue				
External sales	16,452	53		16,505
Inter-segment sales				
Total revenue	16,452	53		16,505
Results				
Segment results	3,045	(73)		2,972
Interest revenue				
Interest expense				(2,849)
Financing charge				
Share of results of assoc. co.				(4)
Taxation				
Net Profit for the year				(119)
Other information				
Segment assets	56,595	29	(112)	56,512
Interest in assoc. co.				-
Other investment				-
Amount owing by assoc. co.				-
Goodwill on consolidation				-
Unallocated corporate assets				-
Consolidated total assets				56,512
Segment liabilities	33,991	125	(112)	34,004
Unallocated corporate liabilities				
Consolidated total liabilities				34,004
Capital expenditure	9			9
Depreciation	3,423			3,423
Allowance for doubtful debts	13			13
Bad debts written off	3			3

9. Property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual report.

10. Changes in composition of the Group

On 23 December 2005, the Company announced that the Company has entered into a sale and purchase agreement with Mr. Winston De Souza for the disposal of the entire 50% equity interest comprising of 1 ordinary shares of RM1.00 fully paid in Expertyard (Penang) Sdn Bhd (“Expertyard”) for cash consideration of RM1.

On 29 December 2005, the Company announced that the Company has entered into a sale and purchase agreement with En. Mansor Bin Md. Darus and Mr. Winston De Souza for the disposal of the entire 100% equity interest comprising of 2 ordinary shares of RM1.00 each fully paid in Tamadam Logistics Bhd (“TLB”) for total cash consideration of RM2.

11. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the period under review.

12. Contingent liabilities

There are no contingent liabilities other than those provided by the Company to subsidiary companies which are unsecured as follows:

- | | | |
|-----|---|-------------|
| (i) | Guarantee given to a financial institution for banking facilities granted to subsidiary companies | RM6,699,623 |
|-----|---|-------------|

Tamadam Bonded Warehouse Berhad

(Company No. 82731-A)
(Incorporated in Malaysia)

Interim Financial Report 31 December 2005

Additional information required by the
KLSE's Listing Requirements

Tamadam Bonded Warehouse Berhad

(Company No. 82731-A)
(Incorporated in Malaysia)

Additional information required by the KLSE's Listing Requirements

1. Review of performance

The Group's revenue for the quarter ended 31 December 2005 decreased by 7.05% to RM3.993 million, compared to RM4.296 million reported for the same period in the preceding year. The lower revenue in this quarter was mainly due to reduced warehousing and distribution activities.

The Group showed a profit before taxation of RM82,000 in this quarter compared to a profit of RM250,000 reported in the corresponding quarter in the preceding year. This was mainly due to the lower revenue recorded in the current quarter.

2. Variation of results against preceding quarter

The profit for the quarter under review was RM82,000 compared to RM77,000 loss in the previous quarter. The profit for the quarter was mainly due to lower operating cost achieved in the quarter.

3. Prospects

Barring any unforeseen circumstances, the performance of the Group for the first quarter of the next financial year 2006 is expected to be challenging.

4. Profit forecast

Not applicable as no profit forecast was published.

5. Taxation

	Quarter ended 31 December		12 months ended 31 December	
	2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Based on results for the period	-	-	-	-
Under provision in prior year	-	-	-	-
Transfer from deferred tax	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Company No. 82731-A

6. Sale of unquoted investments and/or properties

There were no sale of unquoted investments and/or properties as there were no disposal of unquoted investments or properties during the period under review.

7. Quoted investments

Balance at 01.01.2005 RM	Bought in the period RM	Sold in the period RM	Balance at 31.12.2005 RM
NIL	-	-	NIL
=====	=====	=====	=====

There were no purchases or disposals of quoted securities during the period under review.

8. Status of corporate proposal announced

There are no corporate proposals announced and not completed.

9. Borrowings and debt securities

	31.12.2005 RM'000
a) Due within twelve months	
Secured term loans	1,230
Unsecured term loans	270
Secured bank overdrafts	6,995
Unsecured bank overdrafts	9,397
	<u>17,892</u>
b) Due after twelve months	
Secured term loans	7,885
Unsecured term loans	0
	<u>7,885</u>

The above borrowings are denominated in Ringgit Malaysia.

10. Off-balance sheet financial instruments

During the financial period to date, the Group did not enter into any contracts involving off balance sheet financial instruments.

Company No. 82731-A

11. Changes in material litigation

There were no changes in material litigation during the period under review.

12. Dividend

No dividend has been proposed in respect of the current financial period.

13. Basic earnings per share

The calculation of basic earnings per share for the quarter and year to date is based on the net profit attributable to ordinary shareholders and the number of ordinary shares in issue during the year of 49,005,000 ordinary shares.

14. Authorisation for Issue

The interim financial statement were authorised for issue by the Board of Directors on 27 February 2006.