

KYM HOLDINGS BHD (Co. No. 84303-A)
 INTERIM FINANCIAL REPORT
 CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
 AS AT 31 JULY 2015

	As at 31.07.2015 RM000	As at 31.01.2015 RM000
ASSETS		
Non-current assets		
Property, plant and equipment	60,748	62,135
Investment property	39,220	48,220
Intangible asset	4,667	4,667
Other Investment	184	184
Investment in quoted shares	2	2
	<u>104,821</u>	<u>115,208</u>
Current assets		
Inventories	17,887	31,827
Trade receivables	21,893	22,030
Other receivables	2,168	2,028
Tax recoverable	1,391	2,136
Short term investment	6,711	2,810
Cash and cash equivalents	1,676	2,155
	<u>51,726</u>	<u>62,986</u>
TOTAL ASSETS	<u>156,547</u>	<u>178,194</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	74,945	74,945
Share premium	35,436	35,436
ESOS reserve	884	884
Accumulated losses	(19,895)	(18,837)
	<u>91,370</u>	<u>92,428</u>
Non-controlling interests	(0)	0
Total Equity	<u>91,370</u>	<u>92,428</u>
Non-current liabilities		
Borrowings	8,086	12,038
Deferred tax liabilities	10,692	10,692
	<u>18,778</u>	<u>22,730</u>
Current liabilities		
Borrowings	29,325	30,049
Trade payables	6,489	19,172
Other payables	10,585	13,815
	<u>46,399</u>	<u>63,036</u>
Total liabilities	<u>65,177</u>	<u>85,766</u>
TOTAL EQUITY AND LIABILITIES	<u>156,547</u>	<u>178,194</u>
Net assets per share attributable to ordinary equity holders of the parent (sen)	<u>61</u>	<u>62</u>

The Condensed Consolidated Statements Of Financial Position (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2015.

KYM HOLDINGS BHD (Co. No. 84303-A)
 INTERIM FINANCIAL REPORT
 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FINANCIAL PERIOD ENDED 30 JULY 2015

	Current quarter ended 31.07.2015	6 months cumulative for current financial year to date ended 31.07.2015	Comparable quarter ended 31.07.2014	Comparable 6 months cumulative for preceding financial year to date ended 31.07.2014
	RM000	RM000	RM000	RM000
Continuing operations				
Revenue	24,359	50,021	25,124	48,831
Other income	430	559	141	719
Operating expenses	(24,481)	(50,066)	(25,045)	(49,167)
Finance costs	(606)	(1,276)	(697)	(1,369)
(Loss)/Profit before tax	(298)	(763)	(476)	(985)
Income tax expense	(15)	(294)	0	0
(Loss)/ Profit After Taxation	(313)	(1,057)	(476)	(985)
(Loss)/ Profit After Taxation Attributable to:				
Owners of the Company	(313)	(1,057)	(476)	(985)
Non-controlling interests	(0)	(0)	0	0
	(313)	(1,057)	(476)	(985)
Total Comprehensive Expenses Attributable to:				
Owners of the Company	(313)	(1,057)	(476)	(985)
Non-controlling interests	(0)	(0)	0	0
	(313)	(1,057)	(476)	(985)
Earnings per share attributable to Owners of the Company (sen):				
Basic:	(0.21)	(0.71)	(1.32)	(2.72)
- Continuing operations	(0.21)	(0.71)	(1.32)	(2.72)
- Discontinued operations	0.00	0.00	0.00	0.00

The Condensed Consolidated Statements Of Comprehensive Income (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2015.

KYM HOLDINGS BHD (Co. No. 84303-A)
 INTERIM FINANCIAL REPORT
 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 FOR THE FINANCIAL PERIOD ENDED 30 JULY 2015

	Non-Distributable				Distributable	Attributable to Owners of the Company RM000	Non-Controlling Interests RM000	Total Equity RM000
	Share Capital RM000	Share Premium RM000	Employee Share Options Reserve RM000	Capital Reserve RM000	Accumulated Losses RM000			
At 1 February 2014	74,945	35,436	884	0	(15,888)	95,377	0	95,377
Total comprehensive income for the year	0	0	0	0	(985)	(985)	0	(985)
At 31 July 2014	74,945	35,436	884	0	(16,873)	94,392	0	94,392
At 1 February 2015	74,945	35,436	884	0	(18,837)	92,428	0	92,428
Loss after taxation for the financial year	0	0	0	0	(1,057)	(1,057)	(0)	(1,057)
At 31 July 2015	74,945	35,436	884	0	(19,895)	91,370	(0)	91,370

The Condensed Consolidated Statements of Changes in Equity (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2015.

KYM HOLDINGS BHD (Co. No. 84303-A)
 INTERIM FINANCIAL REPORT
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
 FOR THE FINANCIAL PERIOD ENDED 31 JULY 2015

	Year ended 31.07.2015 RM'000	Year ended 31.01.2015 RM'000
CASH FLOWS FOR OPERATING ACTIVITIES		
(Loss)/Profit before taxation:		
Continuing operations	(763)	(3,367)
Discontinued operations	0	0
	<u>(763)</u>	<u>(3,367)</u>
Adjustments for:		
Non cash items	2,337	6,932
Non-operating items	1,234	2,682
Operating profit before working capital changes	2,808	6,247
Net change in current assets	13,650	(19,478)
Net change in current liabilities	(15,332)	13,498
Cash generated from operations	1,126	267
Income tax refund	1,079	6
Income tax paid	(334)	(1,196)
Interest paid	(1,276)	(2,868)
Net cash for operating activities	594	(3,791)
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	30	38
Proceeds from disposal of investment property	9,000	0
Proceed from disposal of property, plant and equipment	372	368
Purchase of property, plant and equipment	(1,246)	(1,174)
Repayment of related parties	0	0
Repayment from related parties	0	25
Net cash for investing activities	8,093	1,605
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from/(Repayment to) related parties	(452)	272
Placement of money market (deposit)/withdraw	(3,900)	0
Drawdown of term loans	0	0
(Repayment)/Drawdown of revolving credit	700	(720)
Repayment of hire purchase obligations	(335)	(1,672)
Repayment of term loan	(3,201)	(3,239)
Drawdown of term loans	0	692
Net cash from financing activities	(9,787)	(1,007)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,099)	(3,193)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR	(3,444)	(251)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR	(4,543)	(3,444)
CASH AND CASH EQUIVALENTS COMPRISE:		
Fixed deposits with licensed banks	267	422
Cash and bank balances	1,409	1,733
Bank overdraft	(5,952)	(5,177)
	<u>(4,276)</u>	<u>(3,022)</u>
Less : Deposits pledged to licensed banks	(267)	(422)
	<u>(4,543)</u>	<u>(3,444)</u>

The Condensed Consolidated Statements Of Cash Flow (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2015.

**KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULT FOR THE SECOND
QUARTER ENDED 31 JULY 2015**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Notes:

A1 Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysia Financial Reporting Standards ("MFRS") 134: "Interim Financial Reporting" issued by Malaysian Accounting Standards Board ("MASB") and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2015.

The accounting policies and method of computations used in the preparation of the interim financial statements are consistent with those adopted in the annual audited financial statements for the year ended 31 January 2015.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but not yet effective for the accounting period beginning 1 February 2015.

The initial application of the MFRSs, Amendments to MFRSs and IC Interpretation, which will be applied prospectively or which requires extended disclosures, is not expected to have any significant financial impact to the financial statements of the Group upon their first adoption.

A2 Status of Audit Qualifications

The audited financial statements of the Group for year ended 31 January 2015 were not subject to any audit qualification.

A3 Seasonal or cyclical factors

The Group's operations have not been materially affected by seasonal or cyclical factors.

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 flows during the financial quarter ended 31 July 2015.

A5 Material Changes in Estimates

There were no material changes in estimates used in the preparation of the financial statements in the current financial quarter as compared with the previous financial quarters or previous financial year.

A6 Issuance, cancellation, repurchases, resale and repayments of debts and equity securities

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

A7 Dividend Paid

There was no dividend paid during the current quarter under review.

A8 Segmental Reporting (Analysis by business segments)

Segmental analysis of the results for 6 months ended 31 July 2015:

	Gross revenue	Profit/(Loss)	Segment	Segment
	RM'000	before tax	assets	liabilities
		RM'000	RM'000	RM'000
Manufacturing	56,106	(16)	133,131	68,189
Investment holding/Others	1,287	(682)	197,545	162,736
	<u>57,393</u>	<u>(698)</u>	<u>330,676</u>	<u>230,925</u>
Elimination	(7,372)	(65)	(170,026)	(170,945)
	<u>50,021</u>	<u>(763)</u>	<u>160,650</u>	<u>59,980</u>
Unallocated Assets			1,392	-
Unallocated Liabilities			-	10,692
			<u>162,042</u>	<u>70,672</u>

The Group's turnover was fully contributed by the Group's core business, which is the manufacturing of industrial packaging.

Gross Revenue	RM'000
Manufacturing	56,106
Less : Intercompany elimination	<u>(6,085)</u>
	<u>50,021</u>
Investment holdings/Others	1,287
Less : Intercompany elimination	<u>(1,287)</u>
	<u>-</u>
	<u>50,021</u>

A9 Valuations of Property, Plant and Equipment

The valuations of land and buildings have been bought forward without any amendments from the previous annual report.

A10 Material Subsequent Events

There were no material transactions or events subsequent to the end of current quarter under review that have been reflected in the financial statement for the quarter.

A11 Changes in Composition of the Group

There were no changes in the composition of the Group during the financial year under review.

A12 Changes in Contingent Liabilities And Contingent Assets

There were no other significant changes in the contingent liabilities or contingent assets since the last financial year ended 31 January 2015.

A13 Capital Commitments

There were no capital commitments provided for in the financial statement for the quarter ended 31 July 2015.

ADDITIONAL INFORMATION REQUIRED BY THE BMSB'S LISTING REQUIREMENTS

B1 Taxation

The taxation for the Group for the financial period under review was as follows:

	Current Quarter Ended 31.07.2015 RM'000	Cumulative Year to-date ended 31.07.2015 RM'000
Taxation for current financial period	15	24
Provision for RPGT for current period	-	270
	<u>15</u>	<u>294</u>

B2 Loss before taxation

Loss before taxation is arrived at after charging/(crediting) the following:

	Current Quarter Ended 31.07.2015 RM'000	Cumulative Year to-date ended 31.07.2015 RM'000
Interest expense	606	1,276
Depreciation and amortization	1,162	2,337
Foreign exchange gain	117	133

B3 Status of corporate proposal announced

There were no corporate proposals announced during the quarter under review.

B4 Borrowing and debt securities

	As at 31.07.2015 RM'000
Short term	
Secured	29,325
Unsecured	-
	<u>29,325</u>
Long term	
Secured	8,086
Unsecured	-
	<u>8,086</u>

The above borrowings are denominated in Ringgit Malaysia.

B5 Changes in Material Litigation

As at the date of the report, there is no pending material litigation.

B6 Material Changes in the Loss/Profit before Taxation for the current quarter compared with the preceding quarter

The Group's turnover for the current quarter under review was RM24.359 million. This is a 5.07% reduction from the recorded turnover of RM25.661 million in the preceding quarter.

A loss before tax of RM297,630 is recorded in the current quarter compared with a loss before tax of RM465,569 recorded in the preceding quarter.

B7 Review of Performance

Quarter ended 31.07.2015 compared with quarter ended 31.07.2014

The Group's turnover for the current quarter of RM24.359 million is 3.04% lower than that of the corresponding quarter from the previous year which stood at RM25.124 million.

The Group recorded a loss before taxation for the current quarter of RM297,630 compared to a loss before taxation of RM475,491 in the corresponding quarter from the previous year. The reduced in losses before tax for the current quarter are primarily attributable from the increased in the cost efficiency in the overall factory overheads compared with the corresponding quarter from the previous year.

The Group's turnover was fully contributed by the Group's core business, which is the manufacturing of industrial packaging materials.

Accordingly, the manufacturing revenue for the current quarter was RM24.359 million as compared to RM25.124 million for the corresponding quarter last year. Loss before taxation was RM64,347 for the current quarter under review compared to a loss before tax of RM69,200 in the corresponding quarter last year.

For other segments, the current quarter loss before taxation was RM233,283 compared to the preceding financial year corresponding quarter loss before taxation of RM406,291.

Current financial year ended 31.07.2015 against preceding financial year ended 31.07.2014

The Group's turnover for the current financial year of RM50.021 million is 2.44% higher than that of the preceding financial year of RM48.831 million.

The Group recorded a loss before taxation for the current financial year of RM763,199 against to a loss before taxation of RM984,711 in the preceding financial year. The reduced in losses are primarily attributable from the increased in the cost efficiency in the overall factory overheads compared with the corresponding quarter from the previous year.

The Group's turnover was fully contributed by the Group's core business, which is the manufacturing of industrial packaging materials.

The manufacturing revenue for the current financial year was RM50.021 million as compared to RM48.831 million against preceding financial year. Loss before taxation was RM16,135 for the current financial year compared to loss before taxation of RM268,200 against preceding financial year.

For the other segments, the current financial year loss before taxation was RM747,064 compared to preceding financial year loss before taxation of RM716,511.

B8 Prospects

Manufacturing will continue to be the core business of the Group. The Group maintains a cautiously positive outlook as the Group will be operating in a more challenging environment due to the weakening of the Ringgit Malaysia against the Euro and US Dollar as well as global economic uncertainty which could compress the Group's profit margin for the remaining quarters of the current financial year.

B9 Profit forecast

There is no published forecast/profit guarantee.

B10 Dividend

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 31 July 2015.

B11 Earnings per share attributable to owners of the Company

	Current Quarter ended 31.07.2015 RM'000	Cumulative Year to date ended 31.07.2015 RM'000
(a) <u>Basic earnings per share</u>		
Profit/(Loss) for the period (RM'000)	(313)	(1,057)
Weighted average number of ordinary shares in issue ('000)	149,890	149,890
Basic Earnings per share for profit/(loss) for the period (sen)	(0.21)	(0.71)
(b) <u>Diluted earnings per share</u>	Not applicable	Not applicable

B12 Disclosure of realised and unrealised profits/losses

	Current Quarter ended 31.07.2015 RM'000	As at the end of the last financial year ended 31.01.2015 RM'000
Total (accumulated losses)/ retained profits of the Company and its subsidiaries:		
- realized	(107,909)	(107,109)
- unrealized	31,282	31,448
	(76,627)	(75,661)
Consolidation adjustments	56,732	56,824
Total group accumulated losses as per consolidated accounts	(19,895)	(18,837)

By Order of the Board

CHEE MIN ER
Company Secretary

Kuala Lumpur
21 September 2015

c.c. Securities Commission