

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 OCTOBER 2014**

	<b>As at 31.10.2014 RM'000</b>	<b>As at 31.01.2014 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	63,047	65,875
Investment property	47,085	47,085
Intangible asset	4,667	4,667
Investment in associated company	3,487	3,487
Investment in quoted shares	2	2
	<u>118,288</u>	<u>121,116</u>
<b>Current assets</b>		
Inventories	19,388	15,821
Trade receivables	21,368	17,805
Other receivables	2,209	2,815
Tax recoverable	1,733	590
Short term investment	5,010	5,010
Cash and cash equivalents	1,866	3,161
	<u>51,574</u>	<u>45,202</u>
<b>TOTAL ASSETS</b>	<b><u>169,862</u></b>	<b><u>166,318</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	74,945	74,945
Share premium	35,436	35,436
ESOS reserve	884	884
Accumulated losses	(16,748)	(15,888)
	<u>94,517</u>	<u>95,377</u>
<b>Non-controlling interests</b>	(0)	-
<b>Total Equity</b>	<u>94,516</u>	<u>95,377</u>
<b>Non-current liabilities</b>		
Borrowings	16,952	18,874
Deferred tax liabilities	10,718	10,718
	<u>27,670</u>	<u>29,592</u>
<b>Current liabilities</b>		
Borrowings	28,826	22,072
Trade payables	6,585	6,973
Other payables	12,264	12,268
Provision for taxation	-	36
	<u>47,675</u>	<u>41,349</u>
<b>Total liabilities</b>	75,345	70,941
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>169,862</u></b>	<b><u>166,318</u></b>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>63</u>	<u>64</u>

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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 2014.

KYM HOLDINGS BHD (Co. No. 84303-A)  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2014**

	Current quarter ended 31.10.2014 RM'000	9 months cumulative for current financial year to date ended 31.10.2014 RM'000	Comparable quarter ended 31.10.2013 RM'000	Comparable 9 months cumulative for preceding financial year to date ended 31.10.2013 RM'000
<b>Continuing operations</b>				
Revenue	24,600	73,432	22,195	69,865
Other income	323	1,043	212	693
Operating expenses	(24,058)	(73,226)	(21,075)	(67,391)
Finance costs	(736)	(2,105)	(802)	(2,235)
Share of loss of associate company	-	-	-	(59)
<b>(Loss)/Profit before tax</b>	129	(856)	530	873
Income tax expense	(5)	(5)	431	(121)
(Loss)/ Profit for the period from continuing operations	124	(861)	961	752
<b>Discontinued operations</b>				
Loss for the period from discontinued operations	-	-	(4,128)	(4,141)
Loss on disposal of joint venture	-	-	-	-
	-	-	(4,128)	(4,141)
<b>(Loss)/ Profit After Taxation</b>	124	(861)	(3,166)	(3,389)
<b>Other Comprehensive Expenses For The Financial Year</b>	-	-	(511)	(511)
<b>Total Comprehensive Expenses For The Financial Year</b>	124	(861)	(3,677)	(3,900)
<b>(Loss)/ Profit After Taxation Attributable to:</b>				
Owners of the Company	124	(861)	(3,166)	(3,080)
Non-controlling interests	-	-	-	(309)
	124	(861)	(3,166)	(3,389)
<b>Total Comprehensive Expenses Attributable to:</b>				
Owners of the Company	124	(861)	(3,677)	(3,591)
Non-controlling interests	-	-	-	(309)
	124	(861)	(3,677)	(3,900)
<b>Earnings per share attributable to</b>				
<b>Owners of the Company (sen):</b>				
Basic:	3.44	(23.81)	(2.85)	(2.77)
- Continuing operations	3.44	(23.81)	0.87	0.96
- Discontinued operations	0.00	0.00	(3.72)	(3.73)
Diluted:	3.44	(23.81)	(2.86)	(2.78)
- Continuing operations	3.44	(23.81)	0.86	0.95
- Discontinued operations	0.00	0.00	(3.71)	(3.72)

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 2014.

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2014**

	Year ended 31.10.2014 RM'000	Year ended 31.01.2014 RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation:		
Continuing operations	(856)	13,035
Discontinued operations	-	(5,461)
	<u>(856)</u>	<u>7,574</u>
Adjustments for:		
Non cash items	3,695	5,039
Non-operating items	1,773	(5,216)
<b>Operating profit before working capital changes</b>	<b>4,612</b>	<b>7,397</b>
Net change in current assets	(6,446)	(428)
Net change in current liabilities	(609)	(3,140)
<b>Cash generated from operations</b>	<b>(2,443)</b>	<b>3,829</b>
Income tax paid	(1,184)	(3,756)
Interest paid	(2,044)	(3,039)
<b>Net cash for operating activities</b>	<b>(5,671)</b>	<b>(2,966)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	8	98
Proceed from disposal of property, plant and equipment	368	568
Purchase of property, plant and equipment	(1,089)	(1,570)
Proceed from disposal of investment property	-	8,797
Dividend received	117	40
Investment in associated company	-	(3,488)
<b>Net cash for investing activities</b>	<b>(596)</b>	<b>(565)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advance from/(Repayment to) related parties	164	(915)
Proceeds from share options exercised	-	6
Proceeds from warrants exercised	-	6,359
Advances from directors	-	(77)
Repayment of bankers' acceptances	-	(482)
Net drawdown/(repayment) of bills payables	5,771	(816)
(Repayment)/Drawdown of revolving credit	(540)	3,940
Repayment of hire purchase obligations	(1,119)	(1,535)
Repayment of term loan	(978)	(6,199)
<b>Net cash from financing activities</b>	<b>3,298</b>	<b>281</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,969)</b>	<b>(3,250)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR</b>	<b>171</b>	<b>3,421</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR</b>	<b>(2,798)</b>	<b>171</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Fixed deposits with licensed banks	422	422
Cash and bank balances	1,443	2,739
	<u>1,865</u>	<u>3,161</u>
Bank overdraft	(4,663)	(2,990)
	<u><b>(2,798)</b></u>	<u><b>171</b></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 2014.

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2014**

	Non-Distributable				Distributable		Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Employee Share Options Reserve RM'000	Capital Reserve RM'000	Accumulated Losses RM'000	Attributable to Owners of the Company RM'000		
<b>At 1 February 2013</b>	68,583	32,253	1,005	3,494	(20,454)	84,881	(202)	84,679
Employees's share options exercised	3	4	(2)	(315)	315	5	-	5
Warrants exercised	6,359	3,179	-	(3,179)	-	6,359	-	6,359
Dilution arising from change in stake	-	-	-	-	(511)	(511)	511	-
Total comprehensive income for the period	-	-	-	-	(3,080)	(3,080)	(309)	(3,389)
<b>At 31 October 2013</b>	74,945	35,436	1,003	-	(23,731)	87,653	-	87,653
<b>At 1 February 2014</b>	74,945	35,436	884	-	(15,888)	95,377	-	95,377
Loss after taxation for the financial year	-	-	-	-	(860)	(860)	(0)	(861)
<b>At 31 October 2014</b>	74,945	35,436	884	-	(16,748)	94,517	(0)	94,516

The Condensed Consolidated Statements of Changes in Equity (unaudited) should be read in conjunction with the

**KYM HOLDINGS BHD (Co. No. 84303-A)  
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULT FOR THE THIRD  
QUARTER ENDED 31 OCTOBER 2014**

**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 2014.

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 2014.

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 2014.

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 2014 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 October 2014.

**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 9 months ended 31 October 2014:

	<b>Gross revenue</b>	<b>Loss before tax</b>	<b>Segment assets</b>	<b>Segment liabilities</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Manufacturing	82,602	118	133,222	69,568
Investment holding/Others	1,890	(876)	199,143	160,309
	<u>84,492</u>	<u>(758)</u>	<u>332,365</u>	<u>229,877</u>
Elimination	(11,060)	(97)	(164,238)	(165,250)
	<u>73,432</u>	<u>(856)</u>	<u>168,127</u>	<u>64,627</u>
Unallocated Assets			1,734	-
Unallocated Liabilities			-	10,718
			<u>169,862</u>	<u>75,345</u>

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

<b>Gross Revenue</b>	<b>RM'000</b>
Manufacturing	82,602
Less : Intercompany elimination	<u>(9,170)</u>
	73,432
Investment holdings/Others	1,890
Less : Intercompany elimination	<u>(1,890)</u>
	-
	<u>73,432</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 events subsequent to the end of current quarter under review that have not 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 period 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 2014.

**A13 Capital Commitments**

There were no capital commitments provided for in the financial statement for the quarter ended 31 October 2014.

## **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:

	<b>Current Quarter Ended 31.10.2014 RM'000</b>	<b>Cumulative Year to-date ended 31.10.2014 RM'000</b>
Taxation for current financial period	5	5
Deferred taxation for current period	-	-
	<u>5</u>	<u>5</u>

### **B2 Loss before taxation**

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

	<b>Current Quarter ended 31.10.2014 RM'000</b>	<b>Cumulative Year to-date ended 31.10.2014 RM'000</b>
Interest expense	736	2,105
Depreciation and amortization	1,229	3,695
Foreign exchange gain	26	36

### **B3 Status of corporate proposal announced**

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

### **B4 Borrowing and debt securities**

	<b>As at 31.10.2014 RM'000</b>
Short term	
Secured	28,826
Unsecured	-
	<u>28,826</u>
Long term	
Secured	16,952
Unsecured	-
	<u>16,952</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 RM24.600 million. This is a 2.08% decrease following from the recorded turnover of RM25.124 million in the preceding quarter.

A profit before tax of RM129,001 is recorded in the current quarter compared with a loss before tax of RM475,591 recorded in the preceding quarter.

**B7 Review of Performance**

Quarter ended 31.10.2014 compared with quarter ended 31.10.2013

The Group's turnover for the current quarter of RM24.600 million is 10.84% higher than that of the corresponding quarter from the previous year which stood at RM22.195 million.

The Group recorded a profit before taxation for the current quarter of RM129,001 compared to a profit before taxation of RM530,989 in the corresponding quarter from the previous year. This is mainly due to an increase in operating expenses as a result of rising labour costs after the implementation of the minimum wage order.

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 RM24.600 million as compared to RM22.375 million for the corresponding quarter last year. Profit before taxation was RM386,764 for the current quarter under review compared to a profit before tax of RM1.390 million in the corresponding quarter last year. This is mainly due to the higher manufacturing cost incurred for the current quarter under review mainly from the rising of labour costs after implementation of minimum wage order and reclassification of the loss from discontinued operations of the woven bags division from cost of sales in the corresponding quarter from the previous year.

For other segments, the current quarter loss before taxation was RM257,663 compared to the preceding financial year corresponding quarter loss before taxation of RM858,776.

**B8 Prospects**

Manufacturing will continue to be the core business of the Group. The outlook for the segment remains positive as we look to enhance our production processes and continue to deliver better quality products and services.

**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 October 2014.

**B11 Earnings per share attributable to owners of the Company**

	<b>Current Quarter ended 31.10.2014 RM'000</b>	<b>Cumulative Year to date ended 31.10.2014 RM'000</b>
<b>(a) Basic earnings per share</b>		
Profit/(Loss) for the period (RM'000)	124	(860)
Weighted average number of ordinary shares in issue ('000)	3,614	3,614
Basic Earnings per share for profit/(loss) for the period (sen)	3.44	(23.81)
<b>(b) Diluted earnings per share</b>		
Profit/(Loss) for the period (RM'000)	124	(860)
Weighted average number of ordinary shares in issue ('000)	3,614	3,614
Diluted earnings per share for profit/(loss) for the period (sen)	3.44	(23.81)

**B12 Disclosure of realised and unrealised profits/losses**

	<b>Current Quarter ended 31.10.2014 RM'000</b>	<b>As at the end of the last financial year ended 31.01.2014 RM'000</b>
Total (accumulated losses)/ retained profits of the Company and its subsidiaries:		
- realized	(83,534)	(75,968)
- unrealized	9,847	2,288
	<u>(73,686)</u>	<u>(73,680)</u>
Total share of accumulated losses of Associates:		
- realized	-	(4)
- unrealised	-	(1)
	<u>(73,686)</u>	<u>(73,685)</u>
Consolidation adjustments	56,938	57,797
Total group accumulated losses as per consolidated accounts	<u>(16,748)</u>	<u>(15,888)</u>

By Order of the Board

CHEE MIN ER  
Company SecretaryKuala Lumpur  
18 December 2014

c.c. Securities Commission