

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2023**

	As at 31.01.2023 RM'000	As at 31.01.2022 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	19,300	20,791
Right-of-use assets	32,980	34,975
Investment properties	43,760	43,660
Goodwill	4,667	4,667
Other investments	1	1
	100,708	104,094
<b>Current assets</b>		
Inventories	37,147	16,787
Trade receivables	25,496	22,836
Other receivables	3,389	1,735
Current tax assets	1,476	999
Short-term investment	13	13
Fixed deposits with licensed banks	1,447	1,363
Cash and bank balances	2,656	12,964
	71,624	56,697
<b>Assets classified as held for sale</b>	5,610	5,610
	77,234	62,307
<b>TOTAL ASSETS</b>	<b>177,942</b>	<b>166,401</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	111,217	110,381
Revaluation reserve	72	72
Accumulated losses	(13,266)	(22,193)
<b>Total equity</b>	98,023	88,260
<b>Non-current liabilities</b>		
Borrowings	14,261	16,367
Deferred tax liabilities	8,935	9,022
	23,196	25,389
<b>Current liabilities</b>		
Trade payables	15,925	11,435
Other payables	11,526	9,248
Current tax liabilities	-	43
Borrowings	29,272	32,026
	56,723	52,752
<b>Total liabilities</b>	79,919	78,141
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>177,942</b>	<b>166,401</b>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	65	59

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 2022.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2023**

	Current quarter ended 31.01.2023 RM'000	12 months cumulative for current financial year-to- date ended 31.01.2023 RM'000	Comparable quarter ended 31.01.2022 RM'000	Comparable 12 months cumulative for preceding financial year-to-date ended 31.01.2022 RM'000
Revenue	27,226	120,380	25,440	82,844
Other income	90	1,995	1,367	2,436
Operating expenses	(25,662)	(107,707)	(22,499)	(78,781)
Finance costs	(599)	(1,965)	(501)	(1,996)
Impairment losses/(Reversal of impairment losses) on financial assets	(254)	(254)	298	298
<b>Profit before tax</b>	<b>801</b>	<b>12,449</b>	<b>4,105</b>	<b>4,801</b>
Income tax expense	(1,078)	(3,522)	(1,154)	(1,248)
<b>Profit for the financial period</b>	<b>(277)</b>	<b>8,927</b>	<b>2,951</b>	<b>3,553</b>
Other comprehensive income for the financial period	-	-	-	-
<b>Total comprehensive (loss)/income for the financial period</b>	<b>(277)</b>	<b>8,927</b>	<b>2,951</b>	<b>3,553</b>
<b>(Loss)/Profit after tax/Total comprehensive (loss)/income for the financial period attributable to:</b>				
Owners of the Company	(277)	8,927	2,951	3,553
<b>(Loss)/Earnings per share attributable to owners of the Company (sen):</b>				
Basic:	(0.18)	5.91	1.97	2.37
Diluted:	(0.18)	5.91	1.97	2.37

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 2022.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2023**

	For the 12 months period ended 31.01.2023 RM'000	For the 12 months period ended 31.01.2022 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	12,449	4,801
Adjustments for:		
Non-cash items	5,419	6,408
Non-operating items	2,812	1,042
<b>Operating profit before working capital changes</b>	<b>20,680</b>	<b>12,251</b>
Net change in current assets	(24,943)	(7,140)
Net change in current liabilities	6,885	5,118
<b>Cash generated from operations</b>	<b>2,622</b>	<b>10,229</b>
Income tax refunded	483	*
Income tax paid	(4,612)	(1,060)
Interest paid	(1,965)	(1,775)
<b>Net cash (for)/from operating activities</b>	<b>(3,472)</b>	<b>7,394</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	84	15
Proceeds from disposal of property, plant and equipment	122	25
Purchase of property, plant and equipment	(759)	(756)
Additions to right-of-use assets	(178)	(97)
Placement of fixed deposits pledged to licensed banks	(84)	(15)
<b>Net cash for investing activities</b>	<b>(815)</b>	<b>(828)</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Net drawdown of bankers' acceptances	1,370	644
Net (repayment)/drawdown of bills payable	(2,257)	3,629
Net repayment of revolving credit	-	(400)
Repayment of lease liabilities	(5,174)	(4,909)
Repayment of term loans	(228)	(257)
Repayment to a director	(77)	-
<b>Net cash for financing activities</b>	<b>(6,366)</b>	<b>(1,293)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(10,653)</b>	<b>5,273</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>10,066</b>	<b>4,793</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>(587)</b>	<b>10,066</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Short-term investment	13	13
Fixed deposits with licensed banks	1,447	1,363
Cash and bank balances	2,656	12,964
Bank overdrafts	(3,256)	(2,911)
	860	11,429
Less : Fixed deposits pledged to licensed banks	(1,447)	(1,363)
	<b>(587)</b>	<b>10,066</b>

\* Less than RM1,000.

The Condensed Consolidated Statements of Cash Flows (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2022.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2023**

	Share capital RM'000	Revaluation reserve RM'000	Accumulated losses RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>At 1 February 2021</b>	110,381	72	(25,749)	84,704	3	84,707
Profit after tax/Total comprehensive income for the financial period	-	-	3,553	3,553	-	3,553
<b>Transaction with owners of the Company:</b> Strike-off of a subsidiary	-	-	3	3	(3)	-
<b>At 31 January 2022</b>	110,381	72	(22,193)	88,260	-	88,260
<b>At 1 February 2022</b>	110,381	72	(22,193)	88,260	-	88,260
Profit after tax/Total comprehensive income for the financial period	-	-	8,927	8,927	-	8,927
<b>Transaction with owners of the Company:</b> Ordinary shares issued pursuant to a share grant under ESS	836	-	-	836	-	836
<b>At 31 January 2023</b>	111,217	72	(13,266)	98,023	-	98,023

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 2022.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))  
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FINAL  
QUARTER ENDED 31 JANUARY 2023**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL  
STATEMENTS**

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1 Basis of Preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysian 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 2022.

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 2022.

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 2022.

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 2022 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 January 2023.

**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 Debt and Equity Securities**

On 27 June 2022, the Company issued 1,900,000 new ordinary shares at RM0.44 each pursuant to a share grant under KYM Employees' Share Scheme 2022 ("ESS"). As at 31 January 2023, the number of ordinary shares issued is 151,789,753.

Save for the above, there were no other 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 the 12 months ended 31 January 2023:

	<b>Gross revenue RM'000</b>	<b>Profit/(Loss) before tax RM'000</b>	<b>Segment assets RM'000</b>	<b>Segment liabilities RM'000</b>
Manufacturing	129,789	14,795	154,755	90,075
Investment holding/Others	3,700	(2,105)	185,689	135,257
	<hr/>	<hr/>	<hr/>	<hr/>
Elimination	133,489 (13,109)	12,690 (241)	340,444 (163,978)	225,332 (154,348)
	<hr/>	<hr/>	<hr/>	<hr/>
	120,380	12,449	176,466	70,984
Unallocated assets			1,476	-
Unallocated liabilities			-	8,935
			<hr/>	<hr/>
			177,942	79,919
			<hr/>	<hr/>

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

	<b>RM'000</b>
<b>Gross revenue</b>	
Manufacturing	129,789
Less: Intercompany elimination	(9,409)
	<hr/>
	120,380
	<hr/>
Investment holding/Others	3,700
Less: Intercompany elimination	(3,700)
	<hr/>
	-
	<hr/>
	120,380
	<hr/>

**A9 Valuations of Property, Plant and Equipment**

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

**A10 Valuation of Investment Properties**

The Group adopts the fair value model for its investment properties. There was no significant and indicative change in value of the said investment properties since the last financial year ended 31 January 2022, except for the total net fair value gain of RM0.100 million recognised during the year based on a professional valuer's opinion.

**A11 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 statements for the quarter.

**A12 Changes in Composition of the Group**

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

**A13 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 2022.

**A14 Capital Commitments**

There were no capital commitments provided for in the financial statements for the financial quarter ended 31 January 2023.

**PART B: ADDITIONAL INFORMATION REQUIRED PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES**

**B1 Review of Performance**

	<b>Current quarter ended 31.01.2023 RM'000</b>	<b>Comparable quarter ended 31.01.2022 RM'000</b>	<b>Change %</b>	<b>Cumulative year to-date ended 31.01.2023 RM'000</b>	<b>Cumulative year to-date ended 31.01.2022 RM'000</b>	<b>Change %</b>
Revenue	27,226	25,440	7.02%	120,380	82,844	45.31%
Gross profit	4,858	5,511	-11.85%	27,062	13,610	98.84%
Profit before interest and tax	1,329	4,602	-71.12%	14,330	6,782	>100%
Profit before tax	801	4,105	-80.49%	12,449	4,801	>100%
(Loss)/Profit after tax	(277)	2,951	- >100%	8,927	3,553	>100%
(Loss)/Profit attributable to ordinary equity holders	(277)	2,951	- >100%	8,927	3,553	>100%

Quarter ended 31.01.2023 compared with quarter ended 31.01.2022

For the quarter under review, the Group recorded revenue of RM27.226 million with profit before tax of RM0.801 million compared with the revenue of RM25.440 million and profit before tax of RM4.105 million for the corresponding quarter in the preceding financial year ended 31 January 2022.

As compared to the corresponding quarter in the preceding year, the revenue of the Group for the current quarter has increased by RM1.786 million or 7.02%. However, the profit before tax for the quarter under review has reduced by RM3.304 million or 80.49%, primarily due to lower profit contribution by the Multiwall Industrial Paper Sacks division. Although the Group reported profit before tax in the current quarter, the increase in the provision for the current year tax expense in the final quarter has resulted in a loss after tax of RM0.277 million in the current quarter, as compared to the profit after tax of RM2.951 million in the corresponding quarter in the preceding year.

During the quarter under review, the Manufacturing segment reported a profit before tax of RM1.136 million, which is lower than the profit before tax of RM3.813 million reported in the corresponding quarter in the preceding year. The decrease in profit before tax was mainly attributable to the softening of export market, rising raw materials cost and a foreign exchange loss of RM0.412 million during the current quarter which led to a reduction in profit contribution from the Multiwall Industrial Paper Sacks division. Additionally, impairment losses on trade receivables of RM0.254 million was recognised in the current quarter. On the contrary, reversal of impairment losses on trade receivables of RM0.298 million and a Covid-19-related rent concession of RM0.460 million were recognised in the corresponding quarter in the preceding year.

For Investment holding/Others segment, the current quarter loss before tax was RM0.335 million as compared to a profit before tax of RM0.292 million in the corresponding quarter in the preceding year. The loss before tax was mainly due to the increase in administrative expenses during the current quarter.



Current financial period ended 31.01.2023 against preceding financial period ended 31.01.2022

For the current financial period under review, the Group posted a revenue of RM120.380 million as compared to its corresponding preceding financial period of RM82.844 million. The higher revenue achieved was mainly due to significant improvement in the sales generated by the Multiwall Industrial Paper Sacks division.

The Group recorded a profit before tax in the current financial period of RM12.449 million compared to a profit before tax of RM4.801 million in the preceding financial period, primarily due to significant improvement in the profit contribution by the Multiwall Industrial Paper Sacks division. Accordingly, the Group has made higher provision for current year tax expense during the current financial period, resulting in a profit after tax of RM8.927 million as compared to a profit after tax of RM3.553 million in the preceding financial period.

The Manufacturing segment recorded a profit before tax of RM14.795 million in the current financial period as compared to a profit before tax of RM5.216 million in the preceding financial period. Significant increase in the profit before tax was attributed to higher profit contribution from the Multiwall Industrial Paper Sacks division as a result of the increase in selling price and higher sales to export market.

The Investment holding/Others segment recorded a loss before tax of RM2.346 million compared to a loss before tax of RM0.415 in the preceding financial period. The increase in the loss before tax was mainly due to the increase in administrative expenses, coupled with the recognition of share-based payment of RM0.836 million pursuant to a share grant under ESS in the current financial period.

**B2 Material Changes in the Profit Before Tax for the Current Quarter compared with the Preceding Quarter**

	<b>Current quarter ended 31.01.2023 RM'000</b>	<b>Immediate preceding quarter ended 31.10.2022 RM'000</b>	<b>Change %</b>
Revenue	27,226	31,539	-13.68%
Gross profit	4,858	7,008	-30.68%
Profit before interest and tax	1,329	3,932	-66.20%
Profit before tax	801	3,454	-76.81%
(Loss)/Profit after tax	(277)	2,340	->100%
(Loss)/Profit attributable to ordinary equity holders	(277)	2,340	->100%

The Group's revenue has decreased by RM4.313 million or 13.68% as compared to the preceding quarter. The decrease was mainly attributable to the lower sales generated the Multiwall Industrial Paper Sacks division during the current quarter under review.

In the current quarter, the Group recorded a profit before tax of RM0.801 million as compared to the profit before tax of RM3.454 million in the preceding quarter. The reduction was due to lower sales from Multiwall Industrial Paper Sacks division, continuous increase in raw materials cost and volatility of the Ringgit Malaysia against the US Dollar. In addition, the Multiwall Industrial Paper Sacks division recognised impairment losses on trade receivables of RM0.254 million in the current quarter.

### B3 Prospects

Moving into year 2023, the Group continues facing the challenges arising from the various macroeconomic factors such as the global inflationary pressures, on-going geopolitical concerns, rising raw materials costs and volatility of the Malaysian Ringgit.

Nevertheless, the Group remains committed to the continuous improvement in the cost management, supply chain efficiency and operational efficiency to cushion the external cost impact to the Group. Meanwhile, the Multiwall Industrial Paper Sacks division has embarked on trials for a new innovative and sustainable packaging for a major customer and it was successful. The timeline to rollout commercial production is targeted in the second half of year 2023. In addition, the Group is actively pursuing new business opportunities in order to enhance the Group's financial performance.

Barring any unforeseen circumstances, the Board is cautiously optimistic that the Group is able to navigate the challenges and achieve satisfactory performance in year 2023.

### B4 Profit Forecast

There is no published forecast or profit guarantee.

### B5 Taxation

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

	<b>Current quarter ended 31.01.2023 RM'000</b>	<b>Cumulative year-to-date ended 31.01.2023 RM'000</b>
Current tax:		
- Current year	(1,224)	(3,668)
- Prior year	59	59
Deferred tax:		
- Current year	87	87
	<u>(1,078)</u>	<u>(3,522)</u>

The effective tax rate of the Group for the current financial quarter and financial period ended 31 January 2023 were higher than the statutory tax rate of 24% due to the effects of certain expenses being not deductible for tax purposes and current year losses of certain subsidiaries for which no deferred tax asset was recognised.

### B6 Status of Corporate Proposal Announced

On 28 January 2022, Anabatic Sdn. Bhd., a wholly-owned subsidiary of KYM entered into a conditional sale and purchase agreement with Far East Packaging Ind. (Melaka) Sdn. Bhd. for the disposal by ASB of a leasehold industrial land located at No.7, Jalan Perusahaan 1, Beranang Industrial Estate, 43700 Beranang, Selangor Darul Ehsan for a total cash consideration of approximately RM22.975 million ("Disposal"). The Disposal has been approved by the shareholders at an Extraordinary General Meeting held on 8 June 2022 and completed on 10 March 2023.

Save as disclosed above, there were no other corporate proposals announced or outstanding as at the date of this announcement.

**B7 Group Borrowings and Debt Securities**

	As at 31.01.2023		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
<b>Secured</b>			
Bank overdrafts	3,256	-	3,256
Term loans	113	161	274
Bankers' acceptance	9,369	-	9,369
Bills payable	13,503	-	13,503
Lease liabilities	3,031	14,100	17,131
	<u>29,272</u>	<u>14,261</u>	<u>43,533</u>
<b>Unsecured</b>	-	-	-

The borrowings are denominated in the following currencies:

	As at 31.01.2023 RM'000
Ringgit Malaysia	30,030
United States Dollar	1,216
Euro	<u>12,287</u>
	<u>43,533</u>

**B8 Changes in Material Litigation**

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

**B9 Dividend**

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 31 January 2023.

**B10 Profit Before Tax**

Profit before tax is arrived at after charging/(crediting) the following:

	<b>Current quarter ended 31.01.2023 RM'000</b>	<b>Cumulative year to-date ended 31.01.2023 RM'000</b>
Depreciation of property, plant and equipment	571	2,221
Depreciation of right-of-use-assets	835	3,198
Fair value gain on investment properties	(100)	(100)
Foreign exchange loss/(gain)	412	(263)
Impairment losses on trade receivables	254	254
Interest expense	599	1,965
Interest income	(71)	(84)
Inventories written off	34	34
Inventories written down	6	6
Other receivables written off	59	59
Reversal of inventories previously written down	(84)	(84)
Reversal of over-accrued expenses	(40)	(40)
Loss/(Gain) on disposal of property, plant and equipment, net	14	(42)
Property, plant and equipment written off	-	8
Share-based payment	-	836

**B11 (Loss)/Earnings Per Share**

	<b>Current quarter ended 31.01.2023 RM'000</b>	<b>Cumulative year to-date ended 31.01.2023 RM'000</b>
<u>Basic earnings per share</u>		
(Loss)/Profit attributable to owners of the Company (RM'000)	(277)	8,927
Weighted average number of ordinary shares in issue ('000)	151,790	150,988
Basic (loss)/earnings per share (sen)	(0.18)	5.91

By Order of the Board

CHEE MIN ER  
Company Secretary

Petaling Jaya  
22 March 2023

c.c. Securities Commission