



**KYM HOLDINGS BHD.**

Company No. 198201004556 (84303-A)

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

## **KYM ends financial year 2023 with stellar performance**

### **Important financial Highlights:**

- KYM posts highest operating revenue of RM120.38 million with profit before tax RM12.45 million, driven by the resilient performance of the Multiwall Industrial Paper Sacks division
- Continue to pursue new business opportunities
- Embark to develop and rollout innovative and sustainable products for customers

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**PETALING JAYA, 22 March 2023**, KYM Holdings Bhd hits record high operating revenue of RM120.38 million for financial year ended 31 January 2023, rising 45.32% from RM82.84 million in the previous financial year. Profit before tax for the financial year surged nearly three-fold to RM12.45 million from RM4.80 million in the previous financial year, driven mainly by the strong performance of the Multiwall Industrial Paper Sacks segment as a result of the increase in selling price and higher sales to export market.

For 4QFY2023, the Group's revenue inched 7.02% higher to RM27.23 million while profit before tax reduced from RM4.11 million to RM0.80 million, 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 RM0.28 million in the current quarter, as compared to the profit after tax of RM2.95 million in the corresponding quarter in the preceding year.

The Manufacturing segment reported a profit before tax of RM1.14 million for 4QFY2023, which is lower than the profit before tax of RM3.81 million reported in the corresponding quarter in the preceding year. The lower profit for the current quarter under review was mainly attributable to the softening of export market, rising raw materials cost and a foreign exchange loss of RM0.41 million during the current quarter which led to a lower profit contribution from the Multiwall Industrial Paper Sacks division. In addition, impairment losses on trade receivables of RM0.25 million was recognised in the current quarter. On the contrary, reversal of impairment losses on trade receivables of RM0.30 million and a Covid-19-related rent concession of RM0.46 million were recognised in the corresponding quarter in the preceding year.

## **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.

KYM's Deputy Chief Executive Officer, Darren Lee said: "Despite the challenging landscape and an expected slowdown in market, 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, our 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 unforeseen circumstances, the Board is optimistic that the Group is able to navigate the challenges and achieve satisfactory performance in year 2023.

### **About KYM Holdings Bhd (金控股)**

KYM Holdings Bhd ("KYM"), through its subsidiaries, is a specialist in the manufacture and sale of high-quality multi-wall industrial paper sacks and corrugated carton boxes. Incorporated in 1982, KYM was principally involved in manufacturing and marketing of industrial paper bags and paper egg trays in South Malaysia. Today, KYM is the leading independent manufacturer of multi-wall industrial paper bags in Malaysia and the Asian Region.

For more information: <https://kym.com.my>

### **Media Contact:**

Mr. William Ng

Mobile No.: +6016-3579248)

Email: [rjunction2023@gmail.com](mailto:rjunction2023@gmail.com) / [ir@kym.com.my](mailto:ir@kym.com.my)