

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2023**

	<b>As at 30.04.2023 RM'000</b>	<b>As at 31.01.2023 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	35,580	36,328
Right-of-use assets	15,571	15,952
Investment properties	41,680	43,760
Goodwill	4,667	4,667
Other investments	1	1
	<u>97,499</u>	<u>100,708</u>
<b>Current assets</b>		
Inventories	28,838	37,147
Trade receivables	25,105	25,496
Other receivables	1,980	3,389
Current tax assets	2,447	1,476
Short-term investment	21,373	13
Fixed deposits with licensed banks	333	1,447
Cash and bank balances	1,449	2,656
	<u>81,525</u>	<u>71,624</u>
<b>Assets classified as held for sale</b>	-	5,610
	<u>81,525</u>	<u>77,234</u>
<b>TOTAL ASSETS</b>	<b><u>179,024</u></b>	<b><u>177,942</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	111,217	111,217
Revaluation reserve	72	72
Employees' share scheme ("ESS") reserve	912	-
Accumulated losses	(1,999)	(13,266)
<b>Total equity</b>	<u>110,202</u>	<u>98,023</u>
<b>Non-current liabilities</b>		
Borrowings	13,853	14,261
Deferred tax liabilities	8,935	8,935
	<u>22,788</u>	<u>23,196</u>
<b>Current liabilities</b>		
Trade payables	10,155	15,925
Other payables	8,099	11,526
Borrowings	27,780	29,272
	<u>46,034</u>	<u>56,723</u>
<b>Total liabilities</b>	68,822	79,919
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>179,024</u></b>	<b><u>177,942</u></b>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>73</u>	<u>65</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 2023.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2023**

	<b>Current quarter ended 30.04.2023 RM'000</b>	<b>3 months cumulative for current financial year-to- date ended 30.04.2023 RM'000</b>	<b>Comparable quarter ended 30.04.2022 RM'000</b>	<b>Comparable 3 months cumulative for preceding financial year-to-date ended 30.04.2022 RM'000</b>
Revenue	22,905	22,905	29,804	29,804
Other income	15,486	15,486	428	428
Operating expenses	(25,012)	(25,012)	(24,665)	(24,665)
Finance costs	(535)	(535)	(416)	(416)
Reversal of impairment losses on financial assets	11	11	-	-
<b>Profit before tax</b>	<b>12,855</b>	<b>12,855</b>	<b>5,151</b>	<b>5,151</b>
Income tax expense	(1,588)	(1,588)	(665)	(665)
<b>Profit for the financial period</b>	<b>11,267</b>	<b>11,267</b>	<b>4,486</b>	<b>4,486</b>
Other comprehensive income for the financial period	-	-	-	-
<b>Total comprehensive income for the financial period</b>	<b>11,267</b>	<b>11,267</b>	<b>4,486</b>	<b>4,486</b>
<b>Profit after tax/Total comprehensive income for the financial period attributable to:</b>				
Owners of the Company	11,267	11,267	4,486	4,486
<b>Earnings per share attributable to owners of the Company (sen):</b>				
Basic:	7.42	7.42	2.99	2.99
Diluted:	7.42	7.42	2.99	2.99

**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 2023.**

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2023**

	For the 3 months period ended 30.04.2023 RM'000	For the 3 months period ended 30.04.2022 RM'000
<b>CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES</b>		
Profit before tax	12,855	5,151
Adjustments for:		
Non-cash items	1,397	1,325
Non-operating items	(13,887)	425
<b>Operating profit before working capital changes</b>	<b>365</b>	<b>6,901</b>
Net change in current assets	10,109	(1,993)
Net change in current liabilities	(9,197)	684
<b>Cash generated from operations</b>	<b>1,277</b>	<b>5,592</b>
Income tax paid	(1,060)	(278)
Interest paid	(94)	(48)
Real property gains tax paid	(1,499)	-
<b>Net cash (for)/from operating activities</b>	<b>(1,376)</b>	<b>5,266</b>
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>		
Interest received	49	3
Proceeds from disposal of assets held for sale and investment property	22,975	68
Purchase of property, plant and equipment	(268)	(144)
Additions to right-of-use assets	-	(100)
Uplift/(Placement) of fixed deposits pledged to licensed banks	1,114	(3)
<b>Net cash from/(for) investing activities</b>	<b>23,870</b>	<b>(176)</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Interest paid	(441)	(368)
Net drawdown/(repayment) of bankers' acceptances	4,398	(684)
Net repayment of bills payable	(6,859)	(8,913)
Repayment of lease liabilities and hire purchase payable	(1,876)	(1,268)
Repayment of term loans	(53)	(66)
<b>Net cash for financing activities</b>	<b>(4,831)</b>	<b>(11,299)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>17,663</b>	<b>(6,209)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<b>(587)</b>	<b>10,066</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<b>17,076</b>	<b>3,857</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Short-term investment	21,373	13
Fixed deposits with licensed banks	333	1,366
Cash and bank balances	1,449	6,414
Bank overdrafts	(5,746)	(2,570)
	17,409	5,223
Less : Fixed deposits pledged to licensed banks	(333)	(1,366)
	<b>17,076</b>	<b>3,857</b>

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 2023.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2023**

	Share capital RM'000	Revaluation reserve RM'000	ESS 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 2022</b>	110,381	72	-	(22,193)	88,260	-	88,260
Profit after tax/Total comprehensive income for the financial period	-	-	-	4,486	4,486	-	4,486
<b>At 30 April 2022</b>	110,381	72	-	(17,707)	92,746	-	92,746
<b>At 1 February 2023</b>	111,217	72	-	(13,266)	98,023	-	98,023
Profit after tax/Total comprehensive income for the financial period	-	-	-	11,267	11,267	-	11,267
<b>Transaction with owners of the Company:</b>							
Share-based payment pursuant to ESS shares and ESS options granted	-	-	912	-	912	-	912
<b>At 30 April 2023</b>	111,217	72	912	(1,999)	110,202	-	110,202

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 2023.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))  
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST  
QUARTER ENDED 30 APRIL 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 2023.

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 2023.

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 2023.

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 2023 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 30 April 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**

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 3 months ended 30 April 2023:

	<b>Gross revenue RM'000</b>	<b>(Loss)/Profit before tax RM'000</b>	<b>Segment assets RM'000</b>	<b>Segment liabilities RM'000</b>
Manufacturing	25,920	(1,189)	143,221	81,390
Investment holding/Others	1,058	14,644	184,389	132,629
	<hr/>	<hr/>	<hr/>	<hr/>
Elimination	26,978 (4,073)	13,455 (600)	327,610 (151,033)	214,019 (154,132)
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>22,905</u>	<u>12,855</u>	176,577	59,887
Unallocated assets			2,447	-
Unallocated liabilities			-	8,935
			<hr/>	<hr/>
			<u>179,024</u>	<u>68,822</u>

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	25,920
Less: Intercompany elimination	<u>(3,015)</u>
	<hr/>
	22,905
Investment holding/Others	1,058
Less: Intercompany elimination	<u>(1,058)</u>
	<hr/>
	-
	<hr/>
	<u>22,905</u>

**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 2023.

**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 2023.

**A14 Capital Commitments**

There were no capital commitments provided for in the financial statements for the financial quarter ended 30 April 2023.

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

**B1 Review of Performance**

	<b>Current quarter ended 30.04.2023 RM'000</b>	<b>Comparable quarter ended 30.04.2022 RM'000</b>	<b>Change %</b>	<b>Cumulative year to-date ended 30.04.2023 RM'000</b>	<b>Cumulative year to-date ended 30.04.2022 RM'000</b>	<b>Change %</b>
Revenue	22,905	29,804	-23.15%	22,905	29,804	-23.15%
Gross profit	1,290	7,991	-83.86%	1,290	7,991	-83.86%
Profit before interest and tax	13,341	5,564	>100%	13,341	5,564	>100%
Profit before tax	12,855	5,151	>100%	12,855	5,151	>100%
Profit after tax	11,267	4,486	>100%	11,267	4,486	>100%
Profit attributable to ordinary equity holders	11,267	4,486	>100%	11,267	4,486	>100%

Quarter ended 30.04.2023 compared with quarter ended 30.04.2022

For the quarter under review, the Group recorded revenue of RM22.905 million with profit before tax of RM12.855 million compared with the revenue of RM29.804 million and profit before tax of RM5.151 million for the corresponding quarter in the preceding financial year ended 30 April 2022.

As compared to the corresponding quarter in the preceding year, the revenue of the Group for the current quarter decreased by RM6.899 million or 23.15% due to lower contribution by the Multiwall Industrial Paper Sacks division. The significant increase in profit before tax for the current quarter was mainly due to the gain on disposal of the land and buildings of RM15.285 million. The Group recorded an operational loss before tax of RM1.189 million, primarily due to the lower sales and lower profit contribution by the Multiwall Industrial Paper Sacks division.

During the quarter under review, the Manufacturing segment reported a loss before tax of RM1.189 million, which is lower than the profit before tax of RM5.176 million reported in the corresponding quarter in the preceding year. The loss before tax during the current quarter was mainly attributable to lower selling price and the softening of export market, which led to a reduction in profit contribution from the Multiwall Industrial Paper Sacks division. The lower demand was due to sudden slowdown in export market.

For Investment holding/Others segment, the current quarter profit before tax was RM14.044 million as compared to a loss before tax of RM0.025 million in the corresponding quarter in the preceding year, mainly due to the gain on disposal of land and buildings of RM15.285 million following the completion of the disposal during the quarter. The Group also recognised a share-based payment of RM0.912 million in relation to the grant of ESS shares and ESS options pursuant to KYM ESS 2023 during 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 30.04.2023 RM'000</b>	<b>Immediate preceding quarter ended 31.01.2023 RM'000</b>	<b>Change %</b>
Revenue	22,905	27,226	-15.87%
Gross profit	1,290	4,858	-73.45%
Profit before interest and tax	13,341	1,329	>100%
Profit before tax	12,855	801	>100%
Profit/(Loss) after tax	11,267	(277)	>100%
Profit/(Loss) attributable to ordinary equity holders	11,267	(277)	>100%

The Group's revenue has decreased by RM4.321 million or 15.87% as compared to the preceding quarter. The decrease was mainly attributable to the lower sales generated by both the Multiwall Industrial Paper Sacks division and Carton Box division during the current quarter under review.

In the current quarter, the Group recorded a profit before tax of RM12.855 million as compared to the profit before tax of RM0.801 million in the preceding quarter, due primarily to the gain on disposal of land and buildings of RM15.285 million. The Group recorded an operational loss before tax of RM1.189 million during the current quarter, mainly attributable to the softening of export market, which led to a reduction in profit contribution from the Multiwall Industrial Paper Sacks division.

**B3 Prospects**

The operating environment of the Group remains competitive and challenging, with the various macroeconomic factors such as the global inflationary pressures, on-going volatility of paper roll prices and the Group's foreign exchange exposure. In addition, the recent hike in the Overnight Policy Rate by Bank Negara Malaysia will have direct impact on the Group's financial performance.

Amidst the challenges, the Group adopts a cautious and proactive approach. We shall continue to implement the following measures to improve the profitability of the Group:

- Further improve the inventories management and control to rationalise paper roll purchases;
- Improve the cost management, operational efficiency by reducing production wastages and increase supply chain efficiency by digitalisation;
- Intensify business development and marketing activities to further increase sales volume and sales orders from existing and new customers; and
- Development of new packaging products.

### **B3 Prospects (Cont'd)**

The Multiwall Industrial Paper Sacks division targets to roll out the Top Daeration Plastic Free Film ESG Sacks, a new sustainable and innovative product, to the market in the second half of year 2023. With the aforesaid business strategies and implementation plans in place, we expect a gradual recovery in sales in the remainder year.

Furthermore, the Group continues to actively seek 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 the remaining financial quarters.

### **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 30.04.2023 RM'000</b>	<b>Cumulative year-to-date ended 30.04.2023 RM'000</b>
Current tax:		
- Current year	89	89
Real property gains tax	1,499	1,499
	<u>1,588</u>	<u>1,588</u>

The effective tax rate of the Group for the current financial quarter and financial period ended 30 April 2023 were higher than the statutory tax rate of 24% due to the effects of certain expenses being not deductible for tax purposes.

### **B6 Status of Corporate Proposal Announced**

There were no corporate proposals announced or outstanding as at the date of this announcement.

## B7 Status of Utilisation of Proceeds

On 10 March 2023, Anabatic Sdn. Bhd., a wholly-owned subsidiary of KYM, completed the disposal 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").

As at 30 April 2023, the status of utilisation of proceeds from the Disposal is set out as follow:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended Timeframe for Utilisation	Deviation	
					RM'000	%
(i) Repayment of bank borrowings	3,500	-	3,500	Within 12 months	-	-
(ii) Working capital	15,775	603	15,172	Within 12 months	(499) *	-
(iii) Capital expenditure	2,300	-	2,300	Within 24 months	-	-
(iv) Estimated expenses relating to the Disposal	1,400	1,400	-	Within 6 months	499 *	36%
	<u>22,975</u>	<u>2,003</u>	<u>20,972</u>			

\* The deviation of RM0.499 million is due to the variances in the real property gains tax paid to the tax authorities and professional fees. As per the Circular to shareholders dated 24 May 2022, the deviation in the amount utilised for estimated expenses relating to the Disposal will be adjusted from the amount allocated for the general working capital.

The balance of unutilised proceeds is placed in short-term investment, pending its utilisation within the intended timeframe.

## B8 Group Borrowings and Debt Securities

	As at 30.04.2023		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
<b>Secured</b>			
Bank overdrafts	5,746	-	5,746
Term loans	81	140	221
Bankers' acceptance	13,767	-	13,767
Bills payable	6,644	-	6,644
Hire purchase payable	202	547	749
Lease liabilities	1,340	13,166	14,506
	<u>27,780</u>	<u>13,853</u>	<u>41,633</u>
<b>Unsecured</b>	<u>-</u>	<u>-</u>	<u>-</u>

**B8 Group Borrowings and Debt Securities (Cont'd)**

The borrowings are denominated in the following currencies:

	<b>As at 30.04.2023 RM'000</b>
Ringgit Malaysia	34,989
Euro	6,644
	<b>41,633</b>

**B9 Changes in Material Litigation**

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

**B10 Dividend**

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 30 April 2023.

**B11 Profit Before Tax**

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

	<b>Current quarter ended 30.04.2023 RM'000</b>	<b>Cumulative year to-date ended 30.04.2023 RM'000</b>
Depreciation of property, plant and equipment	1,016	1,016
Depreciation of right-of-use-assets	381	381
Foreign exchange loss	140	140
Gain on disposal of assets held for sale and investment property	(15,285)	(15,285)
Interest expense	535	535
Interest income	(49)	(49)
Reversal of impairment losses on trade receivables	(11)	(11)
Share-based payment	912	912

**B12 Earnings Per Share**

	<b>Current quarter ended 30.04.2023 RM'000</b>	<b>Cumulative year to-date ended 30.04.2023 RM'000</b>
<b>Basic earnings per share</b>		
Profit attributable to owners of the Company (RM'000)	11,267	11,267
Weighted average number of ordinary shares in issue (Basic) ('000)	151,790	151,790
Basic earnings per share (sen)	7.42	7.42
<b>Diluted earnings per share</b>		
Profit attributable to owners of the Company (RM'000)	11,267	11,267
Weighted average number of ordinary shares in issue (Basic) ('000)	151,790	151,790
Effect of assumed issuance of ESS shares and exercise of ESS options and ('000)	56	56
Weighted average number of ordinary shares in issue (Diluted) ('000)	<u>151,846</u>	<u>151,846</u>
Diluted earnings per share (sen)	7.42	7.42

By Order of the Board

CHEE MIN ER  
Company Secretary

Petaling Jaya  
12 June 2023

c.c. Securities Commission