



**KYM HOLDINGS BHD.**

Company No. 198201004556 (84303-A)

## **PRESS RELEASE**

### **FOR IMMEDIATE RELEASE**

## **KYM RETURNS TO THE BLACK IN 3QFY2024**

### Financial Highlights:

- KYM delivered improved 3QFY2024 performance with profit before tax of RM432,000 and EBIDTA of RM2.139 million
- Proactive business strategies in place and on-going initiatives to improve top line and bottom line

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PETALING JAYA, 15 December 2023, KYM Holdings Bhd continued to report an improved financial result for 3QFY2024. For the quarter under review, the Group recorded revenue of RM25.789 million, marginally lower than the preceding quarter of RM26.291 million. Profit before tax improved to RM432,000 compared to the loss before tax of RM400,000 for the preceding quarter, driven by the improved performance of the Multiwall Industrial Paper Sacks division due to increase in sales volume in the local market, lower average paper roll cost as well as the outcome of several initiatives undertaken to improve bottom line. EBITDA for 3QFY2024 improved significantly to RM2.139 million from RM1.354 million in the preceding quarter.

The Group's revenue for the nine-month period ended 31 October 2023 was RM74.985 million, 24% drop from RM93.154 million in the same period last year. The lower revenue was mainly due to lower selling price and the softening of export market. Profit before tax for the current financial period was RM12.887 million, surpassed the profit before tax of RM11.648 million in the preceding financial period. This was primarily due to the gain on disposal of the land and building of RM15.285 million.

The Manufacturing segment recorded a profit before tax of RM557,000 for nine months of FY2024 as compared to a profit before tax of RM13.659 million in the corresponding financial period. The reduction in profits before tax for the current financial year was mainly attributable to lower gross profit caused by lower selling price and the softening of export market of the Multiwall Industrial Paper Sacks division couple with the loss impact on foreign exchange.

## **PROSPECTS**

Prospects of the industry is anticipated to continue to be good for cement and construction sector as a whole. Coupled with the rising adoption of sustainable construction and demand for sustainable building materials, the Group shall capitalise on these opportunities to improve sales.

As of 31 October 2023, total sales of the Top Deaeration Plastic Free Film ESG Sacks, accounted for 3.6% of the total revenue of the Multiwall Industrial Paper Sacks division since the commercial production in August 2023. The Group continues to embark on trial

development of the new Top Deaeration Plastic Free Film ESG Sacks with existing and new customer who wish to achieve their environmental and sustainability goals.

Meanwhile, the Group will continue the on-going initiatives in inventories optimization, cost management and operational efficiency enhancement to improve bottom line.

“To further enhance operational efficiency and effectiveness, we are considering certain internal business reorganisation and regional expansion exercise.

Additionally, we have incorporated KYM Tech Plus Sdn Bhd, a new wholly-owned subsidiary of KYM, to embark on new business opportunities, focusing primarily on innovation and digital sector, and to undertake technology investment as part of the Group strategies to further improve the Group’s financial performance,” said Darren Lee, KYM’s Chief Executive Officer.

The Board is cautiously optimistic that the Group’s performance for the financial year ending 31 January 2024 will remain positive.

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### **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.

### **Media Contact:**

Ms Chee Min Er

Phone No.: 03-8703 3233 / 019-3148408

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

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