

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2026

	As at 31.07.2026 RM'000	As at 31.01.2026 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	27,474	29,360
Right-of-use assets	12,048	12,965
Investment properties	42,200	42,180
Goodwill	4,667	4,667
Other investments	2	2
Lease receivables	2	14
	86,393	89,188
Current assets		
Inventories	16,861	19,786
Trade receivables	17,842	19,891
Other receivables	2,528	2,001
Lease receivables	24	24
Current tax assets	2,231	2,117
Short-term investments	13,758	14,612
Fixed deposits with licensed banks	354	354
Cash and bank balances	16,840	13,566
	70,438	72,351
TOTAL ASSETS	156,831	161,539
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	111,582	111,582
Employees' share scheme ("ESS") reserve	522	529
Retained earnings	2,511	2,795
Total equity	114,615	114,906
Non-current liabilities		
Borrowings	9,451	10,853
Deferred tax liabilities	6,974	6,947
	16,425	17,800
Current liabilities		
Trade payables	5,014	10,976
Other payables	4,563	5,390
Borrowings	16,214	12,467
	25,791	28,833
Total liabilities	42,216	46,633
TOTAL EQUITY AND LIABILITIES	156,831	161,539
Net assets per share attributable to ordinary equity holders of the parent (sen)	75	75

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 2026.

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2026

	Current quarter ended 31.07.2026 RM'000	6 months cumulative for current financial year-to- date ended 31.07.2026 RM'000	Comparable quarter ended 31.07.2025 RM'000	Comparable 6 months cumulative for preceding financial year-to-date ended 31.07.2025 RM'000
Revenue	18,829	38,877	18,253	38,464
Other income	281	489	329	596
Operating expenses	(18,937)	(38,632)	(18,809)	(38,813)
Finance costs	(311)	(603)	(380)	(801)
Net reversal of impairment losses/(impairment losses) on financial assets	9	(79)	(2)	(52)
(Loss)/Profit before tax	(129)	52	(609)	(606)
Income tax expense	(141)	(301)	(112)	(286)
Loss for the financial period	(270)	(249)	(721)	(892)
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive loss for the financial period	(270)	(249)	(721)	(892)
Loss after tax/Total comprehensive loss for the financial period attributable to:				
Owners of the Company	(270)	(249)	(721)	(892)
Loss per share attributable to owners of the Company (sen):				
Basic:	(0.18)	(0.16)	(0.47)	(0.58)
Diluted:	(0.18)	(0.16)	(0.47)	(0.58)

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 2026.

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2026

	For the 6 months period ended 31.07.2026 RM'000	For the 6 months period ended 31.07.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	52	(606)
Adjustments for:		
Non-cash items	3,047	2,946
Non-operating items	466	582
Operating profit before working capital changes	3,565	2,922
Net change in current assets	4,380	6,872
Net change in current liabilities	(6,789)	(5,750)
Cash generated from operations	1,156	4,044
Income tax refunded	-	323
Income tax paid	(450)	(753)
Interest paid	(43)	(145)
Net cash from operating activities	663	3,469
CASH FLOWS FROM INVESTING ACTIVITIES		
Derecognition of right-of-use assets	(28)	-
Interest received	216	272
Proceeds from disposal of property, plant and equipment	-	3
Purchase of property, plant and equipment	(291)	(401)
Uplift of fixed deposits pledged to licensed banks	-	10
Withdrawal of short term investment	854	922
Net cash from investing activities	751	806
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Interest paid	(560)	(656)
Net drawdown/(repayment) of bankers' acceptances	278	(29)
Net drawdown bills payable	4,068	326
Repayment of hire purchase payables	(107)	(107)
Repayment of lease liabilities	(853)	(801)
Repayment of term loans	-	(44)
Repayment of revolving credit	-	(1,000)
Net cash from/(for) financing activities	2,826	(2,311)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,240	1,964
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	# 11,989	(1,505)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	# 16,229	459
CASH AND CASH EQUIVALENTS COMPRISE:		
Short-term investments	13,758	16,055
Fixed deposits with licensed banks	354	350
Cash and bank balances	16,840	3,726
Bank overdrafts	(611)	(3,267)
	<u>30,341</u>	<u>16,864</u>
Less : Fixed deposits pledged to licensed banks	(354)	(350)
Less : Short -term investment not classified under cash and cash equivalents	(13,758)	(16,055)
	<u>16,229</u>	<u>459</u>

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 2026.

The comparative cash and cash equivalents balances have been reclassified in accordance with MFRS 107. Certain short-term investment funds previously included within cash and cash equivalents have been reclassified to short-term investments as they do not meet the MFRS 107 criteria. Consequently, the comparative opening cash and cash equivalents balance is presented as negative. This is an accounting reclassification only and does not affect the Group's underlying liquidity position.

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2026

	Share capital RM'000	ESS reserve RM'000	Retained earnings/ (Accumulated losses) RM'000	Attributable to owners of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
At 1 February 2025	111,582	540	1,776	113,898	-	113,898
Loss after tax/Total comprehensive loss for the financial period	-	-	(892)	(892)	-	(892)
At 31 July 2025	111,582	540	884	113,006	-	113,006
At 1 February 2026	111,582	529	2,753	114,864	-	114,864
Loss after tax/Total comprehensive loss for the financial period	-	-	(249)	(249)	-	(249)
Transactions with owners of the Company:						
ESS shares forfeited	-	(7)	7	-	-	-
At 31 July 2026	111,582	522	2,511	114,615	-	114,615

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 2026.

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND QUARTER ENDED 31 JULY 2026

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 2026.

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 2026.

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 2026.

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 the financial year ended 31 January 2026 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 current quarter and period ended 31 July 2026.

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 and period ended 31 January 2026.

A7 Dividend Paid

There was no dividend paid during the current quarter and financial period under review.

A8 Segmental Reporting (Analysis by business segments)

Segmental analysis of the results for 6 months ended 31 July 2026:

	Gross revenue RM'000	Profit before tax RM'000	Segment assets RM'000	Segment liabilities RM'000
Manufacturing	44,950	6,864	114,728	49,985
Investment holding/Others	6,276	4,236	143,164	83,401
	51,226	11,100	257,892	133,386
Elimination	(12,349)	(11,048)	(103,292)	(98,144)
	<u>38,877</u>	<u>52</u>	154,600	35,242
Unallocated assets			2,231	-
Unallocated liabilities			-	6,974
			<u>156,831</u>	<u>42,216</u>

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

	RM'000
Gross revenue	
Manufacturing	44,950
Less: Intercompany elimination	<u>(6,073)</u>
	<u>38,877</u>
Investment holding/Others	6,276
Less: Intercompany elimination	<u>(6,276)</u>
	<u>-</u>
	<u>38,877</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 2026.

A11 Material Subsequent Events

There were no material events subsequent to the end of the reporting period that are likely to substantially affect the results of the operations of the Group.

A12 Changes in Composition of the Group

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

A13 Changes in Contingent Liabilities and Contingent Assets

There were no significant changes in the contingent liabilities or contingent assets since the last financial year ended 31 January 2026.

A14 Capital Commitments

There were no capital commitments provided for in the financial statements for the financial quarter ended 31 July 2026.

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

B1 Review of Performance

	Current quarter ended 31.07.2026 RM'000	Comparable quarter ended 31.07.2025 RM'000	Change %	Cumulative year to-date ended 31.07.2026 RM'000	Cumulative year to-date ended 31.07.2025 RM'000	Change %
Revenue	18,829	18,253	3.16%	38,877	38,464	1.07%
Gross profit	2,752	2,209	24.58%	5,761	5,010	14.99%
Profit/(Loss) before interest and tax	70	(370)	>-100%	438	(77)	>-100%
(Loss)/Profit before tax	(129)	(609)	-78.82%	52	(606)	>-100%
Loss after tax	(270)	(721)	-62.55%	(249)	(892)	-72.09%
Loss attributable to ordinary equity holders	(270)	(721)	-62.55%	(249)	(892)	-72.09%

Quarter ended 31.07.2026 compared with quarter ended 31.07.2025

For the quarter under review, the Group recorded a total revenue of RM18.829 million and a loss before tax of RM0.129 million.

The revenue for the current quarter improved by 3.16% as compared to the revenue of RM18.253 million in the corresponding quarter of the preceding year. The improvement was mainly attributable to stronger sales to the cement segment within the Multiwall Industrial Paper Sacks division.

The Manufacturing segment reported a profit before tax of RM0.950 million for the quarter under review, as compared to a profit before tax of RM0.324 million reported in the corresponding quarter of the preceding year. The improved performance was driven by higher sales volume in the Multiwall Industrial Paper Sacks division, supported by tighter cost control, enhanced production efficiencies, and ongoing commercial discipline.

For the current quarter, the Investment Holding/Others segment recorded a loss before tax of RM1.079 million, compared to a loss before tax of RM0.933 million in the corresponding quarter of the preceding year, mainly due to higher operating expenses recognised in the current financial period.

Current financial period ended 31.07.2026 against preceding financial period ended 31.07.2025

For the six months ended 31 July 2026, the Group posted a revenue of RM38.877 million compared to the revenue of RM38.464 million in the corresponding period ended 31 July 2025.

Overall revenue increased, as the increased revenue in the Multiwall Industrial Paper Sacks division more than offset the contractions in the Carton Box division.

B1 Review of Performance (Cont'd)

The Group recorded a profit before tax in the current financial period of RM0.052 million compared to a loss before tax of RM0.606 million in the preceding financial period. The improvement was largely due to higher volume and improved operational performance within the Manufacturing business.

The Manufacturing segment recorded a profit before tax of RM2.092 million in the current financial period compared to a profit before tax of RM1.144 million in the preceding financial period, mainly attributable to the increase in sales volume, notwithstanding a decrease in the average selling price.

The improved performance was also supported by favourable material costs, partly attributable to favourable foreign exchange movements, as well as tighter cost controls, enhanced production efficiency, and effective procurement strategies.

The investment holding/others segment recorded a loss before tax of RM2.040 million in the current financial period compared to a loss before tax of RM1.750 in the preceding financial period. The deterioration was mainly attributed to higher operating expenses recognised in the current financial period.

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

	Current quarter ended 31.07.2026 RM'000	Immediate preceding quarter ended 30.04.2026 RM'000	Change %
Revenue	18,829	20,048	-6.08%
Gross profit	2,752	3,009	-8.54%
Profit before interest and tax	70	368	-80.98%
(Loss)/Profit before tax	(129)	181	>-100%
(Loss)/Profit after tax	(270)	21	>-100%
(Loss)/Profit attributable to ordinary equity holders	(270)	21	>-100%

The Group's revenue decreased by RM1.219 million or 6.08% as compared to the preceding quarter. The decrease was mainly attributable to the lower sales volume by the Multiwall Industrial Paper Sacks division.

In the current quarter, the Group recorded a loss before tax of RM0.129 million, as compared to the profit before tax of RM0.181 million in the preceding quarter. This was mainly attributable to drop in profitability for the Manufacturing segment, and the higher operating costs in the Investment Holdings segment.

B3 Prospects

The Malaysian economy grew by 6.0% in Q2 2026 (April - June 2026), compared to Q1 2026 of 5.4%, driven by continued domestic demand and robust exports. Investment growth was underpinned by continued spending on structures and machinery and equipment. Exports accelerated, driven mainly by the continued strength in electrical and electronics (E&E) products and sustained expansion in services, as well as the rebound in exports of liquefied natural gas (LNG) and non-E&E manufacturing products.

The Group will accelerate its market and customer diversification efforts, expand into alternative and higher-growth segments, and strengthen customer collaboration through its Packaging-as-a-Service ("PaaS") model. The Group remains dedicated to explore organic and inorganic opportunities that diversify income beyond our manufacturing base, including value-added solutions that support customer's sustainability.

Notwithstanding the favourable domestic economic outlook, the Group remains mindful of challenges arising from volatility in global commodity prices, geopolitical uncertainties, rising input cost and continued competitive pricing pressures. The Group will continue to focus on operational efficiency, cost optimisation, disciplined expenses management to preserve margins and ongoing improvements in fulfilment capabilities to strengthen its competitive position and support sustainable long-term growth.

In addition, the Group has proposed capital restructuring initiatives comprising a proposed capital reduction and shares buy-back to strengthen its capital position and support long-term shareholder value creation.

While the operating environment is expected to remain challenging, the Board remains confident that these proposals together with the Group's strategic initiatives and improved operational execution, will strengthen its competitive position and support a more stable performance for the remainder of the year.

B4 Profit Forecast

There is no published forecast or profit guarantee.

B5 Taxation

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

	Current quarter ended 31.07.2026 RM'000	Cumulative year-to-date ended 31.07.2026 RM'000
Current tax:		
- Current year	158	336
Deferred tax:		
- Current year	(17)	(35)
	<u>141</u>	<u>301</u>

The effective tax rate of the Group for the current financial quarter and financial period ended 31 July 2026 were lower than the statutory tax rate of 24% mainly due to the realisation of deferred tax liabilities arising from fair value changes of investment properties.

B6 Status of Corporate Proposal Announced

Save as disclosed below, there were no other corporate proposals announced or outstanding as at the date of this report:

Proposed Capital Reduction and Proposed Share Buy-Back

The Company had on 18 June 2026 announced that it proposed to seek shareholders' approval to undertake proposed a capital reduction of RM97.0 million of the issued share capital of the Company pursuant to Section 116 of the Companies Act 2016 ("Proposed Capital Reduction") and proposed authority for the Company to purchase shares aggregating up to 10.0% of its total number of issued ordinary shares ("Proposed Share Buy-Back") (collectively referred to as the "Proposals"). The Proposals were approved by the shareholders at an Extraordinary General Meeting held on 19 August 2026. The Proposed Capital Reduction is pending the issuance of court order.

B7 Group Borrowings and Debt Securities

	As at 31.07.2026		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
Secured			
Bank overdrafts	611	-	611
Bankers' acceptance	4,996	-	4,996
Bills payable	8,557	-	8,557
Hire purchase payables	163	67	230
Lease liabilities	1,887	9,384	11,271
	<u>16,214</u>	<u>9,451</u>	<u>25,665</u>
Unsecured	-	-	-

The borrowings are denominated in the following currencies:

	As at 31.07.2026 RM'000
Ringgit Malaysia	17,108
Euro	1,501
United States Dollar	7,056
	<u>25,665</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 July 2026.

B10 (Loss)/Profit Before Tax

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

	Current quarter ended 31.07.2026 RM'000	Cumulative year to-date ended 31.07.2026 RM'000
Depreciation of property, plant and equipment	1,091	2,177
Depreciation of right-of-use-assets	462	870
Foreign exchange gain	(25)	(132)
(Reversal of impairment loss)/Impairment loss on trade receivables	(9)	79
Interest expenses	311	603
Interest income	(111)	(216)

B11 Earnings Per Share

	Current quarter ended 31.07.2026	Cumulative year to-date ended 31.07.2026
(a) Basic loss per share		
Loss attributable to owners of the Company (RM'000)	(270)	(249)
Weighted average number of ordinary shares in issue (Basic) ('000)	152,602	152,602
Basic loss per share (sen)	(0.18)	(0.16)
(b) Diluted loss per share		
Loss attributable to owners of the Company (RM'000)	(270)	(249)
Weighted average number of ordinary shares in issue (Basic) ('000)	152,602	152,602
Effect of assumed exercise of ESS options ('000)	#	#
Weighted average number of ordinary shares in issue (Diluted) ('000)	<u>152,602</u>	<u>152,602</u>
Diluted loss per share (sen) *	(0.18)	(0.16)

The potential exercise of ESS options is anti-dilutive as the exercise price is higher than the average market price of the Company's ordinary shares during the current quarter and cumulative quarter ended 31 July 2026. Accordingly, the exercise of ESS options has been ignored in the calculation of dilutive earnings per share.

* Diluted earnings per share of the Group for the current quarter and cumulative quarter ended 31 July 2026 is equivalent to basic earnings per share as the potential exercise of ESS options is anti-dilutive and the Group does not have other dilutive potential ordinary shares in issue at the end of current quarter.

By Order of the Board

CHEE MIN ER
Company Secretary

Petaling Jaya
10 September 2026

c.c. Securities Commission