

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2013**

	<b>As at 30.04.2013 RM'000</b>	<b>As at 31.01.2013 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	73,773	74,163
Investment property	42,821	42,821
Intangible asset	4,667	4,667
Investment in associated company	347	4
Investment in quoted shares	1	1
	121,609	121,656
<b>Current assets</b>		
Inventories	15,575	12,853
Trade receivables	18,128	18,055
Other receivables	5,190	5,869
Tax recoverable	265	72
Cash and cash equivalents	7,417	4,767
	46,575	41,616
<b>TOTAL ASSETS</b>	<b>168,185</b>	<b>163,272</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	74,942	68,583
Share premium	35,432	32,253
ESOS reserve	1,005	1,005
Capital reserve	315	3,494
Accumulated losses	(20,482)	(20,454)
	91,212	84,881
<b>Non-controlling interests</b>	(380)	(202)
<b>Total Equity</b>	90,833	84,679
<b>Non-current liabilities</b>		
Borrowings	25,313	26,655
Deferred tax liabilities	8,720	8,719
	34,033	35,374
<b>Current liabilities</b>		
Borrowings	18,153	17,739
Trade payables	4,115	6,125
Other payables	18,999	17,323
Provision for taxation	2,052	2,032
	43,319	43,219
<b>Total liabilities</b>	77,352	78,593
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>168,185</b>	<b>163,272</b>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	61	62

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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 2013.

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2013**

	Current quarter ended 30.04.2013	3 months cumulative for current financial year to date ended 30.04.2013	Comparable quarter ended 30.04.2012	Comparable 3 months cumulative for preceding financial year to date ended 30.04.2012
	RM'000	RM'000	RM'000	RM'000
<b>Continuing operations</b>				
Revenue	21,488	21,488	21,811	21,811
Other income	250	250	302	302
Operating expenses	(21,021)	(21,021)	(21,289)	(21,289)
Finance costs	(572)	(572)	(718)	(718)
Share of loss of associate company	(28)	(28)	-	-
<b>Profit/ (Loss) before tax</b>	<b>116</b>	<b>116</b>	<b>106</b>	<b>106</b>
Income tax expense	(322)	(322)	-	-
Profit/ (Loss) for the period from continuing operations	(206)	(206)	106	106
<b>Discontinued operations</b>				
Profit/ (Loss) for the period from discontinued operations	1	1	(13)	(13)
Loss on disposal of joint venture and subsidiary company	-	-	-	-
	1	1	(13)	(13)
<b>Total comprehensive income/(loss) for the period</b>	<b>(205)</b>	<b>(205)</b>	<b>93</b>	<b>93</b>
Attributable to:				
Owners of the Company	(27)	(27)	161	161
Non-controlling interests	(178)	(178)	(68)	(68)
	(205)	(205)	93	93
<b>Earnings per share attributable to Owners of the Company (sen):</b>				
Basic:	(0.08)	(0.08)	0.14	0.14
- Continuing operations	(0.08)	(0.08)	0.15	0.15
- Discontinued operations	(0.00)	0.00	(0.01)	(0.01)
Diluted:	(0.08)	(0.08)	0.12	0.12
- Continuing operations	(0.08)	(0.08)	0.13	0.13
- Discontinued operations	0.00	0.00	0.01	(0.01)

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 2013.

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2013**

	Attributable to Owners of the Company						Non-Controlling Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	ESOS Reserve RM'000	Capital Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000			Total RM'000
<b>At 1 February 2012</b>	57,088	26,032	1,323	8,980	22,237	(1,608)	114,052	(5,159)	108,893
Exercise of ESOS	525	735	(315)	-	-	-	945	-	945
Exercise of warrants	520	260	-	(260)	-	-	520	-	520
Dilution arising from change in stake	-	-	-	-	-	(45,886)	(45,886)	4,886	(41,000)
Total Comprehensive income for the period	-	-	-	-	-	161	161	(68)	93
<b>At 30 April 2012</b>	<b>58,133</b>	<b>27,027</b>	<b>1,008</b>	<b>8,720</b>	<b>22,237</b>	<b>(47,333)</b>	<b>69,792</b>	<b>(341)</b>	<b>69,451</b>
<b>At 1 February 2013</b>	68,583	32,253	1,005	3,494	-	(20,454)	84,881	(202)	84,679
Exercise of ESOS	-	-	-	-	-	-	-	-	-
Exercise of warrants	6,359	3,179	-	(3,179)	-	-	6,359	-	6,359
Total comprehensive income for the year	-	-	-	-	-	(27)	(27)	(178)	(205)
<b>At 30 April 2013</b>	<b>74,942</b>	<b>35,432</b>	<b>1,005</b>	<b>315</b>	<b>-</b>	<b>(20,481)</b>	<b>91,212</b>	<b>(380)</b>	<b>90,833</b>

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 2013.

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2013**

	3 months ended 30.04.2014 RM'000	Year ended 31.01.2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before taxation:		
Continuing operations	116	2,029
Discontinued operations	-	(238)
	<u>116</u>	<u>1,791</u>
Adjustments for:		
Non cash items	1,139	2,080
Non-operating items	567	4,843
<b>Operating profit before working capital changes</b>	<b>1,823</b>	<b>8,714</b>
Net change in current assets	(3,068)	(1,004)
Net change in current liabilities	1,020	(818)
<b>Cash generated from operations</b>	<b>(226)</b>	<b>6,892</b>
Income tax paid	(173)	(930)
Interest paid	(544)	(3,187)
<b>Net cash generated from operating activities</b>	<b>(943)</b>	<b>2,775</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Proceeds from disposal of subsidiaries	-	255
Interest received	-	466
Dividend received	-	-
Proceed from disposal of property, plant and equipment	18	436
Purchase of property, plant and equipment	(118)	(16,170)
Purchase of quoted investments	-	-
Land and development expenditure	-	-
Repayment of/(Advances to) related parties	-	196
Proceeds from disposal of land	-	-
Investment in associated company	(371)	(4)
Net cash inflow on disposal of joint venture	-	-
<b>Net cash generated used in investing activities</b>	<b>(471)</b>	<b>(14,821)</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Advances/(Repayment to) from related parties	(1,498)	(6,883)
Proceeds from share options exercised	-	945
Proceeds from warrants exercised	6,359	10,970
Proceeds from private placement	-	-
Advances from/(Repayment to) directors	(0)	188
Drawdown of bankers' acceptances	-	482
Net drawdown/(repayment) of bills payables	(12,382)	1,001
Drawdown of term loans	10,457	20,727
Repayment of hire purchase obligations	(381)	(1,598)
Repayment of term loan	(775)	(11,755)
<b>Net cash used in financing activities</b>	<b>1,780</b>	<b>14,077</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>365</b>	<b>2,031</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR</b>	<b>3,421</b>	<b>1,390</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR</b>	<b>3,786</b>	<b>3,421</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Fixed deposits with licensed banks	409	410
Cash and bank balances	<u>7,007</u>	<u>4,357</u>
	7,417	4,767
Bank overdraft	<u>(3,630)</u>	<u>(1,346)</u>
	<b>3,786</b>	<b>3,421</b>

The Condensed Consolidated Statements Of Cash Flow (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2013.

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULT FOR THE FIRST**  
**QUARTER ENDED 30 APRIL 2013**

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

**Notes:**

**A1 Basis of Preparation**

The interim financial statements of the Group are unaudited and have been prepared in accordance with Financial Reporting Standards (“FRS”) 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 2013.

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 2013 except for the changes arising from the adoption of new/revised FRSs, Amendments to FRSs and IC Interpretations that are mandatory for the Group for the financial year beginning 1 February 2013.

The adoption of these new/revised FRSs, Amendments to FRSs and IC Interpretations do not have any significant financial impact on the Group.

On 19 November 2011, MASB issued a new MASB approved accounting network, the Malaysian Financial Reporting Standards (“MFRS Framework”). Following the issuance of the MFRS Framework, the Group has adopted these new accounting standards for the financial year beginning 1 February 2012. The transition to the MFRS Framework does not have any material impact on the financial statements of the Group.

**A2 Status of Audit Qualifications**

The audited financial statements of the Group for year ended 31 January 2013 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 2013.

**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 debts and equity securities**

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the current quarter under review except for the following:

Share capital

As at 30 April 2013 a total of 12,718,658 new ordinary shares of RM0.50 each were issued as follows:-

	<b>Current Quarter ended 30.04.2013 No. of shares</b>	<b>Cumulative Year to-date ended 30.04.2013 No. of shares</b>
Shares issued pursuant to exercise of ESOS Options	-	-
Shares issued pursuant to the conversion of Warrants 2010/2013	12,718,658	12,718,658
<b>Total</b>	<b>12,718,658</b>	<b>12,718,658</b>

**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 2013:

	<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>
Continuing operations:				
Manufacturing	21,456	1,011	132,211	62,670
Investment holding/Others	747	(630)	209,442	177,997
	<hr/> 22,203	<hr/> 381	<hr/> 341,652	<hr/> 240,668
Discontinued operations:				
Others*	0	1	0	0
Elimination	(715)	(265)	(173,734)	(174,087)
	<hr/> 21,488	<hr/> 116	<hr/> 167,919	<hr/> 66,581
Unallocated Assets			265	0
Unallocated Liabilities			0	10,772
			<hr/> 168,185	<hr/> 77,352

\* Others refer to operations located at Teluk Rubiah discontinued upon disposal of leasehold land to Vale.

**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 Material Subsequent Events**

There were no material events subsequent to the end of current quarter under review that was not been reflected in the financial statement for the quarter.

**A11 Changes in Composition of the Group**

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

**A12 Changes in Contingent Liabilities And Contingent Assets**

During the previous financial year ended 31 January 2012, HMSB has entered into two sale and purchase agreements dated 11 June 2009 and 31 March 2010 respectively for the sale of Teluk Rubiah land to Vale Internation S.A. HMSB has obtained an advance ruling from the Inland Revenue Board ("IRB") on 29 September 2009 regarding the tax treatment on the gains arising from the disposal. HMSB do not agree with IRB's interpretation of the facts regarding the intended use of the various parcels of land, which was planned to be a holiday resort and not a housing or commercial development. IRB has accorded certain parcels of land as stocks and subject to income tax. HMSB has made further clarification of fact to IRB to justify the land were for long term investment and therefore the gain is subject to Real Property Gain Tax ("RPGT").

HMSB, with the support from tax and legal advisor, do not agree with the IRB's view and will continue to appeal to the IRB. If the IRB's advance ruling apply, the estimated income tax exposure is approximately RM13 million and if RPGT, there will be no RPGT payable.

Other than the above, there were no other significant changes in the contingent liabilities or contingent assets since the last financial year ended 31 January 2013.

**A13 Capital Commitments**

There was no capital commitment provided for in the financial statement for the quarter.

## Additional information required by the BMSB's Listing Requirements

### **B1 Taxation**

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

	<b>Current Quarter Ended 30 Apr 2013 RM'000</b>	<b>Cumulative Year to-date ended 30.04.2013 RM'000</b>
Taxation for current financial period	322	322
Deferred taxation for current period	-	-
	<u>322</u>	<u>322</u>

### **B2 Profit/(Loss) before taxation**

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

	<b>Current Quarter ended 30.04.2013 RM'000</b>	<b>Cumulative Year to-date ended 30.04.2013 RM'000</b>
Interest expense	703	703
Depreciation and amortization	1,140	1,140
Write back of payables	-	-
Foreign exchange (gain)/ loss	(5)	(5)

### **B3 Status of corporate proposal announced**

- (a) KYM has on 17 November 2011 announced that it proposed to undertake Proposed Private Placement of 5,000,000 new KYM shares of RM0.50 each representing approximately 4.6% of the existing issued and paid-up capital of KYM. ("Proposed Private Placement")

Bursa Malaysia Securities Berhad ("Bursa Securities") had vide its approval letter dated 14 December 2011 approved the listing of and quotation for 5,000,000 placement shares on the Main Market. The first tranche of the Placement Shares comprising 1.3 million shares has been listed on 20 December 2011.

The extension of time granted by Bursa Securities to KYM to complete the implementation of the Private Placement has lapsed on 14 June 2013.

Save for the above, there were no other corporate proposals announced during the quarter under review.



**B4 Borrowing and debt securities**

	<b>As at 30.04.2013</b>
	<b>RM'000</b>
Short term	
Secured	18,153
Unsecured	0
	<hr/>
	18,153
Long term	
Secured	25,313
Unsecured	0
	<hr/>
	25,313
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The above borrowings are denominated in Ringgit Malaysia.

**B5 Changes in Material Litigation**

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

**B6 Material Changes in the Profit/ Loss before Taxation for the current quarter compared with the preceding quarter**

The Group's turnover for the current quarter under review from continuing operation was RM21.488 million compared with RM22.403 million turnover generated in the preceding quarter which is lower by 4.08%

There is a decrease in profit before tax from RM944,000 recorded in the preceding quarter to profit before tax of RM116,000 recorded in this quarter.

**B7 Review of Performance**

Quarter ended 30.04.2013 compared with quarter ended 30.04.2012

The Group's turnover from continuing operations for the current quarter of RM21.488 million is 1.48% lower than that of the corresponding quarter last year at RM21.811 million. The Group's profit before taxation from continuing operations for the current quarter of RM116,000 compared to that of the corresponding quarter last year profit before taxation at RM106,000.

The Group's turnover was largely contributed by the Group's core business, manufacturing segment, which contributed above 99% of the Group's turnover.

The manufacturing revenue for the current quarter was RM21.398 million as compared to RM21.531 million for the corresponding quarter last year. Profit before taxation was RM1.011 million for the current quarter under review compared to profit before tax of RM1.192 million in the corresponding quarter last year.

For other segments, the current quarter loss before taxation was RM894,000 compared to the preceding financial year corresponding quarter loss before taxation of RM1.086 million.

**B8 Prospects**

The Manufacturing Division will continue to be the core business and the main contributor to the Group. The outlook for the division is positive.

**B9 Profit forecast**

There is no published forecast/profit guarantee.

**B10 Dividend**

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 30 April 2013.

**B11 Earnings per share attributable to owners of the Company**

	<u>Current Quarter ended 30.04.2013</u>	<u>Cumulative Year to - date ended 30.04.2013</u>
<b>(a) Basic earnings per share</b>		
Profit/(Loss) for the period (RM'000)	(27)	(27)
- Continuing operations	(28)	(28)
- Discontinued operations	1	1
Weighted average number of ordinary shares in issue ('000)	35,439	35,439
Basic Earnings per share for profit/(loss) for the period (sen)	(0.08)	(0.08)
- Continuing operations	(0.08)	(0.08)
- Discontinued operations	0.00	0.00
<b>(b) Diluted earnings per share</b>		
Profit/(Loss) for the period (RM'000)	(27)	(27)
- Continuing operations	(28)	(28)
- Discontinued operations	1	1
Weighted average number of ordinary shares in issue ('000)	35,440	35,440
- Dilution due to ESOS	169	169
- Dilution due to warrants	1,759	1,759
Adjustable weighted average number of ordinary shares in issue and issuable ('000)	37,368	37,368
Diluted earnings per share for profit/(loss) for the period (sen)	(0.08)	(0.08)
- Continuing operations	(0.08)	(0.08)
- Discontinued operations	(0.00)	(0.00)

**B12 Disclosure of realised and unrealised profits/losses**

	<b>Current Quarter ended 30.04.2013 RM'000</b>	<b>As at the end of the last financial year ended 30.04.2013 RM'000</b>
Total (accumulated losses)/ retained profits of the Company and its subsidiaries:		
- realised	(29,675)	(29,675)
- unrealised	9,194	9,194
	<u>(20,482)</u>	<u>(20,482)</u>
Consolidation adjustments	-	-
Total group accumulated losses as per consolidated accounts	<u>(20,482)</u>	<u>(20,482)</u>

By Order of the Board

CHEE MIN ER  
Company Secretary

Kuala Lumpur  
25 June 2013

c.c. Securities Commission