

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JANUARY 2014

	As at 31.01.2014 RM'000	As at 31.01.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	65,875	74,163
Investment property	47,085	42,821
Intangible asset	4,667	4,667
Investment in associated company	3,487	4
Investment in quoted shares	2	1
	121,116	121,656
Current assets		
Inventories	15,821	12,853
Trade receivables	17,805	18,055
Other receivables	3,359	5,869
Tax recoverable	46	72
Cash and cash equivalents	8,171	4,767
	45,202	41,616
TOTAL ASSETS	166,318	163,272
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	74,945	68,583
Share premium	35,436	32,253
ESOS reserve	884	1,005
Capital reserve	-	3,494
Accumulated losses	(15,888)	(20,454)
	95,377	84,881
Non-controlling interests	(0)	(202)
Total Equity	95,377	84,679
Non-current liabilities		
Borrowings	23,234	26,655
Deferred tax liabilities	10,718	8,719
	33,952	35,374
Current liabilities		
Borrowings	17,712	17,739
Trade payables	6,973	6,125
Other payables	12,268	17,323
Provision for taxation	36	2,032
	36,989	43,219
Total liabilities	70,941	78,593
TOTAL EQUITY AND LIABILITIES	166,318	163,272
Net assets per share attributable to ordinary equity holders of the parent (sen)	64	62

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 31 JANUARY 2014

	Current quarter ended 31.01.2014	12 months cumulative for current financial year to date ended 31.01.2014	Comparable quarter ended 31.01.2013	Comparable 12 months cumulative for preceding financial year to date ended 31.01.2013
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	20,783	90,648	22,403	88,929
Other income	14,527	15,220	1,033	2,518
Operating expenses	(22,321)	(89,712)	(22,326)	(86,234)
Finance costs	(800)	(3,035)	(927)	(3,184)
Share of profit/ (loss) of associate company	54	(5)	-	-
Profit before tax	12,243	13,116	183	2,029
Income tax expense	(3,624)	(3,746)	(3,269)	(3,356)
Profit/ (Loss) for the period from continuing operations	8,619	9,370	(3,086)	(1,327)
Discontinued operations				
Loss for the period from discontinued operations	(897)	(5,037)	(351)	(238)
Loss on disposal of joint venture	-	-	75	-
	(897)	(5,037)	(276)	(238)
Profit/(Loss) After Taxation	7,722	4,333	(3,362)	(1,565)
Other Comprehensive Income/(Expenses) For The Financial Year	-	-	-	-
Total Comprehensive Income/(Expenses) For The Financial Year	7,722	4,333	(3,362)	(1,565)
Profit/(Loss) After Taxation Attributable to:				
Owners of the Company	9,407	6,327	(3,158)	(1,195)
Non-controlling interests	(1,685)	(1,994)	(204)	(370)
	7,722	4,333	(3,362)	(1,565)
Total Comprehensive Income/(Expenses) Attributable to:				
Owners of the Company	9,407	6,327	(3,158)	(1,195)
Non-controlling interests	(1,685)	(1,994)	(204)	(370)
	7,722	4,333	(3,362)	(1,565)
Earnings per share attributable to				
Owners of the Company (sen):				
Basic:	6.33	4.25	(2.55)	(0.97)
- Continuing operations	6.93	7.64	(2.34)	(0.78)
- Discontinued operations	(0.60)	(3.39)	(0.21)	(0.19)
Diluted:	6.31	4.24	(2.42)	(0.85)
- Continuing operations	6.91	7.62	(2.24)	(0.69)
- Discontinued operations	(0.60)	(3.38)	(0.18)	(0.16)

The Condensed Consolidated Statements Of Comprehensive Income (unaudited) should be read in conjunction with the Annual Audited Financial Report for the yer 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 31 JANUARY 2014

	Non-Distributable				Distributable	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Employee Share Options Reserve RM'000	Capital Reserve RM'000	Accumulated Losses RM'000			
At 1 February 2012	57,088	26,032	1,323	8,980	25,092	118,515	(3,627)	114,888
Loss after taxation for the financial year	-	-	-	-	(1,195)	(1,195)	(370)	(1,565)
Other comprehensive income/(expenses) for the financial year	-	-	-	-	-	-	-	-
Contributions by and distributions to owners of the Company:								
- Employees's share options exercised	525	735	(315)	-	-	945	-	945
- Warrants exercised	10,970	5,486	-	(5,486)	-	10,970	-	10,970
- Employees's share options forfeited	-	-	(3)	-	3	-	-	-
	11,495	6,221	(318)	(5,486)	3	11,915	-	11,915
Disposal of subsidiaries	-	-	-	-	-	-	441	441
Changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	(44,354)	(44,354)	3,354	(41,000)
Total transactions with owners	11,495	6,221	(318)	(5,486)	(44,351)	(32,439)	3,795	(28,644)
At 31 January 2013	68,583	32,253	1,005	3,494	(20,454)	84,881	(202)	84,679
At 1 February 2013	68,583	32,253	1,005	3,494	(20,454)	84,881	(202)	84,679
Profit after taxation for the financial year	-	-	-	-	6,327	6,327	(1,994)	4,333
Other comprehensive income/(expenses) for the financial year	-	-	-	-	-	-	-	-
Contributions by and distributions to owners of the Company:								
- Employees's share options exercised	3	4	(1)	-	-	6	-	6
- Warrants exercised	6,359	3,179	-	(3,179)	-	6,359	-	6,359
- Employees's share options forfeited	-	-	(120)	-	120	-	-	-
- Warrants forfeited	-	-	-	(315)	315	-	-	-
	6,362	3,183	(121)	(3,494)	435	6,365	-	6,365
Changes in ownership interests in subsidiary that do not result in loss of control	-	-	-	-	(2,196)	(2,196)	2,196	-
Total transactions with owners	6,362	3,183	(121)	(3,494)	(1,761)	4,169	2,196	6,365
At 31 January 2014	74,945	35,436	884	-	(15,888)	95,377	(0)	95,377

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 31 JANUARY 2014

	Year ended 31.01.2014 RM'000	Year ended 31.01.2013 RM'000
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation:		
Continuing operations	13,116	2,029
Discontinued operations	(5,543)	(238)
	<u>7,573</u>	<u>1,791</u>
Adjustments for:		
Non cash items	5,040	2,080
Non-operating items	(2,316)	4,843
Operating profit before working capital changes	10,297	8,714
Net change in current assets	(3,193)	(1,004)
Net change in current liabilities	(3,317)	(818)
Cash generated from operations	3,787	6,892
Income tax paid	(3,755)	(930)
Interest paid	(3,068)	(3,187)
Net cash (for)/from operating activities	(3,036)	2,775
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES		
Proceeds from disposal of subsidiaries	-	255
Interest received	98	466
Proceed from disposal of property, plant and equipment	568	436
Purchase of property, plant and equipment	(1,570)	(16,170)
Proceed from disposal of investment property	8,657	-
Dividend received	40	-
Repayment of related parties	-	196
Investment in associated company	(3,488)	(4)
Net cash from/(for) investing activities	4,305	(14,821)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to from related parties	(781)	(6,883)
Proceeds from share options exercised	5	945
Proceeds from warrants exercised	6,359	10,970
Advances from directors	-	188
Drawdown of bankers' acceptances	-	482
Net (repayment)/drawdown of bills payables	(1,298)	1,001
Drawdown of term loans	4,000	20,727
Repayment of hire purchase obligations	(1,535)	(1,598)
Repayment of term loan	(6,259)	(11,755)
Net cash from financing activities	491	14,077
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,760	2,031
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR	3,421	1,390
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR	5,181	3,421
CASH AND CASH EQUIVALENTS COMPRISE:		
Short term deposit	5,010	-
Fixed deposits with licensed banks	422	410
Cash and bank balances	2,739	4,357
	<u>8,171</u>	<u>4,767</u>
Bank overdraft	(2,990)	(1,346)
	<u>5,181</u>	<u>3,421</u>

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 FOURTH
QUARTER ENDED 31 JANUARY 2014**

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 31 January 2014.

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 31 January 2014 a total of 12,724,658 new ordinary shares of RM0.50 each were issued as follows:-

	Current Quarter ended 31.01.2014 No. of shares	Cumulative Year to-date ended 31.01.2014 No. of shares
Shares issued pursuant to exercise of ESOS Options	-	6,000
Shares issued pursuant to the conversion of Warrants 2010/2013	-	12,718,658
Total	-	12,724,658

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 12 months ended 31 January 2014:

	Gross revenue RM'000	Profit/(Loss) before tax RM'000	Segment assets RM'000	Segment liabilities RM'000
Continuing operations:				
Manufacturing	98,363	2,781	133,014	67,926
Investment holding/Others	2,737	9,436	218,285	178,398
	<hr/> 101,100	<hr/> 12,217	<hr/> 351,299	<hr/> 246,324
Elimination	(10,452)	899	(185,027)	(186,136)
	<hr/> 90,648	<hr/> 13,116	<hr/> 166,272	<hr/> 60,188
Discontinued operations*	0	(5,037)	0	0
	<hr/> 90,648	<hr/> 8,079	<hr/> 166,272	<hr/> 60,188
Unallocated Assets			46	0
Unallocated Liabilities			0	10,753
			<hr/> 166,318	<hr/> 70,941

* Discontinued operations refer to closure of the woven bags division and closure of operations of KYM Industries (Johor) Sdn. Bhd.

The Group's turnover was 100% contributed by the Group's core business, manufacturing of industrial packaging.

Gross Revenue	RM'000
Continuing operations:	
Manufacturing	98,363
Less : Intercompany elimination	(7,715)
	<hr/>
	90,648
Investment holdings/Others	2,737
Less : Intercompany elimination	(2,737)
	<hr/>
	0
	<hr/>
	90,648
	<hr/> <hr/>

A9 Valuations of Property, Plant and Equipment

The Group has undertaken a revaluation of some of its investment properties during the financial year ended 31 January 2014. The net gain on investment properties is RM12.709 million.

A10 Material Subsequent Events

There were no material events subsequent to the end of current quarter under review that have 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

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:

	Current Quarter Ended 31.01. 2014 RM'000	Cumulative Year to-date ended 31.01.2014 RM'000
Taxation for current financial period	76	(1,242)
Deferred taxation for current period	(3,700)	(2,504)
	<u>(3,624)</u>	<u>(3,746)</u>

B2 Profit before taxation

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

	Current Quarter ended 31.01.2014 RM'000	Cumulative Year to-date ended 31.01.2014 RM'000
Interest expense	800	3,035
Depreciation and amortization	1,496	5,039
Write back of payables	109	109
Foreign exchange gain	(64)	(109)

B3 Status of corporate proposal announced

There were no other corporate proposals announced during the quarter under review.

B4 Borrowing and debt securities

	As at 31.01.2014 RM'000
Short term	
Secured	17,712
Unsecured	0
	<u>17,712</u>
Long term	
Secured	23,234
Unsecured	0
	<u>23,234</u>

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 RM20.783 million compared with RM22.195 million turnover generated in the preceding quarter which is lower by 6.36% was largely due to the lower sales from the Group's core business of manufacturing.

There is a profit before tax of RM12.243 million recorded in this quarter compared with profit before tax of RM530,989 recorded in the preceding quarter mainly due to fair value gain on investment property.

B7 Review of Performance

Quarter ended 31.01.2014 compared with quarter ended 31.01.2013

The Group's turnover from continuing operations for the current quarter of RM20.783 million is 7.23% lower than that of the corresponding quarter last year at RM22.403 million due to keen competition in the market. The Group's profit before taxation from continuing operations for the current quarter of RM12.243 million compared to that of the corresponding quarter last year profit before taxation at RM183,000 mainly due to fair value gain on investment property.

The Group's turnover was 100% contributed by the Group's core business, manufacturing of industrial packaging materials.

Accordingly, the manufacturing revenue for the current quarter was RM20.783 million as compared to RM22.051 million for the corresponding quarter last year. Loss before taxation was RM424,700 for the current quarter under review which is decreased by 126.57% compared to profit before tax of RM1.598 million in the corresponding quarter last year is mainly due to the lower turnover and higher manufacturing cost for the current quarter under review.

For other segments, the current quarter profit before taxation was RM12.668 million compared to the preceding financial year corresponding quarter loss before taxation of RM1.414 million is mainly due to fair value gain on investment property.

Year to date ended 31.01.2014 compared with year to date ended 31.01.2013

The Group's turnover from continuing operations for the year to date ended 31.01.2014 of RM90.648 million is 1.93% higher than that of the corresponding year to date ended 31.01.2013 at RM88.929 million.

The Group's profit before taxation from continuing operations year to date ended 31.01.2014 of RM13.116 million is 546.44% higher compared to that of the corresponding year to date ended 31.01.2013 at RM2.029 million mainly due to fair value gain on investment property.

The Group's turnover was 100% contributed by the Group's core business, manufacturing segment.

Accordingly, the manufacturing revenue for the year to date ended 31.01.2014 was RM90.648 million as compared to RM87.807 million for the corresponding year to date ended 31.01.2013. Profit before taxation for the year to date ended 31.01.2014 is RM2.781 million which is reduced by 52.00% compared to profit before tax of RM5.794 million in the corresponding year to dated ended 31.01.2013 which is due to the losses incurred in the corrugated carton division of manufacturing segment.

For other segments, the profit before taxation for the year to date ended 31.01.2014 was RM10.335 million compared to the loss before taxation of corresponding year to date ended 31.01.2013 at RM3.765 million mainly due to fair value gain on investment property.

B8 Prospects

The Manufacturing of industrial packaging 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 31 Jan 2014.

B11 Earnings per share attributable to owners of the Company

	Current Quarter ended 31.01.2014 RM'000	Cumulative Year to date ended 31.01.2014 RM'000
(a) Basic earnings per share		
Profit for the period (RM'000)	9,407	6,327
- Continuing operations	10,304	11,364
- Discontinued operations	(897)	(5,037)
Weighted average number of ordinary shares in issue ('000)	148,779	148,779
Basic Earnings per share for profit/(loss) for the period (sen)	6.33	4.25
- Continuing operations	6.93	7.64
- Discontinued operations	(0.60)	(3.39)
(b) Diluted earnings per share		
Profit for the period (RM'000)	9,407	6,327
- Continuing operations	10,304	11,364
- Discontinued operations	(897)	(5,037)
Weighted average number of ordinary shares in issue ('000)	148,779	148,779
- Dilution due to ESOS	305	305
Adjustable weighted average number of ordinary shares in issue and issuable ('000)	149,084	149,084
Diluted earnings per share for profit/(loss) for the period (sen)	6.31	4.24
- Continuing operations	6.91	7.62
- Discontinued operations	(0.60)	(3.38)

B12 Disclosure of realised and unrealised profits/losses

	Current Quarter ended 31.01.2014 RM'000	As at the end of the last financial year ended 31.01.2013 RM'000
Total (accumulated losses)/ retained profits of the Company and its subsidiaries:		
- realised	23,317	(19,028)
- unrealised	(39,205)	(1,426)
	<u>(15,888)</u>	<u>(20,454)</u>
Consolidation adjustments	-	-
Total group accumulated losses as per consolidated accounts	<u>(15,888)</u>	<u>(20,454)</u>

By Order of the Board

CHEE MIN ER
Company Secretary

Kuala Lumpur
31 March 2014

c.c. Securities Commission