

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2016**

	<b>As at 30.04.2016 RM'000</b>	<b>As at 31.01.2016 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	58,362	58,800
Investment property	39,220	39,220
Intangible asset	4,667	4,667
Other Investment	186	186
	<u>102,435</u>	<u>102,873</u>
<b>Current assets</b>		
Inventories	11,731	20,138
Trade receivables	21,459	22,016
Other receivables	1,698	1,884
Tax recoverable	1,532	1,581
Short term investment	3,011	5,011
Cash and cash equivalents	4,053	1,625
	<u>43,484</u>	<u>52,255</u>
<b>TOTAL ASSETS</b>	<u><b>145,919</b></u>	<u><b>155,128</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	74,945	74,945
Share premium	35,436	35,436
ESOS reserve	884	884
	89,104	91,188
<b>Non-controlling interests</b>	(0)	0
<b>Total Equity</b>	<u>89,103</u>	<u>91,188</u>
<b>Non-current liabilities</b>		
Borrowings	5,191	5,916
Deferred tax liabilities	9,725	9,725
	<u>14,916</u>	<u>15,641</u>
<b>Current liabilities</b>		
Borrowings	24,752	26,539
Trade payables	6,154	9,610
Other payables	10,994	12,150
	<u>41,900</u>	<u>48,299</u>
<b>Total liabilities</b>	56,816	63,940
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>145,919</b></u>	<u><b>155,128</b></u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>59</u>	<u>61</u>

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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 2016.

KYM HOLDINGS BHD (Co. No. 84303-A)  
 INTERIM FINANCIAL REPORT  
 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2016

	Current quarter ended 30.04.2016  RM'000	3 months cumulative for current financial year to date ended 30.04.2016  RM'000	Comparable quarter ended 30.04.2015  RM'000	Comparable 3 months cumulative for preceding financial year to date ended 30.04.2015  RM'000
<b>Continuing operations</b>				
Revenue	25,130	25,130	25,661	25,661
Other income	304	304	129	129
Operating expenses	(27,044)	(27,044)	(25,588)	(25,588)
Finance costs	(474)	(474)	(669)	(669)
<b>(Loss)/Profit before tax</b>	<b>(2,084)</b>	<b>(2,084)</b>	<b>(466)</b>	<b>(466)</b>
Income tax expense	-	-	(280)	(280)
<b>(Loss)/ Profit for the period from continuing</b>	<b>(2,084)</b>	<b>(2,084)</b>	<b>(746)</b>	<b>(746)</b>
Other Comprehensive Expenses For The Financial Year	-	-	-	-
<b>Total Comprehensive Expenses For The Financial Year</b>	<b>(2,084)</b>	<b>(2,084)</b>	<b>(746)</b>	<b>(746)</b>
<b>(Loss)/ Profit After Taxation Attributable to:</b>				
Owners of the Company	(2,084)	(2,084)	(746)	(746)
Non-controlling interests	(0)	(0)	0	0
	<b>(2,084)</b>	<b>(2,084)</b>	<b>(746)</b>	<b>(746)</b>
<b>Total Comprehensive Expenses Attributable to:</b>				
Owners of the Company	(2,084)	(2,084)	(746)	(746)
Non-controlling interests	(0)	(0)	0	0
	<b>(2,084)</b>	<b>(2,084)</b>	<b>(746)</b>	<b>(746)</b>
<b>Earnings per share attributable to Owners of the Company (sen):</b>				
Basic:	(1.39)	(1.39)	(0.50)	(0.50)
Diluted:	(1.39)	(1.39)	(0.50)	(0.50)

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 2016.

KYM HOLDINGS BHD (Co. No. 84303-A)  
 INTERIM FINANCIAL REPORT  
 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
 FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2016

	Non-Distributable				Distributable	Attributable to Owners of the Company RM'000	Non-Controlling Interests RM'000	Total RM'000
	Share Capital RM'000	Share Premium RM'000	Employee Share Options Reserve RM'000	Capital Reserve RM'000	Accumulated Losses RM'000			
<b>At 1 February 2015</b>	74,945	35,436	884	-	(18,837)	92,428	-	92,428
Total comprehensive income for the year	-	-	-	-	(746)	(746)	-	(746)
<b>At 30 April 2015</b>	74,945	35,436	884	-	(19,583)	91,682	-	91,682
<b>At 1 February 2016</b>	74,945	35,436	884	-	(20,077)	91,188	-	91,188
Loss after taxation for the financial year	-	-	-	-	(2,084)	(2,084)	(0)	(2,084)
<b>At 30 April 2016</b>	74,945	35,436	884	-	(22,162)	89,103	(0)	89,103

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 2016.

KYM HOLDINGS BHD (Co. No. 84303-A)  
 INTERIM FINANCIAL REPORT  
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW  
 FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2016

	Year ended 30.04.2016 RM'000	Year ended 31.01.2016 RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation:		
Continuing operations	(2,084)	(2,177)
	(2,084)	(2,177)
Adjustments for:		
Non cash items	1,138	4,665
Non-operating items	306	2,434
<b>Operating profit before working capital changes</b>	<b>(640)</b>	<b>4,922</b>
Net change in current assets	9,200	11,875
Net change in current liabilities	(4,492)	(11,616)
<b>Cash generated from operations</b>	<b>4,068</b>	<b>5,181</b>
Income tax refund	143	1,083
Income tax paid	(93)	(558)
Interest paid	(442)	(2,329)
<b>Net cash for operating activities</b>	<b>3,675</b>	<b>3,377</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	6	9
Proceeds from disposal of investment property	-	9,000
Proceed from disposal of property, plant and equipment	116	350
Purchase of property, plant and equipment	(716)	(1,021)
<b>Net cash for investing activities</b>	<b>(564)</b>	<b>8,657</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advance from/(Repayment to) related parties	(159)	389
Net drawdown of bankers's acceptances	843	270
(Repayment)/Drawdown of revolving credit	(270)	190
Repayment of hire purchase obligations	(140)	(1,381)
Repayment of term loan	(1,602)	(6,428)
<b>Net cash from financing activities</b>	<b>1,154</b>	<b>(11,423)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>4,265</b>	<b>611</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR</b>	<b>(23)</b>	<b>(634)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR</b>	<b>4,243</b>	<b>(23)</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Fixed deposits with licensed banks	267	267
Short-term investment	3,011	5,011
Cash and bank balances	3,786	1,358
Bank overdraft	(2,554)	(6,392)
	4,510	244
Less : Deposits pledged to licensed banks	(267)	(267)
	<b>4,243</b>	<b>(23)</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 2016.

**KYM HOLDINGS BHD (Co. No. 84303-A)  
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULT FOR THE FRIST  
QUARTER ENDED 30 APRIL 2016**

**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 Malaysia 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 2016.

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 2016.

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 2016.

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 2016 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 2016.

**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.

**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 2016:

	<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>
Manufacturing	28,529	(1,368)	118,578	55,389
Investment holding/Others	648	(684)	192,482	158,706
	<u>29,177</u>	<u>(2,052)</u>	<u>311,060</u>	<u>214,095</u>
Elimination	(4,047)	(32)	(166,673)	(167,495)
	<u>25,130</u>	<u>(2,084)</u>	<u>144,387</u>	<u>46,600</u>
Unallocated Assets			1,532	-
Unallocated Liabilities			-	10,216
			<u>145,919</u>	<u>56,816</u>

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

<b>Gross Revenue</b>	<b>RM'000</b>
Manufacturing	28,529
Less : Intercompany elimination	<u>(3,399)</u>
	25,130
Investment holdings/Others	648
Less : Intercompany elimination	<u>(648)</u>
	-
	<u>25,130</u>

**A9 Valuations of Property, Plant and Equipment**

The valuations of land and buildings have been bought forward without any amendments from the previous annual report.

**A10 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 statement for the quarter.

**A11 Changes in Composition of the Group**

There were no changes in the composition of the Group during the financial year 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 2016.

**A13 Capital Commitments**

There were no capital commitments provided for in the financial statement for the quarter ended 30 April 2016.

## **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 30.04.2016 RM'000</b>	<b>Cumulative Year to-date ended 30.04.2016 RM'000</b>
Taxation for current financial period	-	-
Provision for RPGT for current period	-	-
	-	-

### **B2 Loss before taxation**

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

	<b>Current Quarter ended 30.04.2016 RM'000</b>	<b>Cumulative Year to-date ended 30.04.2016 RM'000</b>
Interest expense	474	474
Depreciation and amortization	1,138	1,138
Foreign exchange loss	260	260

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

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

### **B4 Borrowing and debt securities**

	<b>As at 30.04.2016 RM'000</b>
Short term	
Secured	24,752
Unsecured	-
	<u>24,752</u>
Long term	
Secured	5,191
Unsecured	-
	<u>5,191</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 Loss/Profit before Taxation for the current quarter compared with the preceding quarter**

The Group's turnover for the current quarter under review was RM25.130 million. This is a 2.19% increased from the recorded turnover of RM24.592 million in the preceding quarter.

A loss before tax of RM2.084 million is recorded in the current quarter compared with a loss before tax of RM577,000 million recorded in the preceding quarter.

**B7 Review of Performance**

Quarter and YTD ended 30.04.2016 compared with quarter and YTD ended 30.04.2015

The Group's turnover for the current quarter of RM25.130 million is 2.07% lower than that of the corresponding quarter from the previous year which stood at RM25.661 million.

The Group recorded a loss before taxation for the current quarter of RM2.084 million compared to a loss before taxation of RM466,000 in the corresponding quarter from the previous year. This was primarily due to the one-off cost incurred on the restructuring exercise carried out in Q1 2016 on the corrugated carton box division which resulted in operational changes and reduction of headcount to adapt to changes in the business environment.

The Group's turnover was fully contributed by the Group's core business, which is the manufacturing of industrial packaging materials. Accordingly, the manufacturing revenue for the current quarter was RM25.130 million as compared to RM25.661 million for the corresponding quarter last year.

Loss before taxation was RM1.368 million for the current quarter under review compared to a profit before tax of RM48,212 in the corresponding quarter last year. This was primarily due to the cost incurred on the restructuring exercise of the corrugated carton box division.

For other segments, the current quarter loss before taxation was RM716,649 compared to the preceding financial year corresponding quarter loss before taxation of RM513,781.

**B8 Prospects**

Manufacturing will continue to be the core business of the Group. The Group maintains a cautiously positive outlook as the Group will be operating in a more challenging environment due to the volatility of the Ringgit Malaysia against the Euro and US Dollar as well as global economic uncertainty which could compress the Group's profit margin for the remaining quarters of the current financial year.

**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 2016.

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

	<b>Current Quarter ended 30.04.2016 RM'000</b>	<b>Cumulative Year to date ended 30.04.2016 RM'000</b>
<b>(a) <u>Basic earnings per share</u></b>		
Profit/(Loss) for the period (RM'000)	(2,084)	(2,084)
Weighted average number of ordinary shares in issue ('000)	149,890	149,890
Basic Earnings per share for profit/(loss) for the period (sen)	(1.39)	(1.39)
<b>(b) <u>Diluted earnings per share</u></b>		
Profit/(Loss) for the period (RM'000)	(2,084)	(2,084)
Weighted average number of ordinary shares in issue ('000)	149,890	149,890
Basic Earnings per share for profit/(loss) for the period (sen)	(1.39)	(1.39)

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

	<b>Current Quarter ended 31.01.2016 RM'000</b>	<b>As at the end of the last financial year ended 31.01.2016 RM'000</b>
Total (accumulated losses)/ retained profits of the Company and its subsidiaries:		
- realized	(110,470)	(108,949)
- unrealized	31,545	31,993
	<u>(78,925)</u>	<u>(75,956)</u>
Consolidation adjustments	56,764	56,879
Total group accumulated losses as per consolidated accounts	<u>(22,161)</u>	<u>(20,077)</u>

By Order of the Board

CHEE MIN ER  
Company SecretaryKuala Lumpur  
29 June 2016

c.c. Securities Commission