

**KYM HOLDINGS BHD** (Co. No. 84303-A)  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 APRIL 2017**

	<b>As at 30.04.2017 RM'000</b>	<b>As at 31.01.2017 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	52,118	53,168
Investment property	41,262	41,262
Intangible asset	4,667	4,667
Other Investment	2	2
	<u>98,049</u>	<u>99,099</u>
<b>Current assets</b>		
Inventories	13,313	19,592
Trade receivables	21,922	18,532
Other receivables	6,754	6,484
Tax recoverable	1,917	1,797
Short term investment	161	1,161
Cash and cash equivalents	1,527	2,772
	<u>45,595</u>	<u>50,338</u>
<b>TOTAL ASSETS</b>	<u><b>143,644</b></u>	<u><b>149,437</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	110,381	110,381
ESOS reserve	853	853
Revaluation reserve	72	72
Accumulated losses	(18,221)	(19,410)
	<u>93,085</u>	<u>91,896</u>
<b>Non-controlling interests</b>	(1)	(1)
<b>Total Equity</b>	<u>93,084</u>	<u>91,895</u>
<b>Non-current liabilities</b>		
Borrowings	1,519	1,905
Deferred tax liabilities	9,657	9,765
	<u>11,175</u>	<u>11,670</u>
<b>Current liabilities</b>		
Borrowings	20,972	23,197
Trade payables	8,922	12,890
Other payables	9,491	9,785
<b>Total liabilities</b>	50,560	57,542
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>143,644</b></u>	<u><b>149,437</b></u>
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	<u>62</u>	<u>61</u>
	0	0

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 2017.

**KYM HOLDINGS BHD** (Co. No. 84303-A)  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2017**

	Current quarter ended 30.04.2017 RM'000	3 months cumulative for current financial year to date ended 30.04.2017 RM'000	Comparable quarter ended 30.04.2016 RM'000	Comparable 3 months cumulative for preceding financial year to date ended 30.04.2016 RM'000
<b>Continuing operations</b>				
Revenue	27,061	27,061	25,130	25,130
Other income	388	388	304	304
Operating expenses	(26,089)	(26,089)	(27,045)	(27,046)
Finance costs	(279)	(279)	(474)	(474)
<b>(Loss)/Profit before tax</b>	1,081	1,081	(2,084)	(2,084)
Income tax expense	108	108	-	-
<b>(Loss)/ Profit for the period from continuing operations</b>	1,189	1,189	(2,084)	(2,084)
Other Comprehensive Expenses For The Financial Year	-	-	-	-
<b>Total Comprehensive Expenses For The Financial Year</b>	1,189	1,189	(2,084)	(2,084)
<b>(Loss)/ Profit After Taxation Attributable to:</b>				
Owners of the Company	1,189	1,189	(2,084)	(2,084)
Non-controlling interests	(0)	(0)	(0)	(0)
	1,189	1,189	(2,084)	(2,084)
<b>Total Comprehensive Expenses Attributable to:</b>				
Owners of the Company	1,189	1,189	(2,084)	(2,084)
Non-controlling interests	(0)	(0)	(0)	(0)
	1,189	1,189	(2,084)	(2,084)
<b>Earnings per share attributable to Owners of the Company (sen):</b>				
Basic:	0.79	0.79	(1.39)	(1.39)
Diluted:	0.79	0.79	(1.39)	(1.39)

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 2017.

**KYM HOLDINGS BHD** (Co. No. 84303-A)  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2017**

	Non-Distributable					Distributable		Non-Controlling Interests <i>RM'000</i>	Total Equity <i>RM'000</i>
	Share Capital <i>RM'000</i>	Share Premium <i>RM'000</i>	Employee Share Options Reserve <i>RM'000</i>	Capital Reserve <i>RM'000</i>	Revaluation Reserve <i>RM'000</i>	Accumulated Losses <i>RM'000</i>	Attributable to Owners of the Company <i>RM'000</i>		
<b>At 1 February 2016</b>	74,945	35,436	884	-	-	(20,077)	91,188	-	91,188
Total comprehensive income for the 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
<b>At 1 February 2017</b>	110,381	-	853	-	72	(19,410)	91,896	(1)	91,895
Loss after taxation for the financial year	-	-	-	-	-	1,189	1,189	-	1,189
<b>At 30 April 2017</b>	110,381	-	853	-	72	(18,221)	93,085	(1)	93,084

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 2017.

**KYM HOLDINGS BHD** (Co. No. 84303-A)  
**INTERIM FINANCIAL REPORT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW**  
**FOR THE FINANCIAL PERIOD ENDED 30 April 2017**

	Year ended 30.04.2017 RM'000	Year ended 31.01.2017 RM'000
<b>CASH FLOWS FOR OPERATING ACTIVITIES</b>		
(Loss)/Profit before taxation:		
Continuing operations	1,081	661
	1,081	661
Adjustments for:		
Non cash items	1,108	4,484
Non-operating items	270	613
<b>Operating profit before working capital changes</b>	<b>2,459</b>	<b>5,758</b>
Net change in current assets	2,668	(662)
Net change in current liabilities	(4,260)	2,317
<b>Cash generated from operations</b>	<b>867</b>	<b>7,414</b>
Income tax refund	3	147
Income tax paid	(123)	(371)
Interest paid	(275)	(1,659)
<b>Net cash for operating activities</b>	<b>473</b>	<b>5,531</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>		
Interest received	5	12
Proceeds from disposal of investment property	0	-
Proceed from disposal of property, plant and equipment	-	596
Purchase of property, plant and equipment	(59)	(1,334)
Dividend received	-	80
Withdraw of fixed deposits with licensed banks	-	-
<b>Net cash for investing activities</b>	<b>(54)</b>	<b>(646)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advance from/(Repayment to) related parties	(66)	(178)
Advance from/(Repayment to) director	-	(58)
Net drawdown of bankers's acceptances	-	304
Net drawdown/(repayment) of bills payables	(606)	4,136
(Repayment)/Drawdown of revolving credit	(270)	(1,080)
Repayment of hire purchase obligations	(73)	(539)
Repayment of term loan	(1,649)	(6,471)
<b>Net cash from financing activities</b>	<b>(2,664)</b>	<b>(3,886)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(2,245)</b>	<b>999</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD/YEAR</b>	<b>976</b>	<b>(23)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR</b>	<b>(1,269)</b>	<b>976</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Fixed deposits with licensed banks	267	267
Short-term investment	161	1,161
Cash and bank balances	1,260	2,505
Bank overdraft	(2,690)	(2,690)
	(1,002)	1,243
Less : Deposits pledged to licensed banks	(267)	(267)
	<b>(1,269)</b>	<b>976</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 2017.

**KYM HOLDINGS BHD (Co. No. 84303-A)**  
**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULT FOR THE FIRST**  
**QUARTER ENDED 30 APRIL 2017**

**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 2017.

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 2017.

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 2017.

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 2017 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 2017.

**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 2017:

	<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	30,859	1,414	114,369	50,568
Investment holding/Others	688	(301)	172,463	111,197
	<u>31,547</u>	<u>1,113</u>	<u>286,832</u>	<u>161,765</u>
Elimination	(4,486)	(32)	(145,105)	(120,862)
	<u>27,061</u>	<u>1,081</u>	<u>141,727</u>	<u>40,903</u>
Unallocated Assets			1,917	-
Unallocated Liabilities			-	9,657
			<u>143,644</u>	<u>50,560</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	30,859
Less : Intercompany elimination	<u>(3,798)</u>
	27,061
Investment holdings/Others	688
Less : Intercompany elimination	<u>(688)</u>
	-
	<u>27,061</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 2017.

**A13 Capital Commitments**

There were no capital commitments provided for in the financial statement for the quarter ended 30 April 2017.

## **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 30.04.2017 RM'000</b>	<b>Cumulative Year to-date ended 30.04.2017 RM'000</b>
Taxation for current financial period	108	108
Provision for RPGT for current period	-	-
	<u>108</u>	<u>108</u>

### **B2 Profit before taxation**

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

	<b>Current Quarter ended 30.04.2017 RM'000</b>	<b>Cumulative Year to-date ended 30.04.2017 RM'000</b>
Interest expense	279	279
Depreciation and amortization	1,108	1,108
Foreign exchange loss/(gain)	(116)	(116)

### **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 30.04.2017 RM'000</b>
Short term	
Secured	20,972
Unsecured	-
	<u>20,972</u>
Long term	
Secured	1,519
Unsecured	-
	<u>1,519</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 RM27.061 million. This is an 8.88% increased from the recorded turnover of RM24.853 million in the preceding quarter.

A profit before tax of RM1.081 million is recorded in the current quarter compared with a profit before tax of RM1.560 million recorded in the preceding quarter.

## **B7 Review of Performance**

### Quarter ended 30.04.2017 compared with quarter ended 30.04.2016

The Group's turnover for the current quarter of RM27.061 million is 7.68% higher than that of the corresponding quarter from the previous year which stood at RM25.130 million.

The Group recorded a profit before taxation for the current quarter of RM1.081 million compared to a loss before taxation of RM2.084 million in the corresponding quarter from the previous year. This was primarily due to the improved profit from the Hasrat Meranti Group and reductions in the interest costs incurred on term loans.

The Group's turnover was fully contributed by the Group's core business, which is the manufacturing of industrial packaging materials. Accordingly, manufacturing revenue for the current quarter was higher at RM27.061 million as compared to RM25.130 million for the corresponding quarter last year.

Profit before taxation was RM1.414 million for the current quarter under review compared to a loss before tax of RM1,368 million in the corresponding quarter last year. This was primarily due to the restructuring exercise carried out in Q1 2016 on the corrugated carton box division and improved profit contributions from the Hasrat Meranti Group.

For other segments, the current quarter loss before taxation was RM333,070 compared to the preceding financial year's corresponding quarter loss before taxation of RM716,649. This was mainly due to the reduction in interest costs incurred on term loans.

The Group is exposed to foreign currency risk on sales and purchase transactions and trade balances that are denominated in foreign currencies. The currencies giving rise to this risk are primarily the United States Dollar, the Euro and the Singapore Dollar. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

**B8 Prospects**

Manufacturing will continue to be the core business and focus 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 2017.

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

	<b>Current Quarter ended 30.04.2017 RM'000</b>	<b>Cumulative Year to date ended 30.04.2017 RM'000</b>
<b>(a) <u>Basic earnings per share</u></b>		
Profit/(Loss) for the period (RM'000)	1,189	1,189
Weighted average number of ordinary shares in issue ('000)	149,890	149,890
Basic Earnings per share for profit/(loss) for the period (sen)	0.79	0.79
<b>(b) <u>Diluted earnings per share</u></b>		
Profit/(Loss) for the period (RM'000)	1,189	1,189
Weighted average number of ordinary shares in issue ('000)	149,890	149,890
Basic Earnings per share for profit/(loss) for the period (sen)	0.79	0.79

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

	<b>Current Quarter ended 30.04.2017 RM'000</b>	<b>As at the end of the last financial year ended 31.01.2017 RM'000</b>
Total (accumulated losses)/ retained profits of the Company and its subsidiaries:		
- realized	(80,550)	(81,934)
- unrealized	30,554	30,730
	<u>(49,996)</u>	<u>(51,204)</u>
Consolidation adjustments	31,775	31,794
Total group accumulated losses as per consolidated accounts	<u>(18,221)</u>	<u>(19,410)</u>

By Order of the Board

CHEE MIN ER  
Company Secretary

Kuala Lumpur  
20 June 2017

c.c. Securities Commission