

CONSOLIDATED BALANCE SHEET (UNAUDITED)

	AS AT END OF CURRENT QUARTER 30/9/2000 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/09/1999 RM'000
1 Fixed Assets	105,598	79,767
2 Investment in Associated Companies	61,506	55,676
3 Long term Investments	67,043	101,347
4 Intangible Assets	5,463	5,400
5 Current Assets		
<i>Stocks</i>	17,855	17,484
<i>Trade Debtors</i>	31,290	26,301
<i>Other Debtors</i>	6,484	5,853
<i>Cash</i>	5,888	1,766
6 Current liabilities		
<i>Short term borrowings</i>	109,208	162,617
<i>Trade creditors</i>	9,391	10,218
<i>Other creditors</i>	85,424	68,088
<i>Provision for taxation</i>	322	266
<i>Others</i>	-	-
7 Net Current Assets or Current Liabilities	(142,828)	(189,785)
	<hr/> 96,782 <hr/>	<hr/> 52,405 <hr/>
8 Shareholders' Funds		
Share Capital	40,990	39,750
Reserves		
<i>Share Premium</i>	57,270	57,242
<i>Revaluation Reserve</i>	-	-
<i>Capital Reserve</i>	35	35
<i>Statutory Reserve</i>	-	-
<i>Retained Profit/(Loss)</i>	(60,317)	(50,671)
<i>Others</i>		
9 Minority Interests	17	81
10 Long Term Borrowings	58,191	5,531
11 Other Long Term Liabilities	596	437
	<hr/> 96,782 <hr/>	<hr/> 52,405 <hr/>
12 Net tangible assets per share (sen)	79	103

NOTES

1. Accounting policies

The accounting policies and method of computation used in the preparation of the quarterly financial statements are consistent with that of the annual financial statements ended 30 September 1999.

2. Exceptional items

Nil

3. Extraordinary items

Nil

4. Taxation

The tax figure does not contain any element of deferred tax.

5. Pre-acquisition profits

There is no pre-acquisition profits.

6. Sale of investments and properties

During the quarter, there were sale of lands as follows:-

- (a) land measuring approximately 5.65 acres on HS(D) DGS 91, P.T. 15613, in the Mukim of Sitiawan owned by Harta Makmur Sdn Bhd, for a consideration of RM1,229,835.
- (b) land measuring approximately 188.61 acres in the Mukim of Hulu Kinta, owned by KYM Development (Perak) Sdn Bhd, for a consideration of RM12,000,000.

7. Particulars of purchase or disposal of quoted securities

- (a) There is no transaction of quoted securities during the quarter.
- (b) There is no disposal of quoted securities during the quarter.

8. Changes in group/capital structure

Nil

9. Status of corporate proposals

- (a) As at 30 November 2000 the Company has obtained all relevant approvals from the Securities Commission (SC) and the Company's shareholders for its proposed rights issue of up to 46,401,967 new ordinary shares of RM1.00 each at an issue price of RM1.00 per share on the basis of one (1) new ordinary share for every existing share held in the Company. ('Proposed Rights Issue')
- (b) The SC has vide its letter dated 30 October 2000 approved the Company's application to extend the completion of the Proposed Rights Issue to 9 May 2001.

- (c) The SC has vide its letter of 28 June 2000 approved the Company's proposed Private Placement of up to 4,219,000 new ordinary shares of RM1.00 each at an issue price to be determined based on a discount of not more than 10% on the five (5) day weighted average market price at a date nearer to the implementation date.

The Company is currently awaiting the SC's response to the Company's application to extend the completion of the proposed Private Placement for a six months period to 28 June 2001.

10. Seasonal or cyclical factors

The performance of the Group has not been affected by seasonal or cyclical factors.

11. Capital issues and dealings in own shares

Nil

12. Group borrowings and debts securities as at 30 September 2000:

	Secured RM'000	Unsecured (working capital facilities) RM'000	Total RM'000
Short Term Borrowings	75,420	33,788	109,208
Long Term Borrowings	58,191	-	58,191
Total	133,611	33,788	167,399

13. Contingent liabilities

Nil

14. Off balance sheet financial instruments

Nil

15. Material litigation

Nil

16. Segment information

By industry segments:

	Turnover		Profit/(loss) before tax		Total assets employed
	Current Qtr	YTD	Current Qtr	YTD	
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Packaging	26,880	92,560	233	(3,052)	113,624
Investment holding	408	722	(6,274)	(8,365)	90,116
Property development	14,695	14,733	1,161	779	97,385
	<u>41,983</u>	<u>108,015</u>	<u>(4,880)</u>	<u>(10,638)</u>	<u>301,125</u>
Group's share of associated company's profit	-	-	542	1,451	-
	<u>41,983</u>	<u>108,015</u>	<u>(4,338)</u>	<u>(9,187)</u>	<u>301,125</u>

17. Material changes in the quarterly results compared to the results of the preceding quarter

Nil

18. Review of performance

The group recorded a turnover of RM41.9 million compared to the preceding quarter ended 30 June 2000 of RM23 million. This represents an increase of 80%, mainly due to increased sales in our paper packaging business and sales of landed properties.

The group recorded an improvement on operating profit before interest, depreciation and taxation from RM2.84 million for the quarter ended 30 June 2000 compared to RM5.07 million for this quarter mainly due to improved productivity and reduced wastage in the paper packaging business and profit recognition on sales of landed properties.

The group however registered a consolidated loss before tax of RM4.32 million for this quarter due to the interest payments on our existing bank borrowings. These interest charges and bank borrowings are expected to be reduced significantly with the implementation and completion of the Rights Issue as well as disposal of excess assets.

19. Current year prospects

The group continues to face tough market conditions with stiff competition, high paper costs and pressure to reduce selling prices. In order to improve our productivity and profitability, we will continue with our cost reduction measures and streamlining of operations.

The group is also consolidating its operations and divesting non-core landed properties in Ipoh, Prai and Johor, which is expected to generate substantial cashflow for the group.

Our property division is expected to contribute positively to the group's results and cashflow with its 100% success in sale of Phase I bungalow lots in Teluk Rubiah, an integrated beach-front resort development near Lumut, Perak

In order to diversify its business base and to explore opportunities in the Information Technology ('IT') and/or e-commerce sector, the group has entered into a Memorandum of Understanding ('MOU') with 3ntity.com Sdn Bhd ('3ntity'), to establish a joint venture company to establish, develop, customise and operate an e-procurement portal as an online exchange to facilitate the conduct of business-to-business, business to consumer and consumer to consumer electronic commerce transactions.

In addition, the Board is currently assessing other IT/e-commerce business opportunities and is continuously looking for profitable businesses to enhance the group's earnings base.

20. Variance from profit forecasts and profit guarantee

There is no material variance from the group's profit forecast.

21. Dividend

The Board of Directors does not propose the payment of any dividend.

KYM HOLDINGS BHD. (Co. No. 84303-A)

By Order of the Board

CHEE MIN ER
Secretary

Date: 30 November 2000