

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2007

	As at 30.04.2007 RM'000	As at 31.01.2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	69,344	70,309
Investment Property	3,943	3,943
Land held for property development	188,198	188,123
Intangible assets	4,667	4,667
	266,152	267,042
Current assets		
Property development costs	2,417	2,417
Inventories	8,307	7,551
Trade receivables	17,915	17,342
Other receivables	2,342	1,982
Cash and bank balances	1,097	1,285
	32,078	30,577
TOTAL ASSETS	298,230	297,619
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	81,135	81,135
Share Premium	35,803	35,803
Other reserves	31,533	31,794
Retained earnings	(99,945)	(103,707)
	48,526	45,025
Minority interest	10,587	14,381
Total Equity	59,113	59,406
Non-current liabilities		
Borrowings	13,160	14,051
Deferred tax liabilities	17,694	17,694
	30,854	31,745
Current liabilities		
Borrowings	189,741	189,989
Trade payables	8,270	7,258
Other payables	10,249	9,218
Current tax payable	3	3
	208,263	206,468
Total liabilities	239,117	238,213
TOTAL EQUITY AND LIABILITIES	298,230	297,619
Net assets per share attributable to ordinary equity holders of the parent (sen)	60	55

The Condensed Consolidated Balance Sheets (unaudited) should be read in conjunction with the

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THREE-MONTH PERIOD ENDED 30 APRIL 2007

	2007		2006	
	Current quarter ended 30.04.2007	3-month cumulative for current financial year to date ended 30.04.2007	Comparable current quarter ended 30.04.2006	Comparable 3-month cumulative for preceding financial year to date ended 30.04.2006
	RM'000	RM'000	RM'000	RM'000
Revenue	18,428	18,428	17,227	17,227
Other income	4,144	4,144	64	64
Operating expenses	(18,186)	(18,186)	(18,105)	(18,105)
Finance costs	(640)	(640)	(1,642)	(1,642)
Profit/ (Loss) before tax	3,746	3,746	(2,456)	(2,456)
Income tax expense	-	-	-	-
Profit/ (Loss) for the period	3,746	3,746	(2,456)	(2,456)
Attributable to:				
Equity holders of the parent	3,762	3,762	(2,389)	(2,389)
Minority interest	(16)	(16)	(67)	(67)
	3,746	3,746	(2,456)	(2,456)
Earnings per share attributable to equity holders of the parent (sen):				
Basic, for profit/ (loss) for the period	4.64	4.64	(2.94)	(2.94)
Diluted, for profit/ (loss) for the period	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2007

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 30 APRIL 2007

	3-month ended 30 April, 2007 RM'000	3-month ended 30 April, 2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	3,746	(2,455)
Adjustments for:		
Non-cash items	1,177	1,125
Non-operating items	(3,461)	1,635
Operating profit/ (loss) before working capital changes	1,462	305
Net change in current assets	(1,680)	(746)
Net change in current liabilities	2,042	1,052
Cash generated from operations	1,824	611
Income tax (paid) / refund	(7)	(15)
Interest paid	(572)	(557)
Net cash generated from/ (used in) operating activities	1,245	39
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(217)	(119)
Proceeds from disposal of property, plant and equipment	12	19
Interest received	1	5
Net cash outflow on disposal of subsidiaries companies	-	-
Land & Development expenditure	(54)	(12)
Net cash generated from/(used in) investing activities	(258)	(107)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase	(169)	(185)
Net advance of bill payables	(646)	(395)
Repayment of term loan	(601)	(865)
Drawdown of term loan	-	-
Net cash generated from/(used in) financing activities	(1,416)	(1,445)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(429)	(1,513)
CASH AND CASH EQUIVALENTS AT 01 FEBRUARY, 2007 / 01 FEBRUARY, 2006	1,029	2,135
CASH AND CASH EQUIVALENTS AT 30 APRIL, 2007 / 30 APRIL, 2006	600	622
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	746	678
Fixed deposits with licensed banks	351	614
	1,097	1,292
Bank overdraft	(497)	(670)
	600	622

The Condensed Consolidated Cash Flow Statement (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2007

KYM HOLDINGS BHD (Co. No. 84303-A)
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 30 APRIL 2007

	Attributable to Equity Holders of the Parents					Minority Interest <i>RM'000</i>	Total Equity <i>RM'000</i>
	Share Capital <i>RM'000</i>	Share Premium <i>RM'000</i>	Other Reserves <i>RM'000</i>	Retained Earnings <i>RM'000</i>	Total <i>RM'000</i>		
At 1 February 2006	81,135	35,803	27,125	(100,240)	43,823	15,250	59,073
Loss for the period	-	-	-	(2,389)	(2,389)	(67)	(2,456)
At 30 April 2006	81,135	35,803	27,125	(102,629)	41,434	15,183	56,617
At 1 February 2007	81,135	35,803	31,794	(103,707)	45,025	14,381	59,406
Loss for the period	-	-	-	(277)	(277)	(16)	(293)
Effect on partial disposal of subsidiary's shares	-	-	(261)	4,039	3,778	(3,778)	-
At 30 April 2007	81,135	35,803	31,533	(99,945)	48,526	10,587	59,113

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 2007

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

INTERIM FINANCIAL REPORT

Notes:

A1 Accounting Policies

The interim financial statements are unaudited and have been prepared in accordance with FRS 134: Interim Financial Reporting (formerly known as MASB 26) and Chapter 9 Part K 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 2007.

The accounting policies and method of computations used in the preparation of the interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 January 2007.

A2 Status of Audit Qualifications

The audited financial statements of the Group for year ended 31 January 2007 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 30th April 2007, except for the following item:-

	RM'000
Gain on partial disposal of subsidiary's shares	4,039

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 2007

	Gross Revenue RM'000	Profit/(Loss) before tax RM'000	Segment assets RM'000	Segment liabilities RM'000
Manufacturing	18,570	131	96,436	59,494
Investment holding	-	(2,194)	239,466	220,922
Property development	101	75	204,876	163,825
Others	752	(203)	23,364	31,087
Elimination	(995)	5,937	(266,044)	(253,908)
	18,428	3,746	298,098	221,420

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

On 30 April 2007, KYM Holdings Bhd. has entered into a share sale agreement in relation to the disposal of 1,960,000 shares of PPI Bags Sdn. Bhd. Upon completion, the shareholdings in PPI Bags Sdn. Bhd. was reduced from 100% to 51%.

A12 Changes in Contingent Liabilities And Contingent Assets

There were no changes in the contingent liabilities or contingent assets since the last financial year ended 31 January 2007.

As disclosed in the financial statements for the year ended 31 January 2007, Jabatan Kastam Diraja Malaysia, Johor ("Kastam Malaysia") has revised the claim of import duties to RM 2,924,930.

On 14 December 2005, KYM Industries (Johor) Sdn. Bhd. ("KYMJ") made a second appeal to Kastam Malaysia on the said Notice of Demand, as based on the directors' estimation, the import duties would be approximately RM920,000. As at the date of this report, the appeal is still pending from Kastam Malaysia.

Notwithstanding the above, a payment of approximately RM715,000 was made by KYMJ and the balance amount of provision in the financial statement as at 30 April 2007 was RM205,000.

A13 Capital Commitments

There was no capital commitment not provided for in the financial statement for the quarter.

Additional information required by the BMSB's Listing Requirements

B1 Taxation

There was no taxation provided for in the financial statement for the quarter.

B2 Profit/(Loss) on sale of unquoted investments and/or properties

There was no sale of unquoted investments and/or properties during the quarter.

B3 Status of corporate proposals announced

All the previous corporate proposals announced have either been completed or lapsed during the previous quarter and there were no new corporate proposals announced during the quarter under review.

B4 Borrowing and debt securities

	As at 30.4.2007 RM'000
Short term	
Secured	189,741
Unsecured	-
	<hr/> 189,741
Long term	
Secured	13,160
Unsecured	-
	<hr/> 13,160

The above borrowings are denominated in Ringgit Malaysia.

B5 Off balance sheet financial instrument

During the financial year to date, the Group did not enter into any contracts involving off balance sheet financial instrument.

B6 Changes in Material Litigation

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

B7 Material Changes in the Profit/Loss before Taxation for the Period compared with the preceding quarter

The Group turnover was RM18.428 million as compared to RM16.717 million in the preceding quarter due to increase in sales in Bags Division.

The Group profit before taxation for the current quarter was RM3.746 million compared to a loss of RM5.053 million for the preceding quarter. The increase in profit was mainly due to the gain from partial disposal of subsidiary's shares as mentioned in Note A11.

B8 Current year prospects

The Packaging Division is continuing its efforts to reduce costs and increase productivity to meet the challenges of a highly competitive industry. These remedial measures are already bearing fruit and we are optimistic that the performance of our Bags Division will continue to improve as already seen by the performance of the two subsidiaries, who have managed to show a net profit for the quarter.

Going forward, we expect the Property Division to contribute positively to the Group's performance with our development in Teluk Rubiah, an integrated beach-front resort near Lumut, Perak.

The Group has submitted the loan restructuring proposal and at the final stage of negotiating with its principal bankers, United Overseas Bank (M) Bhd and RHB Investment Bank Bhd. We anticipate favorable response from bankers to restructure its existing loans.

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 2007.

B11 Earnings per share attributable to equity holders of the parent

	Current Quarter ended 30.4.2007	Cumulative Year to- date ended 30.4.2007
(a) <u>Basic earnings per share</u>		
Profit attributed to ordinary equity holders of the parent (RM'000)	3,762	3,762
Weighted average number of ordinary shares in issue ('000)	81,135	81,135
Basic Earnings per share for profit for the period (sen)	4.64	4.64

(b) Diluted earnings per share

Not applicable as there was no dilutive potential ordinary shares at the end of the current quarter and cumulative year to date ended 30 April 2007.

By Order of the Board

CHEE MIN ER
Company Secretary

Kuala Lumpur
29 June 2007