

CONSOLIDATED BALANCE SHEET (UNAUDITED)

	AS AT END OF CURRENT QUARTER 31/03/2002 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/09/2001 RM'000
1 Property, Plant and Equipment	95,536	98,925
2 Investment Property	-	-
3 Investment in Associated Companies	59,325	59,449
4 Long Term Investments	71,345	65,767
5 Goodwill on Consolidation	5,335	5,335
6 Intangible Assets	-	-
7 Other Long Term Assets	-	-
8 Current Assets		
<i>Development Properties</i>	1,097	1,097
<i>Stocks</i>	11,061	11,267
<i>Trade Debtors</i>	18,043	21,125
<i>Other Debtors</i>	2,918	2,427
<i>Cash</i>	2,427	1,843
9 Current Liabilities		
<i>Short Term Borrowings</i>	30,625	29,892
<i>Trade Creditors</i>	6,688	7,044
<i>Other Creditors</i>	74,432	74,953
<i>Provision for Taxation</i>	174	212
10 Net Current Assets or Current Liabilities	(76,373)	(74,342)
	<hr/> 155,168 <hr/>	<hr/> 155,134 <hr/>
11 Shareholders' Funds		
Share Capital	40,940	40,940
Reserves		
<i>Share Premium</i>	57,270	57,270
<i>Capital Reserve</i>	35	35
<i>Retained Profit/(Loss)</i>	(76,589)	(72,412)
<i>Others</i>	-	-
12 Minority Interests	8	7
13 Long Term Borrowings	132,911	128,701
14 Other Long Term Liabilities	-	-
15 Deferred Taxation	593	593
	<hr/> 155,168 <hr/>	<hr/> 155,134 <hr/>
16 Net tangible assets per share (sen)	40	50

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 2001 and comply with the approved accounting standards in Malaysia released after 30 September 2001.

2. **Exceptional items**

Nil

3. **Extraordinary items**

Nil

4. **Taxation**

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

5. **Sale of investments and properties**

Nil

6. **Particulars of purchase or disposal of quoted securities**

a. There is no purchase or disposal of quoted securities during the quarter.

b. Investments in quoted securities as at 31 March 2002:

	RM'000
At cost	65,033
At carrying value/book value, and (after provision for diminution in value)	65,033
At market value	7,629

7. **Changes in group/capital structure**

Nil

8. **Status of corporate proposals**

a. 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 vide its letter dated 6 March 2002 has approved the extension of time pursuant to the completion of the Proposed Rights Issue to 31 December 2002.

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.

d. The SC has vide its letter of 15 June 2001 approved the extension of time pursuant to the completion of the Proposed Private Placement to 27 June 2002.

9. **Capital issues and dealings in own shares**

Nil

10. **Group borrowings and debts securities as at 31 March 2002:**

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings	-	30,625	30,625
Long Term Borrowings	131,498	1,413	132,911
Total	131,498	32,038	163,536

The Company has negotiated with its principal bankers, United Overseas Bank (Malaysia) Bhd and RHB Sakura Merchant Bankers Bhd to convert the existing secured banking facilities into a 2-year term loan. The term loans are repayable by way of a bullet payment within 24 months commencing January 2002.

11. **Contingent liabilities**

Nil

12. **Off balance sheet financial instruments**

Nil

13. **Material litigation**

Nil

14. **Segment information**

By industry segments:

	Turnover		Profit/(loss) before tax		Total assets employed RM'000
	Current Qtr RM'000	YTD RM'000	Current Qtr RM'000	YTD RM'000	
Packaging	17,064	34,801	246	836	71,805
Investment holding	-	-	(2,271)	(3,831)	19,601
Property development	51	392	(178)	(412)	145,723
Others	347	716	(171)	(655)	29,958
	17,462	35,909	(2,374)	(4,062)	267,087
Group's share of associated company's profit	-	-	413	(178)	-
	17,462	35,909	(1,961)	(4,240)	267,087

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

Nil

16. **Review of performance**

The Group recorded a turnover of RM17,460,000 compared to RM21,170,000 in the preceding quarter ended 30 September 2001 representing a decrease of 17% mainly due to the

decrease in sales in our packaging division as a result of lower selling prices due to tighter competition in the market.

Group operating profit before interest, depreciation and taxation was RM844,000 in the current quarter, compared to RM1,820,000 in the preceding year's corresponding quarter representing a decrease of 54% mainly due to the reduced profit margin in the packaging division.

17. Subsequent Events

- a. On 3 April 2002, the Company entered into a Sale and Purchase Agreement with Lam Soon Manufacturing Sdn Bhd for the disposal of 3 ordinary shares of RM1.00 representing 100% of the total issued and paid up capital of KYM Senai Sdn Bhd for a total cash consideration of RM6,528,772.80 ("Proposed Disposal"). As at todate, the Proposed Disposal has not been completed.

- b. The factory premises of our 100% owned subsidiary, Hasrat Meranti Sdn Bhd ("Hasrat"), located in Kanthan Industrial Estate, Chemor, Perak was severely damaged by a fire on 8 April 2002.

The principal activity of Hasrat is the manufacture and sale of multi-wall industrial paper bags. It supplies industrial paper bags to cement manufacturers and to other industrial users.

The facilities and the business of Hasrat have adequate insurance coverage and all efforts are being made to expedite the reconstruction of the factory to enable a resumption of normal production.

- c. On 17 April 2002, KYM announced that the Company's wholly owned subsidiary Eco Ribuan Sdn Bhd had on 15 April 2002 disposed of 2,920,000 ordinary shares of RM1.00 each representing 5.51% of the total issued and paid up capital of Juan Kuang (M) Industrial Bhd ("JK") for a cash consideration of RM2,044,000 ("Proposed Disposal").

JK is an associated company of KYM and after the Proposed Disposal, KYM's interest in JK as at 15 April 2002 is 22.03%.

The Proposed Disposal does not have any material effect on the net tangible assets per share of the Company but the Group's loss per share for the financial year ending 30 September 2002 is expected to increase by 2.23 sen as a result of the Proposed Disposal.

18. Seasonal or cyclical factors

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

19. Current year prospects

The group's operating environment continues to be highly competitive.

The group is continuing its efforts in consolidating its operations and divesting non-core landed properties.

20. Variance from profit forecasts and profit guarantee

Not applicable.

21. Dividend

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

22. Status of E-Commerce Business

On 28 June 2001, KYM 2000 Sdn Bhd (formerly known as Digital Essence Sdn Bhd), a wholly owned subsidiary of the Company has entered into a Joint Venture Agreement (“JVA”) with 3ntity to establish a joint venture company (“JVCo”) to facilitate electronic commerce transactions between business-to-business, business-to-consumer and consumer-to-consumer.

The JVCo is expected to commence operations closer to finalisation of terms with any prospective customers.

By Order of the Board

CHEE MIN ER
Secretary

Date: 28 May 2002