

**CONSOLIDATED BALANCE SHEET (UNAUDITED)**

	<b>AS AT END OF CURRENT QUARTER 30/06/2002 RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 30/09/2001 RM'000</b>
1 Property, Plant and Equipment	83,287	98,925
2 Investment Property	-	-
3 Investment in Associated Companies	58,232	59,449
4 Long Term Investments	73,123	65,767
5 Goodwill on Consolidation	5,337	5,335
6 Intangible Assets	-	-
7 Other Long Term Assets	-	-
8 Current Assets		
<i>Development Properties</i>	1,097	1,097
<i>Stocks</i>	9,540	11,267
<i>Trade Debtors</i>	17,890	21,125
<i>Other Debtors</i>	15,736	2,427
<i>Cash</i>	3,280	1,843
9 Current Liabilities		
<i>Short Term Borrowings</i>	30,228	29,892
<i>Trade Creditors</i>	7,732	7,044
<i>Other Creditors</i>	79,004	74,953
<i>Provision for Taxation</i>	26	212
10 Net Current Assets or Current Liabilities	(69,447)	(74,342)
	<u>150,532</u>	<u>155,134</u>
11 Shareholders' Funds		
Share Capital	40,940	40,940
Reserves		
<i>Share Premium</i>	57,271	57,270
<i>Capital Reserve</i>	35	35
<i>Retained Profit/(Loss)</i>	(81,319)	(72,412)
<i>Others</i>	-	-
12 Minority Interests	8	7
13 Long Term Borrowings	133,004	128,701
14 Other Long Term Liabilities	-	-
15 Deferred Taxation	593	593
	<u>150,532</u>	<u>155,134</u>
16 Net tangible assets per share (sen)	28	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. Purchase or disposal of quoted securities during the quarter:

RM'000

Total Purchases	2,920
Total Disposals	2,044
Total Loss on Disposal	(876)

b. Investments in quoted securities as at 30 June 2002:

RM'000

At cost	65,033
At carrying value/book value, and (after provision for diminution in value)	59,184
At market value	6,528

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

Nil

8. **Status of corporate proposals**

- 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 each 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").

The Proposed Disposal was approved by the shareholders of KYM at an Extraordinary General Meeting held on 30 July 2002 and the Foreign Investment Committee vide its letter dated 29 July 2002. The Proposed Disposal was completed on 8 August 2002.

- b. On 5 June 2002, the Board of Directors of the KYM announced that the Company has proposed to abort the 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") and replace it with a proposed two call renounceable rights issue of up to 115,567,418 new shares at par of which the first-call of RM0.50 shall be payable in cash upon acceptance whilst the second call of RM0.50 shall be paid from the Company's share premium account on the basis for 5 new shares for every 2 existing shares held ("Proposed Two-Call Rights Issue").

An application to the Securities Commission ("SC") was made on 31 July 2002 to seek the approval of the SC for the Proposed Two-Call Rights Issue.

- 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.

On 23 May 2002, the Company had applied to the SC for an extension of time pursuant to its completion of the Proposed Private Placement for a further twelve (12) months to 27 June 2003. The SC vide its letter dated 6 June 2002 rejected the Company's application for an extension of time for the completion of the Proposed Private Placement.

In view of the prevailing market price of KYM Shares, which has been trading below its par value of RM1.00, KYM has been unable to procure placees for the Proposed Private Placement. The Board of Directors of KYM has therefore decided to abort the Proposed Private Placement.

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

Nil

**10. Group borrowings and debts securities as at 30 June 2002:**

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term Borrowings	-	30,228	30,228
Long Term Borrowings	131,498	1,506	133,004
Total	131,498	31,734	163,232

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	15,179	49,980	(506)	330	71,838
Investment holding	-	-	(2,965)	(6,796)	20,925
Property development	1,068	1,460	(148)	(560)	144,738
Others	427	1,143	4	(651)	30,021
	16,674	52,583	(3,615)	(7,677)	267,522
Group's share of associated company's profit	-	-	(781)	(959)	-
	16,674	52,583	(4,396)	(8,636)	267,522

**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 RM16,674,000 compared to RM20,472,000 in the preceding year corresponding quarter due to the decrease in sales in the carton division as a result of lower selling price of carton boxes despite maintaining the sales volume. The drop in sales was also due to the decrease in sales in the industrial bags division. On 8 April 2002, the industrial bag producing factory of Hasrat Meranti Sdn Bhd (a wholly owned subsidiary of KYM Holdings Bhd.) was severely damaged by fire. Consequently, the production of industrial bag was badly affected.

As a result of the drop in turnover, the Group incurred an operating loss before interest, depreciation and taxation of RM645,000 in the current quarter, compared to an operating profit before interest, depreciation and taxation of RM2,259,000 in the preceding year corresponding quarter.

**17. Subsequent Events**

Nil

**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: 29 August 2002  
Kuala Lumpur