

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 JANUARY 2025

	As at 31.01.2025 RM'000	As at 31.01.2024 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	32,767	34,522
Right-of-use assets	13,375	14,956
Investment properties	42,180	42,180
Goodwill	4,667	4,667
Other investments	2	1
	92,991	96,326
Current assets		
Inventories	28,568	17,685
Trade receivables	18,886	25,940
Other receivables	1,829	1,926
Current tax assets	3,397	2,872
Short-term investments	16,977	18,183
Fixed deposits with licensed banks	360	448
Cash and bank balances	2,509	4,336
	72,526	71,390
TOTAL ASSETS	165,517	167,716
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	111,582	111,582
Employees' share scheme ("ESS") reserve	540	540
Retained earnings/(Accumulated losses)	1,776	(137)
Total equity	113,898	111,985
Non-current liabilities		
Borrowings	11,334	12,947
Deferred tax liabilities	7,165	7,208
	18,499	20,155
Current liabilities		
Trade payables	10,696	8,687
Other payables	6,685	8,265
Current tax liabilities	-	1
Borrowings	15,739	18,623
	33,120	35,576
Total liabilities	51,619	55,731
TOTAL EQUITY AND LIABILITIES	165,517	167,716
Net assets per share attributable to ordinary equity holders of the parent (sen)	75	73

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 2024.

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))

INTERIM FINANCIAL REPORT

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2025

	Current quarter ended 31.01.2025 RM'000	12 months cumulative for current financial year-to- date ended 31.01.2025 RM'000	Comparable quarter ended 31.01.2024 RM'000	Comparable 12 months cumulative for preceding financial year-to-date ended 31.01.2024 RM'000
Revenue	19,596	84,865	26,146	101,131
Other income	273	1,086	982	17,270
Operating expenses	(18,394)	(80,116)	(26,203)	(103,095)
Finance costs	(456)	(2,043)	(523)	(2,116)
(Impairment losses)/Net reversal of impairment losses on financial assets	(716)	(783)	-	99
Profit before tax	303	3,009	402	13,289
Income tax expense	(378)	(1,096)	1,520	(239)
(Loss)/Profit for the financial period	(75)	1,913	1,922	13,050
Other comprehensive income for the financial period	-	-	-	-
Total comprehensive (loss)/income for the financial period	(75)	1,913	1,922	13,050
(Loss)/Profit after tax/Total comprehensive (loss)/income for the financial period attributable to:				
Owners of the Company	(75)	1,913	1,922	13,050
(Loss)/Earnings per share attributable to owners of the Company (sen):				
Basic:	(0.05)	1.25	1.26	8.57
Diluted:	(0.05)	1.25	1.26	8.56

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 2024.

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2025

	For the 12 months period ended 31.01.2025 RM'000	For the 12 months period ended 31.01.2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,009	13,289
Adjustments for:		
Non-cash items	5,748	5,633
Non-operating items	2,191	(13,438)
Operating profit before working capital changes	10,948	5,484
Net change in current assets	(4,515)	20,554
Net change in current liabilities	429	(10,489)
Cash generated from operations	6,862	15,549
Income tax refunded	40	-
Income tax paid	(1,705)	(1,872)
Interest paid	(326)	(370)
Real property gains tax paid	-	(1,499)
Net cash from operating activities	4,871	11,808
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Interest received	634	588
Proceeds from disposal of assets held for sale and investment property	-	22,975
Proceeds from disposal of property, plant and equipment	-	23
Purchase of property, plant and equipment	(2,141)	(2,212)
(Placement)/Uplift of fixed deposits pledged to licensed banks	(14)	1,101
Net cash (for)/from investing activities	(1,521)	22,475
CASH FLOWS FOR FINANCING ACTIVITIES		
Interest paid	(1,717)	(1,746)
Net drawdown/(repayment) of bankers' acceptances	236	(5,470)
Net repayment of bills payable	(4,164)	(4,651)
Repayment of hire purchase payables	(189)	(1,710)
Repayment of lease liabilities	(1,563)	(1,402)
Repayment of term loans	(86)	(113)
Net drawdown of revolving credit	800	200
Net cash for financing activities	(6,683)	(14,892)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(3,333)	19,391
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	18,804	(587)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	15,471	18,804
CASH AND CASH EQUIVALENTS COMprise:		
Short-term investments	16,977	18,183
Fixed deposits with licensed banks	360	448
Cash and bank balances	2,509	4,336
Bank overdrafts	(4,015)	(3,817)
	15,831	19,150
Less : Fixed deposits pledged to licensed banks	(360)	(346)
	15,471	18,804

The Condensed Consolidated Statements of Cash Flows (unaudited) should be read in conjunction with the Annual Audited Financial Report for the year ended 31 January 2024.

KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2025

	Share capital RM'000	Revaluation reserve RM'000	ESS reserve RM'000	Retained earnings/ (Accumulated losses) RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 February 2023	111,217	72	-	(13,266)	98,023	-	98,023
Profit after tax/Total comprehensive income for the financial period	-	-	-	13,050	13,050	-	13,050
Transactions with owners of the Company:							
Ordinary shares issued pursuant to a share grant under ESS	365	-	(365)	-	-	-	-
ESS shares forfeited	-	-	(3)	3	-	-	-
Share-based payment transactions	-	-	912	-	912	-	912
Realisation of revaluation reserve upon disposal of land and buildings	-	(72)	-	72	-	-	-
At 31 January 2025	111,582	-	544	(141)	111,985	-	111,985
At 1 February 2024	111,582	-	540	(137)	111,985	-	111,985
Profit after tax/Total comprehensive income for the financial period	-	-	-	1,913	1,913	-	1,913
At 31 January 2025	111,582	-	540	1,776	113,898	-	113,898

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 2024.

**KYM HOLDINGS BHD (Co. No. 198201004556 (84303-A))
INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FINAL
QUARTER ENDED 31 JANUARY 2025**

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Basis of Preparation

The interim financial statements of the Group are unaudited and have been prepared in accordance with Malaysian 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 2024.

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 2024.

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 2024.

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 the financial year ended 31 January 2024 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 current quarter and period ended 31 January 2025.

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 Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayments of debt and equity securities during the current quarter and period ended 31 January 2025.

A7 Dividend Paid

There was no dividend paid during the current quarter and financial period under review.

A8 Segmental Reporting (Analysis by business segments)

Segmental analysis of the results for 12 months ended 31 January 2025:

	Gross revenue RM'000	Profit before tax RM'000	Segment assets RM'000	Segment liabilities RM'000
Manufacturing	97,709	6,049	126,587	65,355
Investment holding/Others	2,802	(946)	186,441	135,924
Elimination	100,511 (15,646)	5,103 (2,094)	313,028 (150,908)	201,279 (156,825)
	<u>84,865</u>	<u>3,009</u>	<u>162,120</u>	<u>44,454</u>
Unallocated assets			3,397	-
Unallocated liabilities			-	7,165
			<u>165,517</u>	<u>51,619</u>

The Group's turnover was fully contributed by the Group's core business, which is the manufacturing of industrial packaging materials.

Gross revenue	RM'000
Manufacturing	97,709
Less: Intercompany elimination	(12,844)
	<u>84,865</u>
Investment holding/Others	2,802
Less: Intercompany elimination	(2,802)
	<u>84,865</u>

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 Valuation of Investment Properties

The Group adopts the fair value model for its investment properties. There was no significant and indicative change in value of the said investment properties since the last financial year ended 31 January 2024.

A11 Material Subsequent Events

There were no material events subsequent to the end of current quarter under review that have not been reflected in the interim financial statements.

A12 Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period under review.

A13 Changes in Contingent Liabilities and Contingent Assets

There were no significant changes in the contingent liabilities or contingent assets since the last financial year ended 31 January 2024.

A14 Capital Commitments

Capital commitments not provided for in the interim financial statements as at the end of the financial periods are as follows:

	As at 31.01.2025 RM'000	As at 31.01.2024 RM'000
Approved and contracted for:		
- Property, plant and equipment	-	1,056

PART B: ADDITIONAL INFORMATION REQUIRED PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES

B1 Review of Performance

	Current quarter ended 31.01.2025 RM'000	Comparable quarter ended 31.01.2024 RM'000		Cumulative year to-date ended 31.01.2025 RM'000	Cumulative year to-date ended 31.01.2024 RM'000	
			Change %			Change %
Revenue	19,596	26,146	-25.05%	84,865	101,131	-16.08%
Gross profit	4,202	3,708	13.32%	16,727	10,909	53.33%
Profit before interest and tax	591	759	-22.13%	4,418	14,827	-70.20%
Profit before tax	303	412	-26.46%	3,009	13,299	-77.37%
(Loss)/Profit after tax	(75)	1,922	>100%	1,913	13,050	-85.34%
(Loss)/Profit attributable to ordinary equity holders	(75)	1,922	>100%	1,913	13,050	-85.34%

Quarter ended 31.01.2025 compared with quarter ended 31.01.2024

For the quarter under review, the Group recorded a revenue of RM19.596 million with a profit before tax ("PBT") of RM0.303 million compared with the revenue of RM26.146 million and PBT of RM0.412 million for the corresponding quarter in the preceding year. The decrease in revenue was primarily due to the selling price pressures while we are maintaining our selling price and product quality.

Despite lower revenue in the current quarter, the Manufacturing segment reported a higher PBT of RM1.308 million compared to a PBT of RM1.303 million in the correspondence quarter in the preceding period mainly due to the ongoing cost optimization initiatives, pricing strategy and efficient raw materials consumption. However, the results were partially offset by a one-off impairment loss on trade receivable of RM0.75 million and a slight increase in loss before tax in the investment holding/other segment, due to higher administrative expenses.

Current financial year ended 31.01.2025 ("FY2025") against preceding financial year ended 31.01.2024 ("FY2024")

For FY2025, the Group posted a revenue of RM84.865 million as compared to its preceding financial year ended 31 January 2024 of RM101.131 million. The lower revenue was primarily due to the selling price pressures to ensure market retention in all sectors.

The Group recorded a PBT for FY2025 of RM3.009 million as compared to a PBT of RM13.299 million in the preceding financial year. The higher PBT for FY2024 was due mainly to gain on disposal of the land and buildings of RM15.285 million.

The Manufacturing segment recorded a PBT of RM6.756 million for FY2025 compared to a PBT of RM1.949 million in the preceding financial year. The significant improvement in performance was primarily due to the ongoing cost optimization initiatives, strategic procurement and our business strategy on pricing and product quality. However, the overall results were partially offset by a one-off impairment loss on trade receivable of RM0.75 million.

The Investment holding/other segments recorded a loss before tax of RM3.747 million in FY2025, compared to a profit before tax of RM11.350 in FY2024, in the absence of a one-off gain on disposal of land and buildings of RM15.285 million recognized in FY2024.

B2 Material Changes in the Profit Before Tax for the Current Quarter compared with the Preceding Quarter

	Current quarter ended 31.01.2025 RM'000	Immediate preceding quarter ended 31.10.2024 RM'000	Change %
Revenue	19,596	20,454	-4.19%
Gross profit	4,202	4,205	-0.07%
Profit before interest and tax	591	1,040	-43.17%
Profit before tax	303	575	-47.30%
(Loss)/Profit after tax	(75)	311	->100%
(Loss)/Profit attributable to ordinary equity holders	(75)	311	->100%

The Group's revenue decreased by RM0.858 million or 4.19% as compared to the preceding quarter. The decrease was primarily due to increased market competition in the industrial paper sacks industry.

The Group recorded a lower PBT of RM0.303 million for the current quarter, as compared to the PBT of RM0.575 million in the preceding quarter, primarily due to the impairment loss of RM0.75 million on trade receivable.

B3 Prospects

The Group expects the business environment to remain challenging in 2025. The potential new trade policy in US which might impact global trade dynamics and create economic uncertainties in Malaysia. The possible reintroduction of tariffs and changes in foreign policy may result in additional cost pressures and fluctuations. The Group will remain vigilant to adapt to the evolving conditions and continue to focus on implementing the on-going business strategies and improving its operational efficiency to improve the top line and bottom line.

Driven by a growing recognition of the importance of sustainable development, the Group will continue to explore opportunities, develop and sell more innovative and sustainable packaging products for different markets. Our unwavering commitment to sustainability and innovation is yielding remarkable results.

With the attainment of Food Safety System Certification 22000 (FSSC 22000) in October 2024, the Corrugated Carton Box division is proactively implementing initiatives to increase market share within the F&B sector.

KYM Group is committed to integrating sustainability initiatives into its operations. Following the completion of the rooftop solar PV system installation at the Beranang and Tapah factories, the Group expects to offset 50% of the consumption of energy purchased from the grid with renewable energy and reduce the Group's carbon footprint.

At the same time, the Group remains committed to actively seeking new business opportunities and diversifying our income streams in order to enhance the financial position of the Group.

Barring any unforeseen circumstances, the Board is cautiously optimistic that the Group will be able to navigate the challenges by prudently managing the key risks and achieving satisfactory performance in the remainder of the financial year.

B4 Profit Forecast

There is no published forecast or profit guarantee.

B5 Taxation

The taxation for the Group for the current financial period under review was as follows:

	Current quarter ended 31.01.2025 RM'000	Cumulative year-to-date ended 31.01.2025 RM'000
Current tax:		
- Current year	104	1,123
- Prior year	(1)	16
Deferred tax:		
- Current year	275	(43)
	378	1,096

The effective tax rate of the Group for the current financial quarter and financial period ended 31 January 2025 were lower than the statutory tax rate of 24% mainly due to the realization of deferred tax liabilities arising from fair value changes of investment properties.

B6 Status of Corporate Proposal Announced

There were no corporate proposals announced or outstanding as at the date of this announcement.

B7 Group Borrowings and Debt Securities

	As at 31.01.2025		
	Short term RM'000	Long term RM'000	Total borrowings RM'000
Secured			
Bank overdrafts	4,015	-	4,015
Term loans	75	-	75
Bankers' acceptance	4,135	-	4,135
Bills payable	4,688	-	4,688
Hire purchase payables	214	337	551
Lease liabilities	1,612	10,997	12,609
Revolving credit	1,000	-	1,000
	15,739	11,334	27,073
Unsecured			
	-	-	-

B7 Group Borrowings and Debt Securities (cont'd)

The borrowings are denominated in the following currencies:

	As at 31.01.2025 RM'000
Ringgit Malaysia	22,385
Euro	1,948
United States Dollar	<u>2,740</u>
	<u><u>27,073</u></u>

B8 Changes in Material Litigation

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

B9 Dividend

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 31 January 2025.

B10 Profit Before Tax

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

	Current quarter ended 31.01.2025 RM'000	Cumulative year to-date ended 31.01.2025 RM'000
Depreciation of property, plant and equipment	1,060	4,044
Depreciation of right-of-use-assets	478	1,704
Foreign exchange gain	(443)	(381)
Impairment losses on trade receivables	683	750
Impairment loss on other receivables	33	33
Interest expenses	456	2,043
Interest income	(168)	(634)
Inventories written off	-	29
Inventories written down	-	4
Bad debt written off (non-trade)	<u>15</u>	<u>15</u>

B11 Earnings Per Share

	Current quarter ended 31.01.2025	Cumulative year to-date ended 31.01.2025
(a) Basic earnings per share		
(Loss)/Profit attributable to owners of the Company (RM'000)	(75)	1,913
Weighted average number of ordinary shares in issue (Basic) ('000)	152,602	152,602
Basic (loss)/earnings per share (sen)	(0.05)	1.25

B11 Earnings Per Share (continued)**(b) Diluted earnings per share**

(Loss)/Profit attributable to owners of the Company (RM'000)	(75)	1,913
Weighted average number of ordinary shares in issue (Basic) ('000)	152,602	152,602
Effect of assumed exercise of ESS options ('000)	#	#
Weighted average number of ordinary shares in issue (Diluted) ('000)	<u>152,602</u>	<u>152,602</u>
Diluted (loss)/earnings per share (sen) *	(0.05)	1.25

- # The potential exercise of ESS options is anti-dilutive as the exercise price is higher than the average market price of the Company's ordinary shares during the current quarter and cumulative quarter ended January 2025. Accordingly, the exercise of ESS options has been ignored in the calculation of dilutive earnings per share.
- * Diluted earnings per share of the Group for the current quarter and cumulative quarter ended January 2025 is equivalent to basic earnings per share as the potential exercise of ESS options is anti-dilutive and the Group does not have other dilutive potential ordinary shares in issue at the end of current quarter.

By Order of the Board

CHEE MIN ER
Company Secretary

Petaling Jaya
26 March 2025

c.c. Securities Commission