49th Annual General Meeting

Operating Performance & Forward Priorities

Tuesday | 19 May 2026

Ahmad Fariz Hassan
Managing Director / Group CEO

we invest in better

01

2025 Operational Highlights

Navigating Operating Challenges

Systemic Pressures Across Demand and Cost Structure Shaped FY2025 Performance

01

Trade Policies

Geopolitical Conflicts

- Geopolitical conflicts and trade policies affect consumer sentiments and escalate operational costs across sectors

02

Weaker Demand

- Weaker sentiment
- Tighter Inventory control
- Measured product launches

Cost-down Requests

- Shared tariff burden
- Maintain relationship

Weaker USD

- 46% sales in foreign currency, 42% in USD

Revenue ▼ 2%

03

Elevated Input Costs

Raw Materials

- Resin, paper
- Metal & other components

Lower resin and paper prices offsetting the increase in other material price

Labour

- Min wages adjustment
- Mandatory EPF for foreign workers

Direct Labour was RM9 mil higher
Offset by: hiring freeze, overtime control, and resource reallocation

Overhead

- Higher electricity tariff

Offset by: solar saving:RM2.5 million

GP Margin ▼ 1%

Operating Performance Across Subsidiary Companies

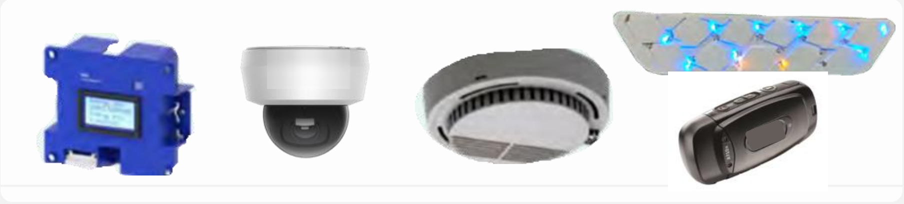
Revenue Growth Moderated Reflecting Lower Sales Volume

TOYO TOYOPLAS
Toyoplas Manufacturing (Malaysia) Sdn Bhd

- **RM435.1** million Revenue
- **RM0.8** million Cost Savings from Solar Installation
- **4** New Customers and Projects
- **Penetrated** new industries, including **STEM Toys, Music Instruments, Home Automation** and **Laboratory Equipment**
- **RBA** Validated Assessment Programme ("VAP") status for Senai plant

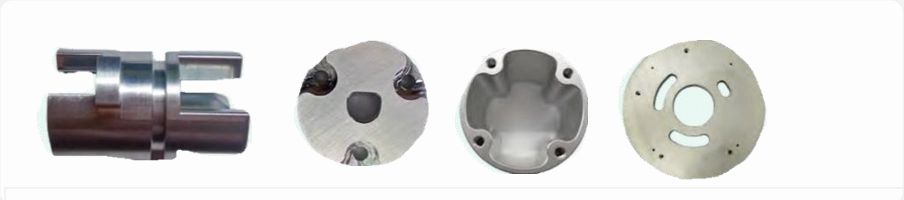
CPI
CPI Penang Sdn Bhd

- **RM222.9** million Revenue
- **RM1.2** million Cost Savings from Solar Installation
- **2** New Customers and **3** Projects



MDS
MDS Advance Sdn Bhd

- **RM21.1** million Revenue
- **3** New Customers and **5** New Projects
- **Renewed** ISO 13485, ISO 9001 & ISO 14001



Century Bond Bhd

- **RM187.7** million Revenue
- **14** New Customers **(E&E, F&B and Healthcare)**
- **RM10.3** million gain from the disposal of the Nilai plant
- **RBA** Certified Packaging supplier and Food Safety System Certification 22000

Aqua-flo
Aqua Flo Sdn Bhd

- **RM176.5** million Revenue
- **7** New Contracts and **2** Products
- **Penetrated** Terengganu State
- **2** New products for existing customers

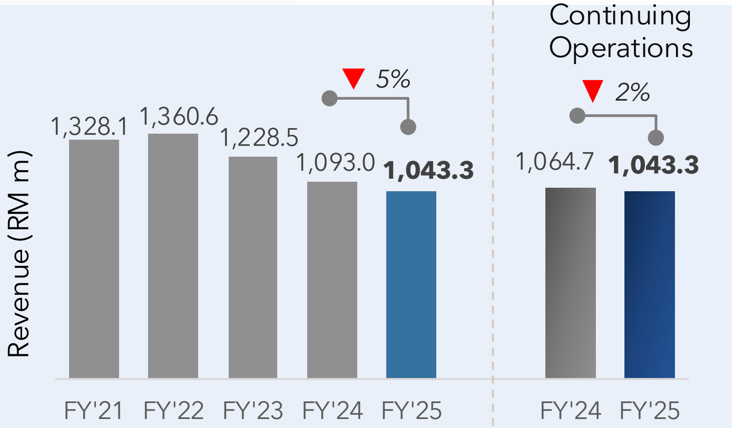
02

2025 Financial Results

Translating Strategy into Financial Performance

Revenue Moderated, Earnings Uplift Driven by Portfolio Realisation & Capital Discipline

Revenue



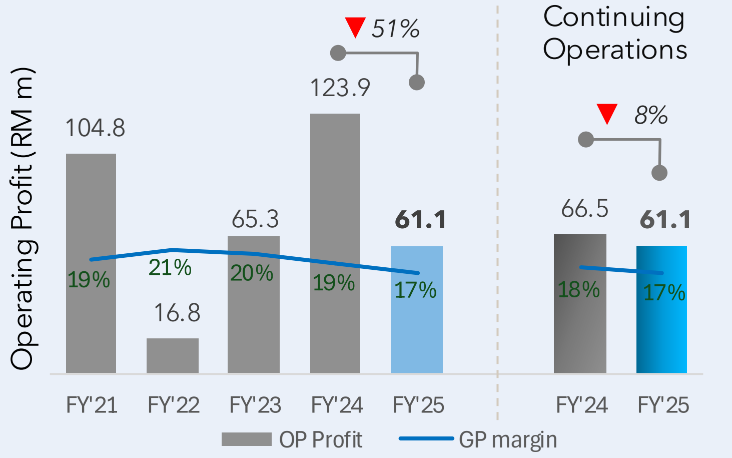
FY'25 vs FY'24

- **Total:** Lower by RM49.7 mil as Kaiserkorp contributed RM28.3 mil in 2024.
- **Continuing:** Decreased RM21.4 mil due to lower demand in the packaging business and weak market sentiment.

FY'21 to FY'25

- The trend shows a global normalisation of supply and demand after the COVID-19 pandemic and the impact of US trade policies, leading to cautious inventory planning among customers. However, this was offset by gaining new customers and projects from existing clients.

Operating Profit



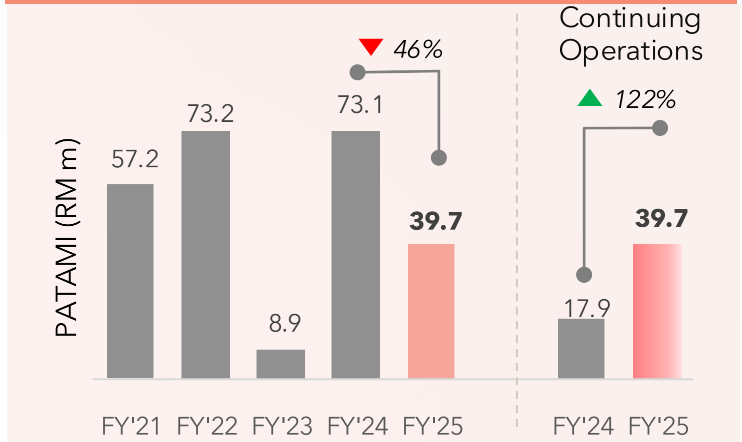
FY'25 vs FY'24

- **Total:** Decreased by RM62.8 million, primarily due to the disposal gain from Kaiserkorp in 2024. This was partially offset by a RM10.3 million gain from the disposal of CBB's Nilai plant, in line with its business streamlining initiatives.
- **Continuing:** Declined by RM5.4 million as lower revenue outweighed the net improvement from reduced other expenses relative to other income.

FY'21 to FY'25

- The Group maintained resilient GP margins despite market and operational challenges.
- FY'22 performance was impacted by RM68.8 million impairment on investment in associates.

Profit Attributable to Owners of the Parent



FY'25 vs FY'24

- **Total:** Reduced by RM33.4 million, mainly driven by the strategic asset sales in 2024 (Kaiserkorp).
- **Continuing:** Increased by RM21.8 million, supported by lower finance costs alongside reduced income tax and zakat expenses.

FY'21 to FY'25

- Strategic asset sales enhanced earnings in FY'22 and FY'24.
- Debt reduction from the proceeds of asset sales strengthens the balance sheet and provides the Group with greater financial flexibility to support future investments.

Dividend Distribution

Reflecting A Disciplined Payout Aligned with Earnings & Cash Flow Generations

RM16.1 mil
Dividend Declared

41.1%
Pay-out/
Core PATAMI

3.0 sen
per ordinary share

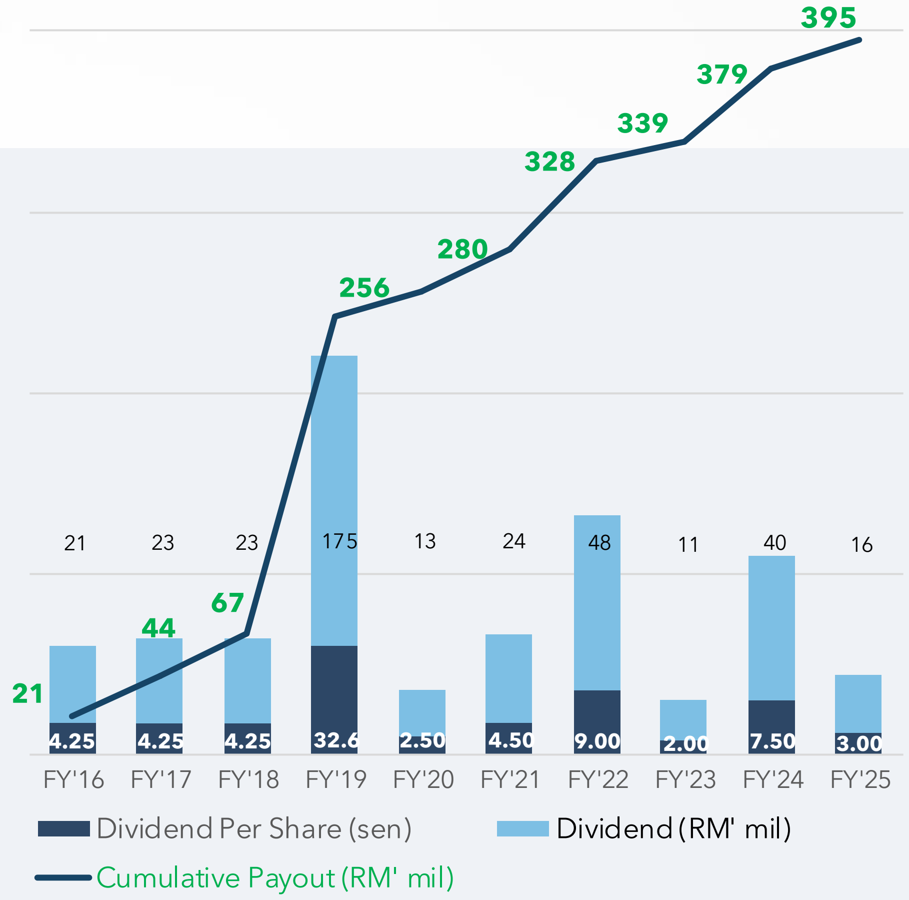
Interim
Paid on 23 December 2025

Final to be paid on 16 June 2026
Subject to the shareholders' approval at the 49th AGM

Dividend Policy

≥ 30.0% of the Group's Normalised Core PATAMI

Steady Dividend since BTP



Notes:
1) Special dividends: 32.6 sen (RM175.2 mil) in FY'19 (SPLASH), 4.5 sen (RM24.2 mil) in FY'22 (SPRINT), 4.5 sen (RM24.2 mil) in FY'24 (Kaiserkorp).

03

Non-Financial Achievements

Strides in ESG Areas

Purpose in Practice: Translating ESG Commitments into Measurable Actions

How ESG Benefits Us?

- Driving efficiency with smarter use of resources, often leading to cost savings.
- Guarding from future risks, like rising costs, stricter regulations, and supply chain disruption.

Carbon Footprint

- Expanded **solar power capacity** by 30% to 4,025 kWp, generating approximately RM2.5 million in cost savings through reduced electricity consumption.
- Established short-term **carbon emissions intensity reduction targets** of 2% annually across 4 manufacturing subsidiaries.

FTSE4Good ESG Rating

FTSE4Good

- Scoring improved to **3.4** in 2025, from 3.3 in 2024.

Community Development (CSR)

- Benefited more than **200,000** individuals.

Awards & Recognition

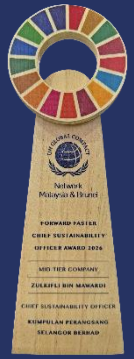
High-Performance Culture Upheld

2025

IR Impact Awards – South East Asia 2025: Best Sustainability Reporting (small cap)

Malaysia's Company Of The Year Award 2025: ESG Innovator of the Year

UNGCMYB Forward Faster CSO Award 2026 Mid-tier Company



SUSTAINABILITY & CSR MALAYSIA AWARD 2025

Company of The Year (Investment Holdings)

Sustainability & CSR Malaysia Award: Long Standing Excellence Award in Sustainability Award

Previous years

UNGC 2024: Sustainability Awareness & Employee Recognition

Sustainability & CSR Malaysia Award 2024: Su stainability Leadership Award

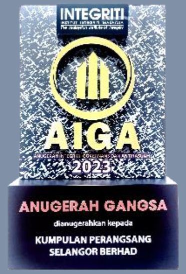
ACCA Approved Employer Awards 2023 for both Professional Development and Trainee Development (Platinum)

NACRA 2024: Platinum Market Capitalisation below RM.2.0 billion

Malaysia Best Employer Brand Awards 2024

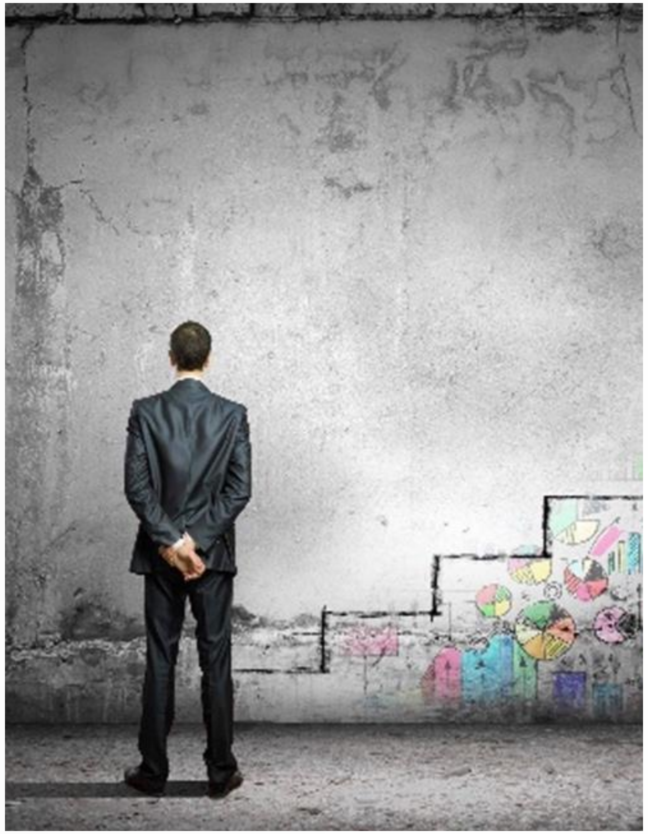
Sustainability & CSR Malaysia Awards 2023

Lembaga Zakat Selangor: Anugerah Majikan Paling Setia



Bronze Category in the Integrity, Governance and Anti-Corruption Award ("AIGA") 2023

The Edge Centurion Club Awards for 2023



04

Managing Prospects

Global Macro Risks

Implications for 2026

Geopolitical Conflict
Middle East tensions disrupting shipping lanes and energy flows

Energy & Raw Material Inflation
Higher oil, resin, freight and insurance costs

Slower Global Growth
Weaker discretionary demand in export-linked sectors

Supply Chain Disruption
Longer transit times and sourcing complexity

Trade Policy Volatility
Tariffs and localisation pressures affecting planning

Revenue Growth : Moderates

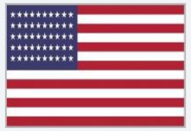
Gross Margin : Compresses

Operating Costs : Elevated

Working Capital : Higher

Profitability : Under Pressure

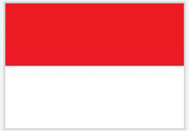
GDP Growth : Moderates



$2.3\%_{2026f}$ vs $2.8\%_{2025}$

$4.4\%_{2026f}$ vs $4.8\%_{2025}$

$1.1\%_{2026f}$ vs $1.2\%_{2025}$



$5.1\%_{2026f}$ vs $5.0\%_{2025}$

$4.7\%_{2026f}$ vs $5.2\%_{2025}$

$6.0\%_{2026f}$ vs $6.1\%_{2025}$

FY2026 Action Plan

Protect Margins. Preserve Cash. Position for Recovery.

1. Revenue Quality

- Prioritise higher-margin customers
- Expand medical/industrial programmes
- Selective pricing pass-through

2. Cost & Productivity

- Tight cost control
- Yield improvement
- Automation & manpower optimisation

3. Cash & Balance Sheet

- Working capital discipline
- CAPEX prioritisation
- Maintain prudent gearing

4. Portfolio Actions

- Review underperforming assets
- Explore restructuring/partnerships
- Selective acquisition only if accretive

Supported by

Diversified Footprint: Malaysia • China • Vietnam • Indonesia

Balanced Earnings Mix: Electronics • Multimedia & Communications • Packaging • Healthcare • Automotive • Water chemicals

Disciplined Management: Capital allocation • Governance • Cost focus

Recovery Optionality: Leaner cost base supports rebound when conditions normalise

Thank You

Investor Relations, Sustainability & Communications
KPS BERHAD
17th Floor, Plaza Perangsang, Persiaran Perbandaran
40000 Shah Alam, Selangor Darul Ehsan.

T : +603 – 5524 8400
E : irsc@kps.com.my
W : www.kps.com.my

: KPS Berhad
: @kpsberhad