KYM HOLDINGS BHD

44^{th} Annual General Meeting
9 July 2026

Presented by: Darren Lee
Chief Executive Officer

KYM HOLDINGS BHD.

Financial Highlights

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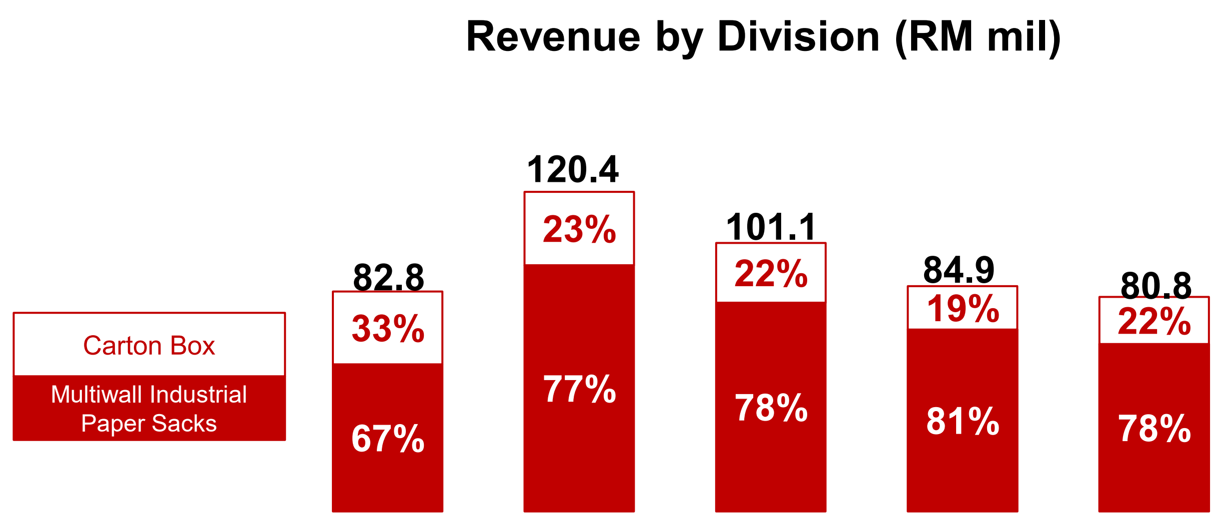

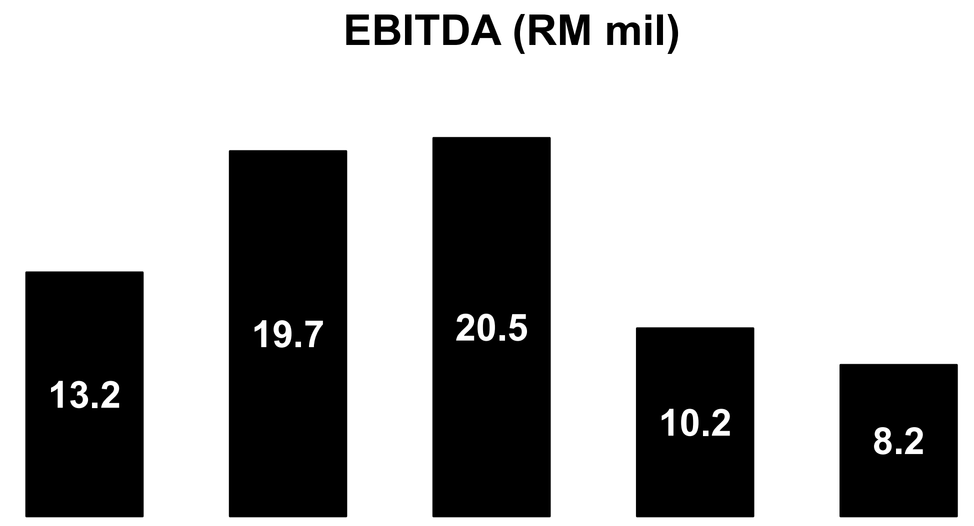

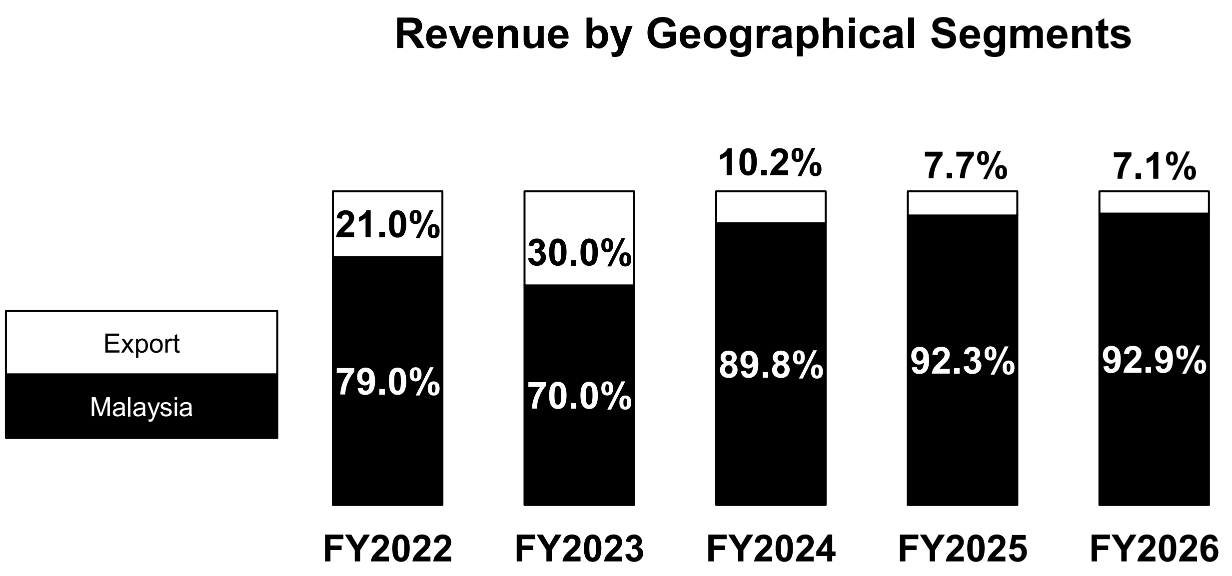

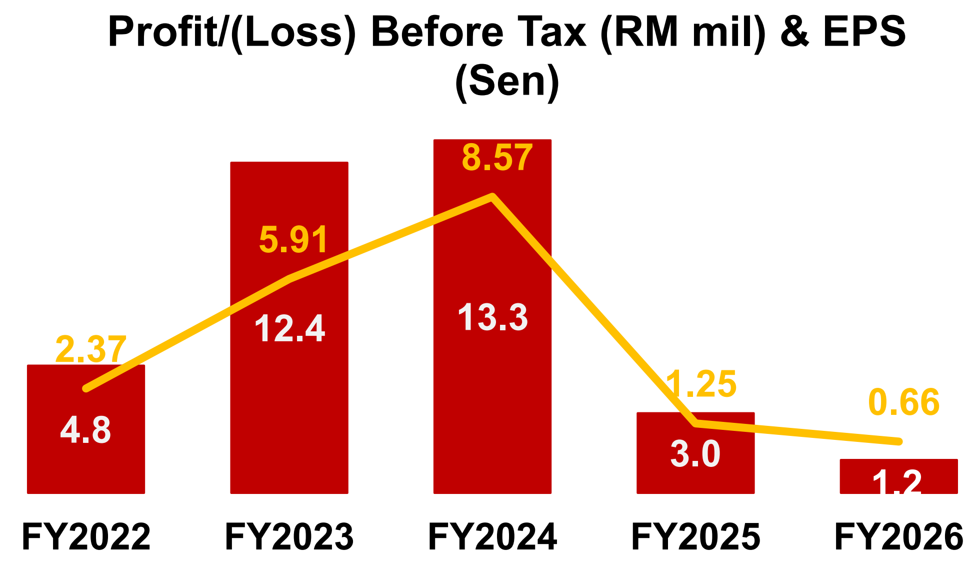

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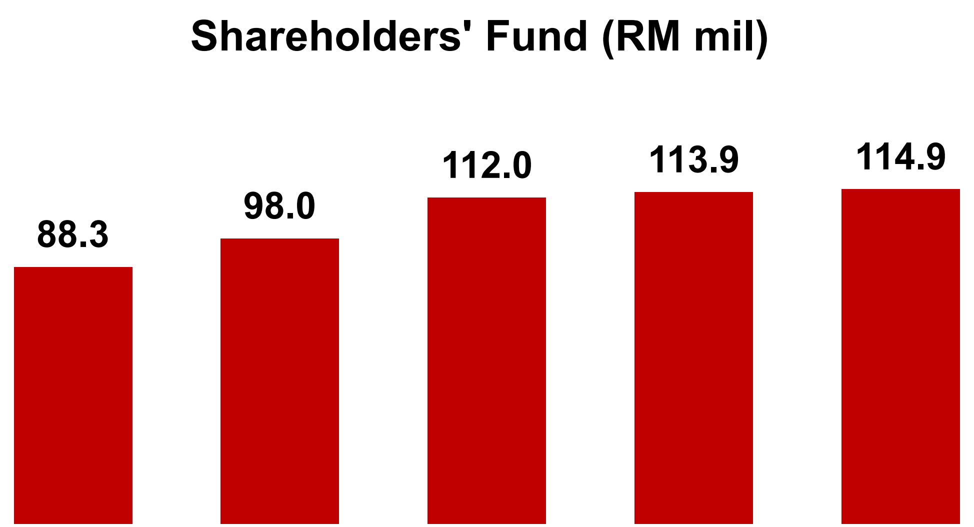
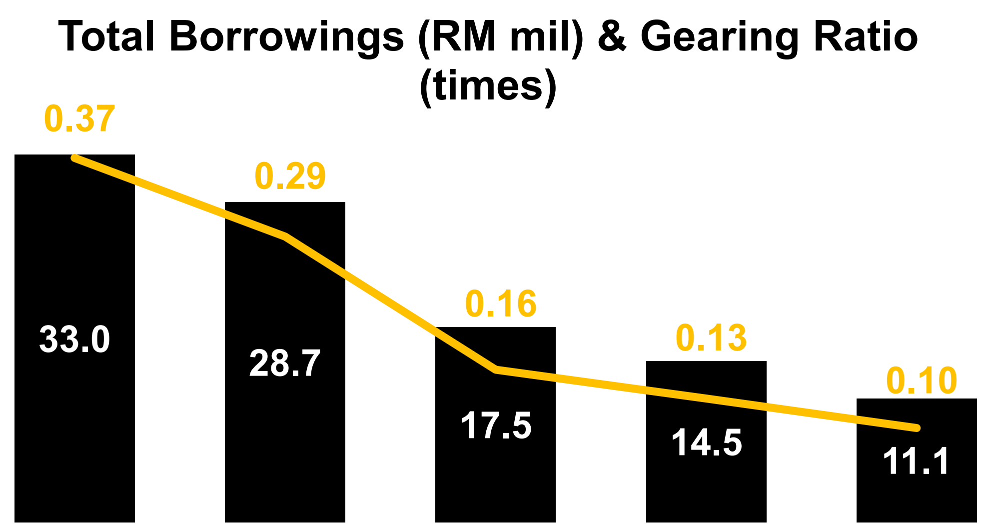
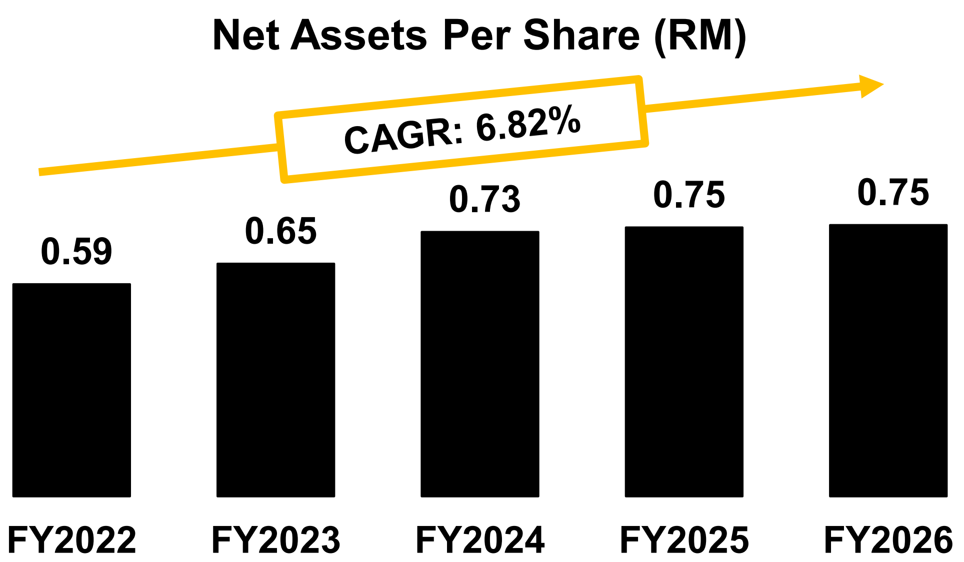
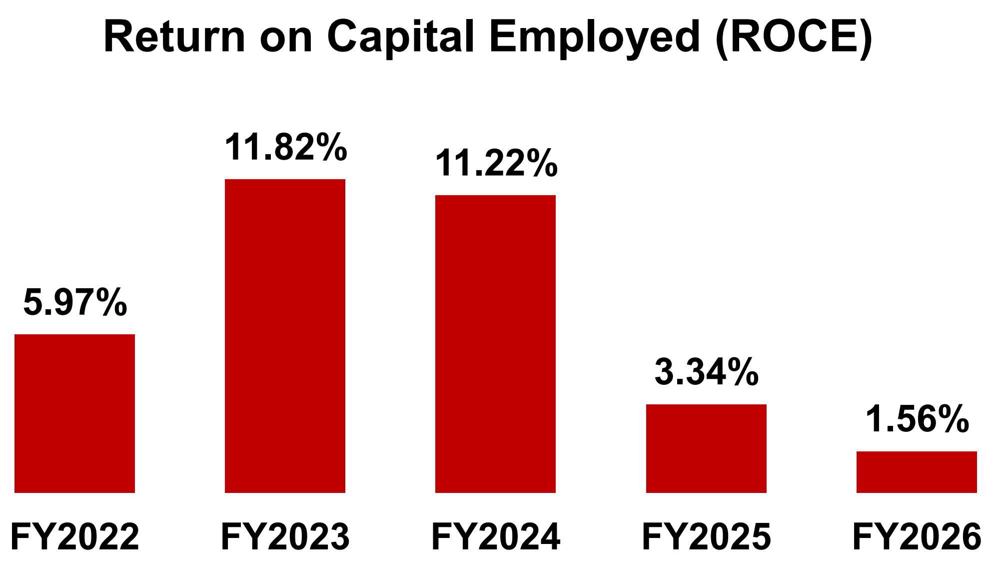
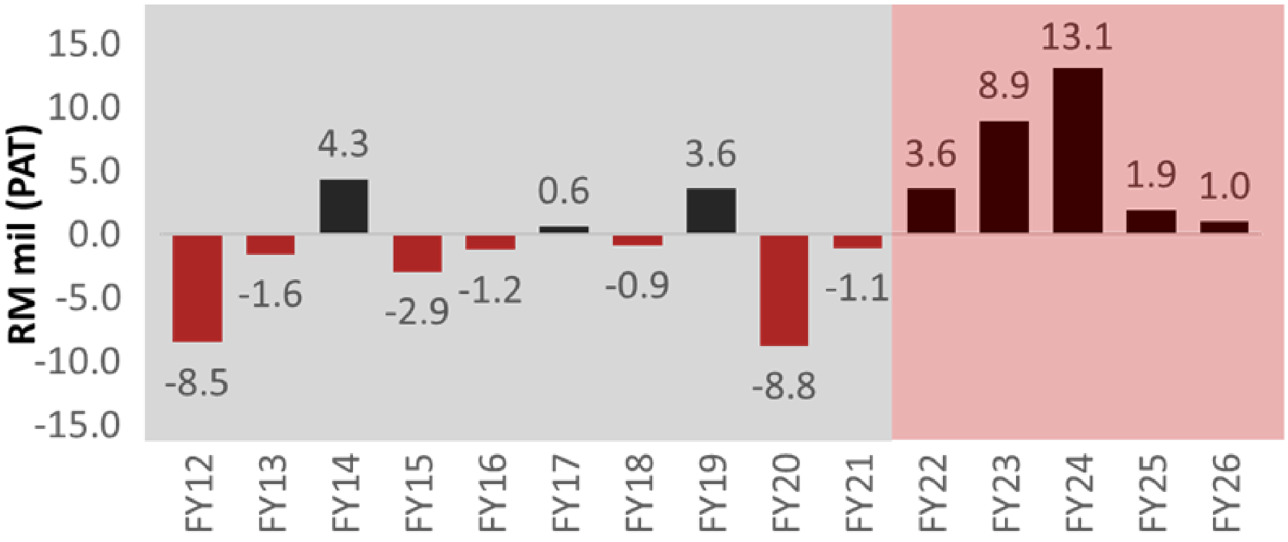








Current State



RM mil	FY21	FY22	FY23	FY24	FY25	FY26
ROE	-1.3%	4.0%	9.1%	11.7%	1.7%	0.9%
Shareholders' Fund	84.71	88.26	98.02	111.99	113.90	114.91
[redacted]						
Revenue	70.25	82.84	120.38	101.13	84.87	80.81
PAT	-1.06	3.55	8.93	13.05	1.91	1.01

- Increased shareholder value from **RM85 mil (FY21)** to **RM115 mil (FY26)**
- Strong cash position > RM25mil
- Disciplined Gearing - Long-term Debt reduced by 67% from RM34 mil (FY21) to RM11 mil (FY26)
- NTA per share at RM0.75 (FY26) from RM0.55 (FY21)
- **Consecutive 5-year PAT record** from FY22 to FY26, the 1st time since FY12

Increased Shareholder Value, 5 Year Track Record and Paid Down all Long-Term Debt

Strategies

Project Synergy

Packaging as a Service (PaaS)

Capital Restructuring

Strategic Value Drivers

Venture-Driven Growth

Key Sustainability Highlights

Carbon Footprint

Beranang Plant

Tapah plant

- Solar energy accounted for 31% of the Group's total electricity consumption;
- Cost savings of RM409,000;
- Scope 2 Emissions reduced by 28% against the baseline in FY2023 with 557.9 *tco*$_2$e GHG emissions avoided;
- Target to reduce Scope 1 & Scope 2 emissions intensity by 30% by 2030 from FY2023 baseline.

Responsible Sourcing

Our Corrugated Carton Box division obtained the FSC Chain of Custody certification, strengthening our commitment to responsible sourcing.

Waste Management

- 79% of the total waste diverted from landfill;
- 100% of the non-hazardous waste diverted from landfill.

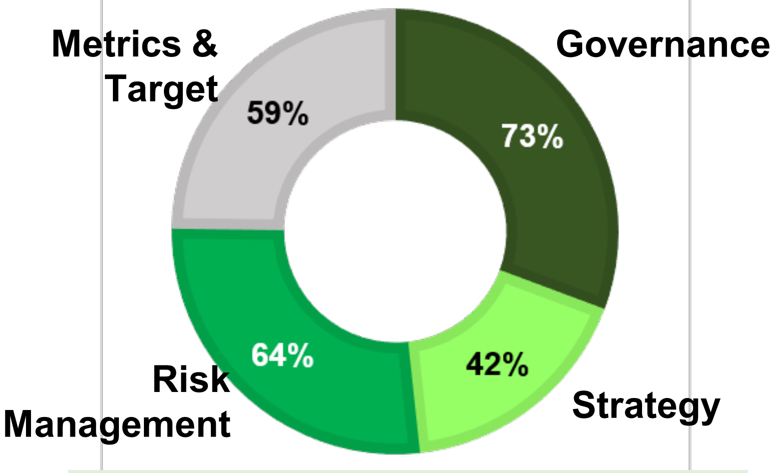
Occupational Healty & Safety

- Zero lost time injury.
- Average number of training hours per employee – 25.97 hours.

FTSE4Good

ESG Rating

Scoring improved to 3.2 in 2025, from 2.2 in 2024



56% overall NSRF readiness for IFRS S1 & S2 reporting

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Questions from Minority Shareholders Watch Group and Answers

1. The Group has consistently cited pricing pressure and competitive market conditions as the primary reasons for reducing average selling prices in recent years.

   Given that revenue of Multiwall Industrial Paper Sacks division declined to RM63,066 million in FY2026 (FY2025: RM68.517 million), a profit before tax ("PBT") declined o RM4.152 million (FY2025: RM7.022 million) (Page 10-11 of AR 2026) despite these pricing measures, could the Board share:

   (a) Whether the Group's market share has improved, remained stable, or declined over the past few financial years.

   (b) How does management evaluate the effectiveness of pricing strategy in balancing market share preservation and profitability?

   Response

   (a) The Group's market share remained stable year-on-year.

   (b) During the financial year, priority was placed on preserving market share in an increasingly competitive environment, which inevitably came at the expense of profitability. At the same time, management has continued strengthening the Group's underlying cost structure through ongoing operational and productivity improvements, with the objective of enhancing cost competitiveness and supporting sustainable profitability over the longer term.

2. The Carton Box division recorded an 8.2% increase in revenue in FY2026, to RM17.687 million (FY2025: RM16.348 million) following the successful renewal of several key tenders. However, the division's loss before tax ("LBT") widened to RM0.743 million (FY2025: RM0.266 million) Page 10-11 of AR 2026).

   (a) What were the key reasons for the deterioration in profitability despite higher sales volume?

   (b) Were the renewed tenders secured at lower margins than historical levels?

   (c) At what utilisation rate does management expect the Carton Box division to return to profitability?

   Response

   (a) The decline in profitability was attributable to lower average selling prices arising from the Group's dynamic pricing approach in response to market demand, competitive dynamics and customer requirements.

   (b) Each tender is evaluated based on its overall commercial and financial merits to ensure it supports sustainable long-term value creation.

   (c) While capacity utilisation contributes to profitability, management consider it alongside other key factors, including product mix, pricing discipline, raw material costs and operational efficiency. The Group therefore remains focused on optimising the combination of commercial and operational factors to deliver sustainable profitability.

3. The Group stated that it focused on strengthening resilience and long-term competitiveness rather than engaging in aggressive price-driven competition. (Page 9 of AR2026).

   Given the persistent pricing pressure across both business segments, what specific competitive advantages does the Group have that would enable it to defend market share and improve margins without further price reductions?

   Response

   We continue to focus on enhancing operational efficiency, customer services and responsiveness as well as innovation to defend our market share.

4. The Group generated RM15.3 million operating cash flow in FY2026 (Page 11 of AR 2026) despite recording only RM1.2 million profit before tax, mainly due to a RM8.7 million reduction in inventories.

(a) Has the Group adopted a structurally lower inventory holding strategy going forward?

(b) If so, how does management balance the benefits of lower working capital requirements against the risks of supply disruption, raw material price volatility and potential customer delivery delays?

(c) What inventory coverage level does management consider optimal under the current operating environment?

Response

(a) Yes, we have been optimising our inventory management practices in line with demand patterns to improve capital efficiency.

(b) Management continuously optimise working capital without compromising our customer service. Inventory levels are calibrated based on customer demand visibility and raw material condition.

(c) The optimal inventory level depends on factors such as customer demand, procurement lead times, supply chain conditions and raw material price movements. Accordingly, inventory policies are reviewed continuously to ensure an appropriate balance between operational resilience and working capital efficiency.

5. The Group highlighted the advancement of Packaging-as-a-Service (“Paas”) model to deepen customer collaboration and create longer-term revenue opportunities. (Page 12 of AR 2026)

   (a) What was the revenue contribution from PaaS-related offerings in FY2026?

   (b) What key performance indicators does management use to measure the success of the PaaS initiative, and what are the Group’s targets for this business over the next three years?

   Response

   (a) PaaS-related revenue remains at an early and developing stage and is not yet separately material to be disclosed as a discrete revenue line.

   (b) The Group evaluates the PaaS initiative based on qualitative indicators such as customer adoption and engagement depth, rather than fixed near-term revenue targets, as the model is still in its early build-out phase. The Group will provide further updates as the initiative matures.

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