TOMYPAK HOLDINGS BERHAD

TOMYPAK HOLDINGS BERHAD
Company No. 199501008545 (337743-W)
(Incorporated in Malaysia)

QUARTERLY REPORT

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2025

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OR EXPENSE

	Note	3 months ended 31.12.2025 RM '000	3 months ended 31.12.2024 RM '000	6 months ended 31.12.2025 RM '000	6 months ended 31.12.2024 RM '000
Revenue	7	49,787	57,028	106,103	113,571
Operating loss		(8,252)	(5,702)	(15,673)	(9,409)
Finance income		235	187	405	280
Finance costs		(1,220)	(2,093)	(2,705)	(4,138)
Loss before tax		(9,237)	(7,608)	(17,973)	(13,267)
Tax expense	15	(268)	237	(378)	(545)
Loss after tax		**(9,505)**	**(7,371)**	**(18,351)**	**(13,812)**
(Loss)/Profit attributable to:					
Owners of the Company		(9,667)	(7,751)	(18,540)	(14,256)
Non-controlling interest		162	380	189	444
Loss for the period and total comprehensive expense for the period		(9,505)	(7,371)	(18,351)	(13,812)
Basic and diluted earnings per ordinary share (sen)	21	(2.24)	(1.80)	(4.30)	(3.31)

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited As at 31.12.2025 RM'000	Audited As at 30.06.2025 RM'000
ASSETS			
Property, plant and equipment		117,826	123,326
Right-of-use assets		8,587	8,655
Investment properties		1,490	1,498
Goodwill on consolidation		8,258	8,258
Non-current assets		136,161	141,737
Inventories		47,329	71,886
Trade and other receivables		45,447	50,580
Current tax assets		524	454
Other investments		7,275	8,500
Cash and cash equivalents		17,477	19,476
Current assets		118,052	150,896
Total assets		**254,213**	**292,633**
EQUITY AND LIABILITIES			
Share capital		133,627	133,627
Reserves		(34,496)	(15,956)
Equity attributable to owners of the Company		99,131	117,671
Non-controlling interest		17,384	17,195
Total Equity		116,515	134,866
Loans and borrowings	17	28,999	28,841
Lease liabilities		1,630	1,630
Employee benefits		469	498
Deferred tax liabilities		6,538	6,538
Put option liability		1,351	1,351
Non-current liabilities		38,987	38,858
Trade and other payables		40,742	60,676
Lease liabilities		610	610
Loans and borrowings	17	50,953	51,087
Current tax liabilities		54	184
Put option liability		6,352	6,352
Current liabilities		98,711	118,909
Total liabilities		137,698	157,767
Total equity and liabilities		**254,213**	**292,633**
Net assets per share attributable to owners of the Company (RM)		0.23	0.27

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company						
	Non-distributable			Distributable			
	Share capital RM '000	Merger reserve RM '000	Put Option reserve RM '000	Retained earnings RM '000	Total RM '000	Non-controlling interest RM '000	Total equity RM '000
At 1 July 2025	133,627	2,991	(7,703)	(11,244)	117,671	17,195	134,866
(Loss)/Profit and total comprehensive (expense)/income for the period	-	-	-	(18,540)	(18,540)	189	(18,351)
At 31 December 2025	133,627	2,991	(7,703)	(29,784)	99,131	17,384	116,515
At 1 July 2024	133,627	2,991	(22,121)	9,344	123,841	27,779	151,620
(Loss)/Profit and total comprehensive (expense)/income for the period	-	-	-	(14,256)	(14,256)	444	(13,812)
Acquisition of equity interest from NCI	-	-	-	(957)	(957)	(6,393)	(7,350)
Changes in put option liability	-	-	8,241	-	8,241	-	8,241
At 31 December 2024	133,627	2,991	(13,880)	(5,869)	116,869	21,830	138,699

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 31.12.2025 RM'000	6 months ended 31.12.2024 RM'000
Cash flows from operating activities		
Loss before tax	(17,973)	(13,267)
Adjustments for:		
Depreciation	8,303	9,140
Finance costs	2,705	4,138
Finance income	(405)	(280)
Loss on disposal of machinery	-	20
Unrealised loss/(gain) on foreign exchange	118	(386)
Operating loss before changes in working capital	(7,252)	(635)
Change in employee benefits	(29)	-
Change in inventories	24,557	8,388
Change in trade and other receivables	5,000	16,765
Change in trade and other payables	(20,050)	(7,571)
Cash (used in)/generated from operations	2,226	16,947
Tax paid	(578)	(1,251)
Other finance costs paid	(74)	(51)
Net cash (used in)/from operating activities	**1,574**	**15,645**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,727)	(1,117)
Acquisition of equity interest from NCI	-	(7,350)
Net changes in other investments	1,225	(79)
Proceeds from disposal of property, plant and equipment		31
Interest received	405	280
Net cash from/(used in) investing activities	**(1,097)**	**(8,235)**
Cash flows from financing activities		
Repayment of term loans	(5,143)	(7,482)
Repayment of hire purchase	(2,340)	(1,784)
Repayment of lease liabilities	-	(349)
Net short-term borrowings	7,561	2,349
Interest paid	(2,554)	(4,087)
Net cash from/(used in)s financing activities	**(2,476)**	**(11,353)**
Net decrease in cash and cash equivalents	(1,999)	(3,943)
Cash and cash equivalents at beginning of period	19,476	33,386
Cash and cash equivalents at end of period	**17,477**	**29,443**

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying explanatory notes and the audited financial statements for the financial year ended 30 June 2025.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

These interim financial statements have been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Malaysian Financial Reporting Standard ("MFRS") 134: *Interim Financial Reporting* and International Accounting Standards ("IAS") 34: *Interim Financial Reporting*. The interim financial statements are unaudited and should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the explanatory notes accompanying the interim financial statements.

The accounting standards adopted in the preparation of the interim financial statements are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 30 June 2025, except for the following which were adopted at the beginning of the current financial year. These pronouncements are either not relevant or do not have any material impact on the Group's financial statements for the current financial year.

Effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

Effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
    - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
    - Amendments to MFRS 7, *Financial Instruments: Disclosures*
    - Amendments to MFRS 9, *Financial Instruments*
    - Amendments to MFRS 10, *Consolidated Financial Statements*
    - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

Effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

Effective for annual periods beginning on or after a date yet to be announced

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

2. Audit Qualification

The preceding audited financial statements of the Group were not subject to any audit qualification.

3. Seasonality or Cyclicality of Operations

The business operations of the Group during the quarter under review were not materially affected by any seasonal or cyclical factors.

4. Unusual Items Affecting the Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current quarter.

5. Material Changes in Estimates

There were no changes in estimates of amounts that have a material effect in the current quarter and financial year-to-date.

6. Debts and Equity Securities

There were no issuances, cancellations, repurchases, resales and repayments of debts and equity securities for the current quarter.

7. Segment Information

The Group operates principally in Malaysia and in the manufacture and sale of flexible packaging materials, polyethylene, polypropylene films and sheets.

The Group's operation is divided into local and export markets. The local market relates to sales to customers within Malaysia. The export market relates to sales to overseas customers primarily in Southeast Asia and Africa.

	3 months ended		**6 months ended**	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue				
- Local	24,328	29,703	49,045	61,083
- Export	25,459	27,325	57,058	52,488
	49,787	57,028	106,103	113,571

8. Material Event Subsequent to Period End

There was no material event subsequent to the end of the current quarter ended 31 December 2025.

9. Changes in Composition of the Group

There were no changes in the composition of the Group in the current quarter.

10. Contingent Liabilities

	Group	
	As at 31.12.2025 RM'000	**As at 30.06.2025 RM'000**
Secured corporate guarantees given to banks in respect of outstanding bank facilities of a subsidiary	79,612	79,464

11. Capital Commitments

	Group	
	As at 31.12.2025 RM'000	**As at 30.06.2025 RM'000**
Plant and equipment contracted but not provided for	140	140

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

12. Review of Performance

Current quarter (3 months) vs corresponding quarter of the preceding year (Q2-FY2026 vs Q2-FY2025)

Revenue
For the current quarter ended 31 December 2025, the Group recorded revenue of RM49.8 million, a decrease of RM7.2 million or 12.6% lower compared to RM57.0 million in the corresponding quarter in the previous financial year primarily attributable to the continued weakening of the United States Dollar (USD) against the Malaysian Ringgit (MYR), noting that approximately 51.1% of the Group's revenue is derived from export sales denominated in USD. In addition, the Group experienced lower average selling prices and sales volume due to intensified competition within the regional flexible packaging market. The imposition of U.S. import tariffs has resulted in overseas converters redirecting excess production capacity into the Asian market, particularly Southeast Asia, thereby increasing pricing pressure.

Loss before tax
The Group recorded a loss before tax of RM9.2 million for the current quarter under review compared to loss before tax of RM7.6 million in the corresponding quarter. The higher loss before tax was mainly attributed to the aforementioned factors, unabsorbed factory overheads as well as inventory write-downs arising from inventory rationalisation initiatives undertaken during the quarter.

Current financial period (cumulative 6 months) vs corresponding financial period (1H-FY2026 vs 1H-FY2025)

Revenue
For the current financial period ended 31 December 2025, the Group recorded revenue of RM106.1 million, a decrease of RM7.5 million compared to RM113.6 million in the corresponding financial period due to the factors outlined above.

Loss before tax
The Group recorded a loss before tax of RM18.0 million for the current financial period under review compared to a loss before tax of RM13.3 million in the corresponding financial period. The increased loss before tax of RM4.7 million or 35.3% was primarily due to the factors highlighted above and higher raw material costs.

Current quarter vs preceding quarter (Q2-FY2026 vs Q1-FY2026)

Revenue
Revenue for the current quarter of RM49.8 million was lower by RM6.5 million or 11.5% as compared to RM56.3 million in the preceding quarter, primarily due to intensified regional competition following the imposition of U.S. import tariffs, resulting in lower average selling prices and reduced sales volumes, particularly at EB Packaging Sdn Bhd ("EBP"). In addition, Tomypak Flexible Packaging Sdn Bhd ("TFP") experienced material supply disruptions arising from liquidity constraints during the quarter under review. The continued weakening of the USD against the MYR also contributed to the reduction in reported revenue.

Loss before tax
The loss before tax of RM9.2 million for the quarter under review was higher as compared to loss before tax of RM8.7 million in the preceding quarter mainly due to lower revenue, higher material costs, inventory write-downs and the consumption of higher-cost inventories purchased earlier at stronger USD rates.

13. Commentary on Prospects

The coming quarter is expected to remain challenging, with competitive pricing pressures across the flexible packaging sector compounded by volatility in raw material costs and the strengthening of the MYR against the USD.

In addition to prevailing market conditions, the Group continues to operate under considerable liquidity constraints. The Group's immediate priorities are to preserve cash, stabilise core operations, progressively normalise the supply chain and maintain essential business continuity, while the Board evaluates available funding options and strategic alternatives.

Cost discipline measures have been implemented across the organisation, with a focus on higher-value, cash-generating orders, strict working capital management and operational efficiencies. Production activities remain closely aligned with prevailing liquidity conditions and material availability.

The timing and outcome of ongoing funding and restructuring initiatives will be critical to the Group's ability to sustain operations and improve financial performance. Accordingly, the near-term outlook remains dependent on the effective execution of stabilisation measures and prevailing external market conditions.

14. Profit Forecast

No profit forecast was provided for the current quarter and financial year-to-date.

15. Taxation

	3 months ended		**6 months ended**	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Tax expense				
- Current year	268	(237)	378	545
- Prior year	-	-	-	-
	268	(237)	378	545

16. Status of Corporate Proposal Announced

There was no corporate proposal announced that is not completed as at the reporting date.

17. Group Borrowings and Debt Securities

The borrowings of the Group at the end of the reporting period are as follows:

	As at 31.12.2025 RM'000	As at 30.06.2025 RM'000
Non-current		
Secured		
Term loans	20,045	17,386
Hire Purchase	8,954	11,455
	28,999	28,841
Current		
Secured		
Term loans	6,366	14,091
Hire Purchase	4,921	4,760
	11,287	18,851
Unsecured		
Bank overdraft	-	83
Banker's acceptances		
- denominated in USD	18,491	15,468
- denominated in MYR	13,175	16,685
Revolving credit	8,000	-
	39,666	32,236
	50,953	51,087
	79,952	**79,928**

18. Disclosure of Derivatives

There were no financial derivatives during the current quarter under review.

19. Changes in Material Litigation

There was no pending material litigation at the date of this quarterly report.

20. Dividend

There was no dividend declared in respect of the current quarter and the corresponding quarter in the previous year.

21. Earnings per Ordinary Share

	3 months ended		6 months ended	
	31.12.2025	**31.12.2024**	**31.12.2025**	**31.12.2024**
Loss attributable to owners of the Company (RM'000)	(9,667)	(7,751)	(18,540)	(14,256)
Weighted average number of ordinary shares in issue ('000)	431,117	431,117	431,117	431,117
Basic and diluted earnings per ordinary share (sen)	(2.24)	(1.80)	(4.30)	(3.31)

The diluted earnings per share of the Group is similar to the basic earnings per share as the Group does not have any material potential dilutive ordinary shares in issue.

22. Related Party Transactions

On 25 July 2025, EBP, 80% owned subsidiary of TFP, which in turn is a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement ("SPA") with Gema Synergy Sdn Bhd for the proposed acquisition of an industrial land of 6,021 square metres, located in Batu Pahat, Johor for a total cash consideration of RM1,815,000. Please refer to the announcement dated 25 July 2025 for further details on the proposed acquisition.

Other than the abovementioned, there were no significant related party transactions during the year under review.

23. Notes to the Statements of Profit and Loss

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

	3 months ended		6 months ended	
	31.12.2025	**31.12.2024**	**30.12.2025**	**31.12.2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest expense	1,220	2,093	2,705	4,138
Depreciation:				
- Property, plant and equipment	4,076	4,720	8,199	8,810
- Right-of-use assets	45	171	96	320
- Investment properties	4	8	8	10
Loss/(Gain) on disposal of machinery	-	-	-	20
Net foreign exchange loss/(gain)	222	(342)	205	494