

Research Team

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Recommendation:	HOLD
Current Price:	RM0.62
Previous Target Price:	RM0.61
Target Price:	RM0.65
Capital Upside/ Downside:	4.8%
Dividend Yield (%)	4.7%
Total Upside/ Downside	9.6%

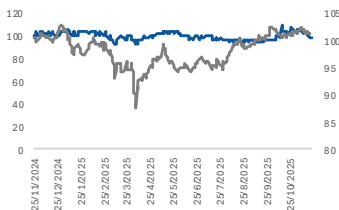
Stock information

Board	MAIN
Sector	Industrial
Bursa / Bloomberg Code	5843 / KUPS MK
Syariah Compliant	Yes
ESGRating	★★★
Shares issued (m)	537.4
Market Cap (RM' m)	333.2
52-Week Price Range (RM)	0.705-0.59
Beta (x)	0.8
Freefloat (%)	27.2
3M Average Volume (m)	0.2
3M Average Value (RM' m)	0.1

Top 3 Shareholders

	(%)
Darul Ehsan Inv Gr Bh	57.9
Perbadanan Kemajuan Negeri	5.5
Ng Chiew Eng	4.8

Share Price Performance



	1M	3M	12M
Absolute (%)	-3.1	4.2	-6.1
Relative (%)	-3.5	3.2	-7.3

Earnings Summary	FY24	FY25F	FY26F
Revenue (RM'm)	1064.7	1128.3	1160.3
PATAMI (RM'm)	17.9	39.3	34.8
CNP (RM'm)	16.6	39.3	34.8
EPS - core (sen)	3.1	7.3	6.5
P/E(x)	20.1	8.5	9.6

Kumpulan Perangsang Selangor Berhad

Results beat but outlook still muted

- KPS recorded 3Q25 core net profit of RM8.8m (-45% QoQ, -23% YoY), bringing 9M25's sum to RM31.5m (+441% YoY). The results came in above our expectation at 100% of FY25 forecast due to better-than-expected margins.
- 9MFY25 was boosted by (i) lower admin expenses with the sale of Plaza Perangsang, (ii) RM10.2m reduction in finance costs arising from the full settlement of the Sukuk and (iii) lowered tax and zakat by RM5.9m closure of non-performing units at CBB and shift to accrual accounting resulting in increased zakat payments in 2024.
- We have raised our FY25/26/27F forecasts by 24%/6%/6% after imputing higher margin assumption for its manufacturing segment. Retain HOLD rating but with a higher TP of RM0.65 (from RM0.61) based on 10x FY26F earnings.

Above expectations. KPS recorded 3Q25 core net profit of RM8.8m (-45% QoQ, -23% YoY), bringing 9M25's sum to RM31.5m (+441% YoY). The results came in above our expectation at 100% of FY25 forecast due to better-than-expected margins from both manufacturing and trading segments. 3QFY25's core net profit was arrived after deducting gain on land and building disposal (-RM10.5m), gain on fair value of short-term funds (-RM0.5m) and net forex gain (-RM0.1m).

Dividend. The Group declared a first interim dividend of 1.0 sen per share (ex-date: 8 Dec 2025), unchanged from the corresponding quarter last year.

QoQ. Core earnings dipped 45% due to lower revenue contribution from manufacturing segment as Toyoplas saw earlier front-loading from key customers in 2Q25 ahead of the tariff implementation in Aug 2025, causing lower plant utilisation rate in China, Malaysia and Indonesia. Hence, the weaker operating leverage in Toyoplas resulted in lower net margin for the group. Oil and gas segment (NGC Energy) also registered wider losses of RM1.4m (2Q25: -RM0.5m) due to lower LPG sales.

YoY. Core net profit fell 23%, dragged by weaker revenue from Toyoplas (-7%) as soft consumer electronics demand led to reduced orders from key customers. Revenue from Century Bond (CBB) also declined 8% due to lower sales of carton and paper products amid intense competition and pricing pressure from low-cost Chinese exports.

YTD. Core bottom line jumped 4.4 times, boosted by (i) lower admin expenses with the sale of Plaza Perangsang, (ii) RM10.2m reduction in finance costs arising from the full settlement of the Sukuk and (iii) lowered tax and zakat by RM5.9m closure of non-performing units at CBB and shift to accrual accounting resulting in increased zakat payments in 2024.

Outlook. The manufacturing segment is expected to remain subdued amid macro uncertainties. Post-tariff implementation, Toyoplas may continue to face muted orders from key consumer electronics customers. Meanwhile, CBB is likely to sustain losses due to intense competition from China and an oversupplied packaging sector. Consequently, we expect CBB's utilisation rate to remain subpar (3Q25: 46%) and for the segment to remain in the red in the coming quarter.

Earnings Revision. Due to the results beat, we have raised our FY25/26/27F forecasts by 24%/6%/6% after imputing higher margin assumption for the manufacturing segment.

Valuation. We retain our **HOLD** rating but with a higher TP of **RM0.65** (from RM0.61), based on 10x FY26F earnings and a three-star ESG rating.

Risk. Stiff competition from local and international EMS players, potential geopolitical and trade disruptions, and exposure to foreign-currency fluctuations.

Result Note

Tuesday, 25 Nov, 2025

BURSA RISE+
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Results Comparison

FYE Dec (RM m)	3Q FY25	3Q FY24	yoy (%)	2Q FY25	qoq (%)	9MFY25	9MFY24	yoy (%)
Revenue	268.7	275.6	(2.5)	268.8	(0.0)	781.1	790.2	(1.1)
EBITDA	12.0	(3.0)	nm	7.2	66.0	19.8	(3.1)	nm
Pre-tax profit	25.0	9.5	164.5	17.6	42.2	54.9	27.2	101.9
Net profit	19.9	3.8	418.1	11.7	69.8	39.2	5.9	561.2
Core net profit	8.8	11.4	(23.2)	16.0	(44.9)	31.5	5.8	441.4
Core EPS (sen)	1.1	1.4	(23.2)	1.9	(44.9)	3.8	0.7	441.4
EBITDA margin (%)	4.5	(1.1)		2.7		2.5	(0.4)	
PBT margin (%)	9.3	3.4		6.5		7.0	3.4	
Core net profit margin (%)	3.3	4.2		5.9		4.0	0.7	

Source: Company, Apex Securities

Segmental Breakdown

FYE Dec (RM m)	3Q FY25	3Q FY24	yoy (%)	2Q FY25	qoq (%)	9MFY25	9MFY24	yoy (%)
Revenue								
Manufacturing	224.0	236.6	(5.3)	227.9	(1.7)	656.3	654.8	0.2
Trading	45.4	43.3	4.9	41.5	9.5	126.3	135.9	(7.1)
PBT								
Manufacturing	29.3	16.7	75.8	23.5	25.0	69.1	46.3	49.4
Trading	3.5	3.4	2.6	3.3	6.9	9.5	10.2	(6.4)
PBT margin (%)								
Manufacturing	13.1%	7.0%		10.3%		10.5%	7.1%	
Trading	7.7%	7.9%		7.9%		7.5%	7.5%	

Source: Company, Apex Securities

Result Note

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Financial Highlights

Income Statement

FYE Dec (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Revenue	1046.1	1064.7	1128.3	1160.3	1195.1
Gross Profit	169.2	191.3	248.2	237.9	242.8
EBITDA	86.2	103.2	160.2	143.1	141.5
Depreciation & Amortisation	-57.8	-49.6	-46.7	-44.8	-43.3
EBIT	28.4	53.6	113.6	98.3	98.2
Net Finance Income/ (Cost)	-16.3	-5.7	-2.9	-0.8	0.2
Associates & JV	3.8	4.8	4.9	5.1	5.2
Pre-tax Profit	15.9	52.6	115.6	102.5	103.6
Tax	-14.5	-33.5	-73.7	-65.4	-66.1
Profit After Tax	1.4	19.1	41.9	37.2	37.6
Minority Interest	-3.0	-1.2	-2.6	-2.3	-2.4
PATAMI	-1.6	17.9	39.3	34.8	35.1
Exceptionals	-12.3	-1.3	0.0	0.0	0.0
Core Net Profit	-13.9	16.6	39.3	34.8	35.1

Key Ratios

FYE Dec (RM m)	FY23	FY24	FY25F	FY26F	FY27F
EPS (sen)	-2.6	3.1	7.3	6.5	6.5
P/E(x)	-24.0	20.1	8.5	9.6	9.5
P/B(x)	0.3	0.3	0.3	0.3	0.3
EV/EBITDA(x)	6.2	1.6	0.9	0.9	0.7
DPS (sen)	3.5	6.5	2.9	2.6	2.6
Dividend Yield (%)	5.6%	10.5%	4.7%	4.2%	4.2%
EBITDA margin (%)	8.2%	9.7%	14.2%	12.3%	11.8%
EBIT margin (%)	2.7%	5.0%	10.1%	8.5%	8.2%
PBT margin (%)	1.5%	4.9%	10.2%	8.8%	8.7%
PAT margin (%)	0.1%	1.8%	3.7%	3.2%	3.1%
NP margin (%)	-0.2%	1.7%	3.5%	3.0%	2.9%
CNP margin (%)	-1.3%	1.6%	3.5%	3.0%	2.9%
ROE(%)	-1.1%	1.5%	3.4%	3.0%	3.0%
ROA (%)	-0.7%	1.0%	2.4%	2.1%	2.1%
Gearing (%)	40.8%	16.5%	17.8%	17.8%	17.7%
Net gearing (%)	4.5%	Net Cash	Net Cash	Net Cash	Net Cash

Valuations

FY26F	
Core EPS (RM)	0.065
P/E multiple (x)	10.0
Implied Fair Value (RM)	0.65

Balance Sheet

FYE Dec (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Cash	440.6	385.6	417.3	450.8	478.2
Receivables	316.9	324.7	344.1	353.8	364.4
Inventories	125.1	120.4	127.6	131.2	135.1
Other current assets	447.6	6.6	6.6	6.6	6.6
Total Current Assets	1330.2	837.2	895.5	942.4	984.4
Fixed Assets	394.5	375.7	366.9	360.0	354.7
Intangibles	50.7	44.3	38.1	32.7	28.1
Other non-current assets	338.7	346.5	346.5	346.5	346.5
Total Non-current assets	783.9	766.5	751.5	739.1	729.3
Short-term Debt/Lease	121.2	102.4	113.5	115.6	117.7
Payables	220.1	215.0	215.8	225.8	233.2
Other Current Liabilities	113.9	27.6	27.6	27.6	27.6
Total Current Liabilities	455.2	345.0	356.9	369.0	378.5
Long-term Debt/Lease	374.0	81.6	89.4	90.9	92.4
Other non-current liabilities	72.4	59.1	59.1	59.1	59.1
Total Non-current Liabilities	446.4	140.7	148.6	150.0	151.5
Shareholder's equity	1062.5	1088.7	1109.6	1128.2	1146.8
Minority interest	150.0	29.4	32.0	34.4	36.8
Equity	1212.5	1118.0	1141.6	1162.5	1183.6

Cash Flow

FYE Dec (RM m)	FY23	FY24	FY25F	FY26F	FY27F
Pre-tax profit	15.9	52.6	115.6	102.5	103.6
Depreciation & amortisation	57.8	49.6	46.7	44.8	43.3
Changes in working capital	134.1	-8.1	-25.8	-3.3	-7.1
Others	-39.1	-84.6	-76.3	-67.7	-68.5
Operating cash flow	168.7	9.4	60.1	76.3	71.3
Net capex	-44.2	-29.8	-31.6	-32.5	-33.5
Others	75.8	334.7	0.0	0.0	0.0
Investing cash flow	31.7	304.9	-31.6	-32.5	-33.5
Changes in borrowings	-291.1	-72.3	18.9	3.6	3.6
Issuance of shares	-72.3	-291.1	0.0	0.0	0.0
Dividends paid	-18.8	-34.9	-15.7	-13.9	-14.1
Others	256.6	34.7	0.0	0.0	0.0
Financing cash flow	-125.6	-363.6	3.2	-10.4	-10.5
Net cash flow	74.9	-49.2	31.8	33.5	27.4
Forex	0.0	0.0	0.0	0.0	0.0
Others	-8.9	5.3	0.0	0.0	0.0
Beginning cash	165.1	248.8	194.4	226.1	259.6
Ending cash	248.8	194.4	226.1	259.6	287.0
FD and short-term funds	280.7	191.2	191.2	191.2	191.2
Total cash & deposits	529.5	385.6	417.3	450.8	478.2

Result Note

Tuesday, 25 Nov, 2025

ESG Matrix Framework:

Environment

Parameters	Rating	Comments
Climate	★★★★	LNG usage decreased by 41%, dropping from 6,482.1 MMBtu in 2023 to 3,848.7 MMBtu in 2024, leading to substantial cost savings by RM126,795.37 and a marked reduction in Scope 1 emissions.
Waste & Effluent	★★★	CBB reuses trim carton waste and rejected cartons. Instead of purchasing Pro Pulp at RM0.65 per kg from suppliers, the company optimises its own discarded materials, reducing landfill waste while maximising available resources.
Energy	★★★	Although Scope 2 emissions rose, but KPS has expanded investment on clean energy, notably solar which generates solar power of 1,936.13 MWh in 2024.
Water	★★★	One of Toyoplas' Johor-based sites treats and utilises river water from Sg Kulai for sanitary and production use. This initiative reduces dependency on municipal water, while supporting local water conservation efforts
Compliance	★★★	In compliance with local and international environmental regulations

Social

Diversity	★★★	Workforce demographics indicate that men comprise 63% of the total Group workforce. However, the gender gap narrows in office-based roles, notably at KPS Main Office at Shah Alam, Selangor, where women represent c.52% of employees.
Human Rights	★★★	In 2024, KPS demonstrated its commitment to human rights by conducting a human rights awareness programme through its subsidiary companies, CBB and CPI. This initiative focused on educating employees about child labour and forced labour issues, ensuring that ethical employment practices remain prioritised across all operations
Occupational Safety and Health	★★★	1,092 hours of OSH trainings completed, one worksite incidence in FY23
Labour Practices	★★★	KPS respects the rights of employees to engage in collective bargaining or openly discuss employment-related matters with their respective management teams. Within Toyoplas Indonesia, a structured collective bargaining agreement is in place. As of the end of 2024, 78.9% of Toyoplas' workforce in Indonesia are union members.

Governance

CSR Strategy	★★★★	In 2024, KPS expanded its SROI measurement to key initiatives, which recorded an average return of 4.82 times, an increase from 1.53 in 2023. It means that for every RM1 invested, RM4.82 in social value was created for the beneficiaries.
Management	★★★	Average board members age @ 59, 2/7 female board composition, 5/7 Independent Directors
Stakeholders	★★★★	Maintains active investor engagement, 1x AGM per annum

Overall ESG Scoring: ★★★★★

Recommendation Framework:

BUY: Total returns* are expected to exceed 10% within the next 12 months.

HOLD: Total returns* are expected to be within +10% to -10% within the next 12 months.

SELL: Total returns* are expected to be below -10% within the next 12 months.

TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.

TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.

*Capital gain + dividend yield

Sector Recommendations:

OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.

NEUTRAL: The industry defined by the analyst is expected to be within +10% to -10% within the next 12 months.

UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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(a) nil.