



**TMK CHEMICAL BHD.**  
**(Registration No.: 198901001548 (178854 K))**  
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT**  
**THIRD QUARTER ENDED 30 SEPTEMBER 2024**

**TMK CHEMICAL BHD.**

(Registration No.: 198901001548 (178854-K))

(Incorporated in Malaysia)

**Unaudited Condensed Consolidated Statement of Comprehensive Income<sup>(1) (2)</sup>  
For The Third Quarter Ended 30 September 2024**

	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
	30.09.2024 RM'000	30.09.2023 RM'000	30.09.2024 RM'000	30.09.2023 RM'000
Revenue	348,174	N/A	1,007,608	N/A
Cost of sales	(285,334)	N/A	(828,209)	N/A
<b>Gross profit</b>	62,840	N/A	179,399	N/A
Other operating income	2,007	N/A	16,997	N/A
Selling and distribution expenses	(14,688)	N/A	(37,665)	N/A
General and administrative expenses	(10,622)	N/A	(38,644)	N/A
<b>Profit from operations</b>	39,537	N/A	120,087	N/A
Finance costs	(4,518)	N/A	(12,194)	N/A
Share of results of associates	223	N/A	1,165	N/A
<b>Profit before taxation</b>	35,242	N/A	109,058	N/A
Taxation	(6,290)	N/A	(20,311)	N/A
<b>Profit for the period</b>	28,952	N/A	88,747	N/A
<b>Other comprehensive (loss)/income</b>				
<b>Item that may be reclassified subsequently to profit or loss:</b>				
Foreign differences on translation	(8,260)	N/A	(7,912)	N/A
<b>Total comprehensive income for the period</b>	20,692	N/A	80,835	N/A
<b>Profit/(Loss) attributable to:</b>				
Equity holders of the Company	29,161	N/A	89,026	N/A
Non-controlling interests	(209)	N/A	(279)	N/A
	28,952	N/A	88,747	N/A
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	20,889	N/A	81,054	N/A
Non-controlling interests	(197)	N/A	(219)	N/A
	20,692	N/A	80,835	N/A
<b>Earnings per share ("EPS") attributable to owners of the Company</b>				
Basic and diluted (RM) <sup>(3) (4)</sup>	0.35	N/A	1.14	N/A

**Notes:**

- (1) The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with Accountants' Report dated 6 November 2024 as disclosed in the Prospectus of TMK Chemical Bhd. dated 25 November 2024 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial report.
- (2) No comparative figures for the preceding year and preceding quarter are presented as this is the first interim financial report announced by the Group in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").
- (3) Basic/Diluted EPS computed based on profit attributable to owners of TMK Chemical Bhd. divided by the total number of 83,178,163 shares on the assumption these shares have been issued pursuant to the Pre-IPO restructuring exercise as disclosed in the Prospectus of TMK Chemical Bhd. dated 25 November 2024 ("Pre-IPO Restructuring") but before the completion of the Initial Public Offering ("IPO") of the Company.
- (4) The diluted EPS is equal to basic EPS as the Company does not have any outstanding convertible securities at the end of reporting period.

N/A - Not applicable.

**TMK CHEMICAL BHD.**

(Registration No.: 198901001548 (178854-K))

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**Condensed Consolidated Statement of Financial Position<sup>(1)</sup>  
As at 30 September 2024**

	<b>Unaudited As at 30.09.2024 RM'000</b>	<b>Audited As at 31.12.2023<sup>(2)</sup> RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	422,546	405,685
Right-of-use assets	86,716	92,764
Investment in an associate	8,910	8,437
Goodwill on consolidation	2,308	2,324
Deferred tax assets	1,973	662
	<u>522,453</u>	<u>509,872</u>
<b>Current assets</b>		
Inventories	97,222	161,651
Trade and other receivables	244,119	251,907
Other assets	4,719	6,040
Current tax assets	4,434	2,644
Other investments	2,400	500
Short-term deposits, cash and bank balances	110,164	136,523
	<u>463,058</u>	<u>559,265</u>
<b>TOTAL ASSETS</b>	<u><u>985,511</u></u>	<u><u>1,069,137</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	494,102	46,200
Share premium	-	-
Invested capital	-	2,433
Merger reserve	(695,469)	-
Foreign currency translation reserve	(100)	7,872
Retained earnings	527,374	465,797
	<u>325,907</u>	<u>522,302</u>
<b>Non-controlling interests</b>	<u>(254)</u>	<u>(35)</u>
<b>TOTAL EQUITY</b>	<u>325,653</u>	<u>522,267</u>
<b>Non-current liabilities</b>		
Borrowings	325,513	116,699
Lease liabilities	9,815	13,510
Deferred tax liabilities	6,258	6,646
	<u>341,586</u>	<u>136,855</u>
<b>Current liabilities</b>		
Trade and other payables	139,661	250,934
Other liabilities	24,281	20,574
Borrowings	133,826	115,822
Lease liabilities	5,954	7,630
Current tax liabilities	14,550	15,055
	<u>318,272</u>	<u>410,015</u>

<b>TOTAL LIABILITIES</b>	<u>659,858</u>	<u>546,870</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>985,511</u></u>	<u><u>1,069,137</u></u>
Net assets per share (RM)	3.92 <sup>(3)</sup>	11.30 <sup>(4)</sup>

**Notes:**

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with Accountants' Report dated 6 November 2024 as disclosed in the Prospectus of TMK Chemical Bhd dated 25 November 2024. and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial report.
- (2) The consolidated statement of financial position as at 31 December 2023 is combined financial position. The consolidated statement of financial position should be read in conjunction with Accountants' Report dated 6 November 2024 as disclosed in the Prospectus of TMK Chemical Bhd. dated 25 November 2024 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial report.
- (3) Computed based on total equity of the TMK Chemical Bhd. and its subsidiaries divided by the total number of 83,178,163 shares on the assumption these shares have been issued pursuant to the Pre-IPO restructuring but before the completion of the IPO of the Company.
- (4) Computed based on total equity of the TMK Chemical Bhd. and its subsidiaries divided by the total number of 46,200,000 shares as of 31 December 2023.

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**Unaudited Condensed Consolidated Statement of Changes In Equity<sup>(1) (2)</sup>  
For The Third Quarter Ended 30 September 2024**

	Share Capital RM'000	Invested Capital RM'000	← Non-distributable Reserves →		Distributable Reserve - Retained Earnings RM'000	Attributable to Equity Holders of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
			Merger Reserves RM'000	Foreign Currency Translation Reserves RM'000				
<b>Balance as at 1 January 2024</b>	46,200	2,433	-	7,872	465,797	522,302	(35)	522,267
Profit for the period	-	-	-	-	89,026	89,026	(279)	88,747
Other comprehensive income for the period	-	-	-	(7,972)	-	(7,972)	60	(7,912)
<b>Profit and total comprehensive income for the period</b>	-	-	-	(7,972)	89,026	81,054	(219)	80,835
Issue of ordinary shares, net of expenses	447,902	(2,433)	(695,469)	-	-	(250,000)	-	(250,000)
Dividends	-	-	-	-	(27,449)	(27,449)	-	(27,449)
<b>Balance as at 30 September 2024</b>	<u>494,102</u>	<u>-</u>	<u>(695,469)</u>	<u>(100)</u>	<u>527,374</u>	<u>325,907</u>	<u>(254)</u>	<u>325,653</u>

**Notes :**

<sup>(1)</sup> The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with Accountants' Report dated 6 November 2024 as disclosed in the Prospectus of TMK Chemical Bhd. dated 25 November 2024 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial report.

<sup>(2)</sup> No comparative figures for the preceding year and preceding quarter are presented as this is the first interim financial report announced by the Group in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

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**Unaudited Condensed Consolidated Statement of Cash Flows<sup>(1) (2)</sup>  
For The Third Quarter Ended 30 September 2024**

	<b>9 months ended</b>	
	<b>30.09.2024</b>	<b>30.09.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	109,058	N/A
Adjustments for:-		
Depreciation of:		
Property, plant and equipment	17,810	N/A
Right-of-use assets	9,070	N/A
Finance costs	12,194	N/A
Gain on foreign exchange	(396)	N/A
Property, plant and equipment written off	11	N/A
Shares of results of associates	(1,165)	N/A
Interest income	(2,109)	N/A
Investment income	(12)	N/A
Impairment loss of inventories	1,079	N/A
Gain on disposal of property, plant and equipment	(41)	N/A
Impairment loss of trade receivables	130	N/A
Gain on termination of leases	(9)	N/A
Operating profit before changes in working capital	145,620	N/A
Changes in working capital:		N/A
Inventories	63,380	N/A
Trade and other receivables	8,157	N/A
Other assets	1,560	N/A
Trade and other payables	(111,645)	N/A
Other liabilities	3,567	N/A
Cash flows from operations	110,639	N/A
Interest received	2,109	N/A
Income tax paid	(22,555)	N/A
Net cash from operating activities	90,193	N/A
<b>Cash Flows used in Investing Activities</b>		
Purchase of other investments	(1,888)	N/A
Dividend received from an associate	200	N/A
Proceeds from disposal of property, plant and equipment	245	N/A
Additions to property, plant and equipment	(35,856)	N/A
Acquisition of a new subsidiary - net	(250,000)	N/A
Additions to right-of-use assets	(3,784)	N/A
Net cash used in investing activities	(291,083)	N/A

## Cash Flows from Financing Activities

Net repayments of term loans	(9,936)	N/A
Net repayments of other borrowings	(14,676)	N/A
Net proceeds from term loans	250,000	N/A
Net proceed of trust receipt	1,430	N/A
Repayments of lease liabilities	(6,069)	N/A
Finance costs paid	(11,480)	N/A
Dividends paid to owners of the Company	(27,449)	N/A
	<u>181,820</u>	<u>N/A</u>
Net cash from financing activities		
	<u>181,820</u>	<u>N/A</u>
Net decrease in cash and cash equivalents	(19,070)	N/A
Cash and cash equivalents at beginning of financial period	136,523	N/A
Effects of changes in exchange rates	(7,289)	N/A
	<u>(7,289)</u>	<u>N/A</u>
<b>Cash and cash equivalents at end of financial period</b>	<b><u>110,164</u></b>	<b><u>N/A</u></b>

### Notes :

- (1) The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with Accountants' Report dated 6 November 2024 as disclosed in the Prospectus of TMK Chemical Bhd. dated 25 November 2024 and the accompanying explanatory notes attached to the unaudited condensed consolidated interim financial report.
- (2) No comparative figures for the preceding year and preceding quarter are presented as this is the first interim financial report announced by the Group in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements").

N/A - Not applicable.

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### PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRSs”) 134: INTERIM FINANCIAL REPORTING

#### A1. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of MFRS 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standard Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This is the first interim financial report on the Group’s unaudited condensed consolidated financial results for the third quarter ended 30 September 2024 announced in compliance with the Listing Requirements and as such, there are no comparative figures for the preceding year’s corresponding period.

The interim financial report should be read in conjunction with the Accountants’ Report dated 6 November 2024 as disclosed in the Prospectus of TMK Chemical Bhd. dated 25 November 2024 and the accompanying explanatory notes in this report.

#### A2. Significant Accounting Policies

The significant accounting policies adopted are consistent with those adopted in preparation of the Accountants’ Report as disclosed in the Prospectus except for the adoption of the following Amendments to MFRSs during the current financial period.

MFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
MFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
Amendments to MFRS 121	Lack of exchangeability <sup>1</sup>
Amendments to MFRS 9 and MFRS 7	Amendments to the <i>Classification and Measurement of Financial Instruments</i> (Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures</i> ) <sup>2</sup>
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Annual Improvements to MFRS Accounting Standards – Volume 11 <sup>2</sup>	

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027, with earlier application permitted.

<sup>4</sup> Effective date deferred to a date to be determined and announced by MASB, with earlier application permitted.

The Group is in the process of assessing if there are any significant effects arising from the adoption of these new standards.

The Group will apply the above MFRSs, and Amendments to MFRSs that are applicable when they become effective.



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**A3. Auditors' Report**

The audited combined financial statements of the Group for the financial year ended 31 December 2023 were not subject to any audit qualification.

**A4. Seasonal or Cyclical Factors**

The Group's operations are not subject to any significant seasonal or cyclical factors.

**A5. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow of the Group for the current quarter and financial period under review.

**A6. Significant Changes in Accounting Estimates**

There were no material changes in estimates that have any material effect in the current quarter and financial period under review.

**A7. Debt and Equity Securities**

There were no issuance and repayment of debts and equity securities during the current quarter and financial period under review.

**A8. Dividends Paid**

On 18 March 2024, TMK paid an interim single-tier dividend of RM20.8 million or RM0.25 per ordinary share for the financial year ending 31 December 2024.

On 18 June 2024, TMK paid a final single-tier dividend of RM6.7 million or RM0.08 per ordinary share for the financial year ended 31 December 2023.

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**A9. Segment Information****i) Business segments**

	<b>Business Segment for Individual Quarter Ended 30 September 2024</b>					
	<b>Provision of total chemical management RM'000</b>	<b>Provision of chemical terminal services RM'000</b>	<b>Manufacturing of inorganic chemicals RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>TMK Group RM'000</b>
<b>Revenue</b>						
External revenue	344,487	3,687	-	-	-	348,174
Inter-segment revenue	19,615	1,949	35,061	-	(56,625)	-
<b>Total revenue</b>	<b>364,102</b>	<b>5,636</b>	<b>35,061</b>	<b>-</b>	<b>(56,625)</b>	<b>348,174</b>
<b>Cost of sales</b>						
External cost of sales	(282,152)	(3,182)	- <sup>(1)</sup>	-	-	(285,334)
Inter-segment cost of sales	(53,349)	(42)	-	-	53,391	-
<b>Total cost of sales</b>	<b>(355,501)</b>	<b>(3,224)</b>	<b>-</b>	<b>-</b>	<b>53,391</b>	<b>(285,334)</b>
<b>Gross Profit/(Loss)</b>	<b>28,601</b>	<b>2,412</b>	<b>35,061</b>	<b>-</b>	<b>(3,234)</b>	<b>62,840</b>

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**A9. Segment Information (Continued)****i) Business segments (Continued)**

	<b>Business Segment for Cumulative Quarter Ended 30 September 2024</b>					
	<b>Provision of total chemical management RM'000</b>	<b>Provision of chemical terminal services RM'000</b>	<b>Manufacturing of inorganic chemicals RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>TMK Group RM'000</b>
<b>Revenue</b>						
External revenue	998,332	9,276	-	-	-	1,007,608
Inter-segment revenue	81,867	7,345	54,595	200	(144,007)	-
<b>Total revenue</b>	<b>1,080,199</b>	<b>16,621</b>	<b>54,595</b>	<b>200</b>	<b>(144,007)</b>	<b>1,007,608</b>
<b>Cost of sales</b>						
External cost of sales	(819,910)	(8,299)	-(1)	-	-	(828,209)
Inter-segment cost of sales	(136,333)	(126)	-	-	136,459	-
<b>Total cost of sales</b>	<b>(956,243)</b>	<b>(8,425)</b>	<b>-</b>	<b>-</b>	<b>136,459</b>	<b>(828,209)</b>
<b>Gross Profit/(Loss)</b>	<b>123,956</b>	<b>8,196</b>	<b>54,595</b>	<b>200</b>	<b>(7,548)</b>	<b>179,399</b>

(1) There were no cost of sales recorded for this segment for financial period ended ("FPE") 30 September 2024 due to the reclassification of the manufacturing costs to the provision of total chemical management segment as a result of TMK Chemical Banting Sdn. Bhd. ("TMK Banting"), a wholly-owned subsidiary of TMK, sold its manufactured inorganic chemicals products to TMK.

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**A10. Property, plant and equipment**

There were no material disposals of property, plant and equipment during the financial period under review.

**A11. Impairment losses**

There were no significant impairment losses or reversal of impairment losses arising from property, plant and equipment, financial assets or other assets during the current quarter and financial period under review.

**A12. Material Events**

On 24 October 2024, TMK undertook a subdivision of the 83,178,163 shares into 780,000,000 Shares.

Apart from the above, save as disclosed in note B6 there were no material events subsequent to the end of the current financial period under review that have not been reflected in this condensed consolidated interim financial report.

**A13. Changes in the Composition of the Group**

- i) On 31 January 2024, TMK entered into a shares sale agreement to acquire the entire issued share capital of Chlor-Al Chemical Pte Ltd ("CAL") comprising 800,000 ordinary shares in CAL for a total purchase consideration of RM697,900,000.
- ii) Completed on 8 February 2024, TMK increased its issued share capital from RM46,200,000 to RM494,101,697 by way of the issuance of 36,978,163 new ordinary shares at an issue price of RM12.1126 each for a total consideration of RM447,901,697 satisfied in accordance with the shares sale agreement. The new ordinary shares issued rank pari passu with the then existing ordinary shares of TMK.

Apart from the above, there were no other significant changes in the composition of the Group for the period ended 30 September 2024 including business combination, acquisition or disposal of subsidiaries and long-term investments, and restructuring.

**A14. Contingent Liabilities**

There were no material contingent liabilities since the end of the last audited combined financial statements for the financial year ended 31 December 2023.

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**A15. Capital Commitments**

The Group has commitments in respect of property, plant and equipment as follows:

	<b>30.09.2024</b>	<b>31.12.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Capital expenditure: Approved and contracted for	21,049	22,874

**A16. Significant Related Party Transactions**

The Group has significant transactions between the Group are as follows:

	<b>Cumulative quarter 9 months ended</b>	
	<b>30.09.2024</b>	<b>30.09.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Sales of goods	33,047	N/A
Purchase of goods	196,204	N/A

**A17. Derivatives**

There were no derivatives used in the current quarter and financial period under review.

**A18. Fair Value of Financial Liabilities**

There were no gains or losses arising from fair value changes of the Group's financial liabilities for the current quarter and financial period under review.

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**PART B: ADDITIONAL INFORMATION REQUIRED PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS****B1. Review of Performance****Current quarter against corresponding quarter**

	<b>Individual quarter 3 months ended</b>		<b>Cumulative quarter 9 months ended</b>	
	<b>30.09.2024</b>	<b>30.09.2023<sup>(1)</sup></b>	<b>30.09.2024</b>	<b>30.09.2023<sup>(1)</sup></b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	348,174	N/A	1,007,608	N/A
Profit before tax	35,242	N/A	109,058	N/A
Profit after tax	28,952	N/A	88,747	N/A

**Note:**

(1) There are no comparative figures for the preceding's year corresponding quarter and preceding year's cumulative quarter as the Company will be listed on the Main Market of Bursa Malaysia Securities Berhad on 12 December 2024 and as such no interim financial report was prepared for the comparative financial period concerned. This is the Group's interim financial report announced in compliance with the Listing Requirements.

N/A – Not applicable

The Group recorded revenue of RM348.2 million and RM1,007.6 million for the current quarter ("Q3 2024") and financial period ended 30 September 2024 ("9M 2024") respectively, mainly derived from the provision of total chemical management segment which contributed to RM344.5 million or 98.9% and RM988.3 million or 98.1% of the total revenue, respectively.

The Group recorded profit before tax of RM28.9 million and RM88.7 million for the current quarter and 9M 2024 respectively.

**B2. Comparison with Immediate Preceding Quarter**

There are no comparative figures for the immediate preceding quarter as this is the first interim financial report on the combined results being announced by the Group in compliance with the Listing Requirements.

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**B3. Prospects for the Group**

The Group's performance can be affected by several key challenges such as market price of inorganic chemical fluctuations which are sensitive to both domestic and international market demand and supply conditions, on-going global geopolitical conflict, recessionary risks, fluctuation of the United States Dollar, Singapore Dollar and Vietnamese Dong exchange rate and stiff competition.

In line with our on-going business expansion and our growth strategy to continue enhancing our upstream manufacturing capacity for chlor-alkali derivatives, we intend to construct our Banting Plant 2. We will be manufacturing chlor-alkali derivatives, namely sodium hydroxide, chlorine, hydrochloric acid, sodium hypochlorite and hydrogen at our Banting Plant 2. The construction of our Banting Plant 2 is in anticipation of future growth in demand for chlor-alkali derivatives supported by future growth in demand by both existing and new businesses across all the industries that we service. Additionally, the construction of our Banting Plant 2 will also result in better overall cost efficiency.

The Group will continue to improve its own productivity and efficiency to face external uncontrollable factors and challenges.

**B4. Profit Forecast**

Not applicable as the Group did not issue any profit forecast during the financial period under review.

**B5. Taxation**

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	30.09.2024 RM'000	30.09.2023 <sup>(1)</sup> RM'000	30.09.2024 RM'000	30.09.2023 <sup>(1)</sup> RM'000
Income tax expenses comprise:				
Malaysian entities:				
Current year	2,153	N/A	6,886	N/A
Underprovision for prior year	10	N/A	1,837	N/A
	2,163	N/A	8,723	N/A
Foreign entities:				
Current year	3,688	N/A	12,657	N/A
Overprovision for prior year	(18)	N/A	(14)	N/A
	3,670	N/A	12,643	N/A
	5,833	N/A	21,366	N/A

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**B5. Taxation (Continued)**

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	30.09.2024 RM'000	30.09.2023 <sup>(1)</sup> RM'000	30.09.2024 RM'000	30.09.2023 <sup>(1)</sup> RM'000
Deferred tax:				
Relating to origination and reversal of temporary differences:				
Current year	(474)	N/A	-	N/A
Under/ (Over) provision in prior year	796	N/A	(1,447)	N/A
	322	N/A	(1,447)	N/A
Share of associates' tax expenses	135	N/A	392	N/A
Total tax expenses	6,290	N/A	20,311	N/A

**Note:**

- (1) There are no comparative figures for the preceding's year corresponding quarter and preceding year's cumulative quarter as the Company will be listed on the Main Market of Bursa Malaysia Securities Berhad on 12 December 2024 and as such no interim financial report was prepared for the comparative financial period concerned. This is the Group's interim financial report announced in compliance with the Listing Requirements.
- (2) The overall effective tax rate of 18.6% was lower than the statutory tax rate of 24.0% mainly due to lower tax rate for foreign entities.

N/A – Not applicable

**B6. Status of Corporate Proposals**

Save as disclosed below, there were no other corporate proposals announced by the Company but not completed as at the date of this condensed consolidated interim financial report.

In conjunction with and as an integral part of the listing of and quotation for the entire enlarged issued share capital of the Company on the Main Market of Bursa Malaysia Securities Berhad, the Company undertook an initial public offering ("IPO") comprising the public issue of 220,000,000 new ordinary shares in the Company at a price of RM1.75 per share.

The listing of and quotation for the Company's entire issued share capital on the Main Market of Bursa Malaysia Securities Berhad is expected to be on 12 December 2024.



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**B7. Utilisation of Proceeds from the Public Issue**

The gross proceeds from the Public Issue of RM385.0 million are expected to be used in the following manner:

<b>Details of use of proceeds</b>	<b>Estimated timeframe for use from the date of Listing Exercise</b>	<b>Proposed utilisation RM'000</b>
Expansion of our Banting Plant 1	Within 24 months	90,200
Construction costs of a new facility	Within 24 months	49,500
Acquisitions to be identified	Within 36 months	99,100
Loan Repayment	Within 6 months	50,000
Working capital	Within 12 months	79,426
Defray fees and expenses relating to IPO and listing	Within 6 months	16,774
<b>Total estimated proceeds</b>		<b>385,000</b>

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company. As at the date of this interim financial report, the IPO is pending completion, and as such there is no utilisation of proceeds by the Group yet.

**B8. Borrowings and Lease Liabilities**

	<b>30.09.2024 RM'000</b>	<b>31.12.2023 RM'000</b>
<b>Current</b>		
<b><u>Secured</u></b>		
Term loans	45,928	13,248
<b><u>Unsecured</u></b>		
Bankers' acceptances	86,468	102,574
Trust receipts	1,430	-
	<u>87,898</u>	<u>102,574</u>
<b>Total short-term borrowings</b>	<b><u>133,826</u></b>	<b><u>115,822</u></b>
<b><u>Non-current</u></b>		
<b><u>Secured</u></b>		
Term loans	325,513	116,699
<b>Total long-term borrowings</b>	<b><u>325,513</u></b>	<b><u>116,699</u></b>
<b>Total borrowings</b>	<b><u>459,339</u></b>	<b><u>232,521</u></b>

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**B8. Borrowings and Lease Liabilities (Continued)**

	<b>30.09.2024</b>	<b>31.12.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Borrowings denominated in the following currencies:</b>		
Ringgit Malaysia	457,909	232,521
United States Dollar	1,430	-
<b>Lease liabilities</b>		
Current	5,954	7,630
Non-current	9,815	13,510

**B9. Material litigation**

The Group is not engaged in any material litigation, claim and/or arbitration, whether as plaintiff or defendant, which might materially and adversely affect the financial or business position of the Group.

**B10. Dividends**

There are no dividends declared or paid during the current quarter.

**B11. Earnings per share ("EPS")**

The basic and diluted EPS for the current quarter and financial period under review is computed as follows:

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended</b>	<b>3 months ended</b>	<b>9 months ended</b>	<b>9 months ended</b>
	<b>30.09.2024</b>	<b>30.09.2023<sup>(3)</sup></b>	<b>30.09.2024</b>	<b>30.09.2023<sup>(3)</sup></b>
Profit attributable to the owners of the Company (RM'000)	29,161	N/A	89,026	N/A
Weighted average number of ordinary shares in issue (basic) (unit) <sup>(1)</sup> ('000)	83,178	N/A	78,050	N/A
Basic EPS (RM)	0.35	N/A	1.14	N/A

**Note:**

- (1) Calculated on the basis of the weighted average of 46,200,000 ordinary shares before issuance of 83,178,163 ordinary shares on 08 February 2024.
- (2) The diluted EPS is equal to basic EPS as the Company does not have any outstanding convertible securities at the end of reporting period.
- (3) There are no comparative figures for the preceding's year corresponding quarter and preceding year's cumulative quarter as the Company will be listed on the Main Market of Bursa Malaysia Securities Berhad on 12 December 2024 and as such no interim financial report was prepared for the comparative financial period concerned. This is the Group's interim financial report announced in compliance with the Listing Requirements.

N/A – Not applicable

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**B12. Profit before tax <sup>(1)</sup>**

	Individual quarter 3 months ended		Cumulative quarter 9 months ended	
	30.09.2024 RM'000	30.09.2023 <sup>(2)</sup> RM'000	30.09.2024 RM'000	30.09.2023 <sup>(2)</sup> RM'000
Depreciation of property, plant and equipment	7,264	N/A	17,810	N/A
Depreciation of right-of-use assets	2,775	N/A	9,070	N/A
Finance costs	4,518	N/A	12,194	N/A
Interest income	(648)	N/A	(2,109)	N/A
Investment income	(4)	N/A	(12)	N/A
Impairment loss of inventories	568	N/A	1,079	N/A
Impairment loss of trade receivables	-	N/A	130	N/A
Foreign exchange loss/(gain):				
- realised	128	N/A	131	N/A
- unrealised	3,022	N/A	(396)	N/A
Property, plant and equipment write off	-	N/A	11	N/A

**Note:**

- (1) Save as disclosed above, the other disclosure items pursuant to Paragraph 16, Part A of Appendix 9B of the Listing Requirements are not applicable.
- (2) There are no comparative figures for the preceding's year corresponding quarter and preceding year's cumulative quarter as the Company will be listed on the Main Market of Bursa Malaysia Securities Berhad on 12 December 2024 and as such no interim financial report was prepared for the comparative financial period concerned. This is the Group's interim financial report announced in compliance with the Listing Requirements.

N/A – Not applicable

**B13. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 09 December 2024.