



**MASTER-PACK**  
GROUP BERHAD 199401011341

## **QUARTERLY REPORT ON CONSOLIDATED RESULTS**

### **FOR THE FIRST QUARTER ENDED 31 MARCH 2024**

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**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(the figures have not been audited)

		<b>Current quarter ended 31.03.2024 RM '000</b>	<b>Preceding year corresponding quarter ended 31.03.2023 RM '000</b>	<b>Current year-to-date ended 31.03.2024 RM '000</b>	<b>Preceding year corresponding year-to-date ended 31.03.2023 RM '000</b>
Revenue	<b>B1</b>	41,999	40,768	41,999	40,768
Operating expenses		(34,181)	(35,560)	(34,181)	(35,560)
Other operating income		775	824	775	824
<b>Profit from operations</b>		<b>8,593</b>	<b>6,032</b>	<b>8,593</b>	<b>6,032</b>
Finance costs		(78)	(83)	(78)	(83)
<b>Profit before taxation</b>		<b>8,515</b>	<b>5,949</b>	<b>8,515</b>	<b>5,949</b>
Taxation	<b>B4</b>	(1,328)	(996)	(1,328)	(996)
<b>Profit for the period</b>		<b>7,187</b>	<b>4,953</b>	<b>7,187</b>	<b>4,953</b>
<b>Other comprehensive income :-</b>					
Items that may be reclassified subsequently to profit or loss:-					
- Currency translation of foreign operations		168	382	168	382
<b>Other comprehensive income for the period</b>		<b>168</b>	<b>382</b>	<b>168</b>	<b>382</b>
		<b>7,355</b>	<b>5,335</b>	<b>7,355</b>	<b>5,335</b>
<b>Profit for the financial period attributable to:-</b>					
- Owners of the Company		7,187	4,953	7,187	4,953
- Non-Controlling Interest		-	-	-	-
		<b>7,187</b>	<b>4,953</b>	<b>7,187</b>	<b>4,953</b>
<b>Total comprehensive income for the financial period attributable to:-</b>					
- Owners of the Company		7,355	5,335	7,355	5,335
- Non-Controlling Interest		-	-	-	-
		<b>7,355</b>	<b>5,335</b>	<b>7,355</b>	<b>5,335</b>
<b>Earnings per share (sen) :</b>					
(i) Basic	<b>B9</b>	13.16	9.07	13.16	9.07
(ii) Fully diluted		N/A	N/A	N/A	N/A

**(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)**

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at end of current quarter ended 31.03.2024 RM'000 (unaudited)	As at end of financial year ended 31.12.2023 RM'000 (audited)
<b>Non-Current Assets</b>			
Property, plant and equipment		52,845	52,539
Investment properties		14,640	14,640
Right -of-use assets		7,155	7,416
Goodwill on consolidation		196	196
Other investments		268	271
Deferred tax assets		7	86
		<u>75,111</u>	<u>75,148</u>
<b>Current Assets</b>			
Inventories		9,622	12,123
Trade and other receivables		31,455	33,253
Prepayments		188	1,593
Current tax assets		757	914
Cash and bank balances	<b>B10</b>	85,542	76,280
		<u>127,564</u>	<u>124,163</u>
<b>TOTAL ASSETS</b>		<u><u>202,675</u></u>	<u><u>199,311</u></u>
<b>Non-Current Liabilities</b>			
Lease Liabilities	<b>B6</b>	1,241	1,436
Deferred tax liabilities		6,758	6,838
		<u>7,999</u>	<u>8,274</u>
<b>Current Liabilities</b>			
Trade and other payables		14,607	18,252
Loans and borrowings - secured	<b>B5</b>	2,138	2,212
Lease liabilities	<b>B6</b>	774	760
Current tax liabilities		500	511
Dividend Payable		4,370	-
		<u>22,389</u>	<u>21,735</u>
<b>TOTAL LIABILITIES</b>		<u><u>30,388</u></u>	<u><u>30,009</u></u>
<b>Equity</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		55,339	55,339
Other reserves		29,365	28,753
Retained Profits		87,583	85,210
		<u>172,287</u>	<u>169,302</u>
<b>TOTAL EQUITY</b>		<u><u>172,287</u></u>	<u><u>169,302</u></u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><u>202,675</u></u>	<u><u>199,311</u></u>
Net assets per share attributable to owners of the Company (RM)		3.15	3.10

**(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)**

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	-----Attributable to Owners of the Company-----						
	<-----Non Distributable----->						
	Share Capital RM'000	Legal Reserves RM'000	Revaluation Surplus RM'000	Currency Translation Reserve RM'000	Total Other Reserves RM'00	Retained Profits RM'000	TOTAL EQUITY RM'000
<b>3 months ended 31 March 2023</b>							
Balance as at 1 January 2023	55,339	5,225	13,109	851	19,185	68,729	143,253
Reclassification adjustments on :-							
Changes in currency translation	-	-	-	382	382	-	382
Profit for the financial period	-	-	-	-	-	4,953	4,953
Total comprehensive income for the period	-	-	-	382	382	4,953	5,335
Dividend							
Owners of the Company	-	-	-	-	-	(3,277)	(3,277)
Total transactions with owners	-	-	-	-	-	(3,277)	(3,277)
Transfer of legal reserves	-	447	-	-	447	(447)	-
Transfer of revaluation surplus	-	-	(505)	-	(505)	505	-
Balance as at 31 March 2023	55,339	5,672	12,604	1,233	324	70,463	145,311

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

(the figures have not been audited)

	-----Attributable to Owners of the Company-----						TOTAL EQUITY RM'000
	-----Non Distributable-----					Retained Profits RM'000	
	Share Capital RM'000	Legal Reserves RM'000	Revaluation Surplus RM'000	Currency Translation Reserve RM'000	Total Other Reserves RM'000		
<b>3 months ended 31 March 2024</b>							
Balance as at 1 January 2024	55,339	7,426	20,214	1,113	28,753	85,210	169,302
Reclassification adjustments on :-							
Changes in currency translation	-	-	-	168	168	-	168
Profit for the period	-	-	-	-	-	7,187	7,187
Total comprehensive income for the period	-	-	-	168	168	7,187	7,355
Dividend							
Owners of the Company	-	-	-	-	-	(4,370)	(4,370)
Total transactions with owners	-	-	-	-	-	(4,370)	(4,370)
Transfer of legal reserves	-	634	-	-	634	(634)	-
Transfer of revaluation surplus	-	-	(190)	-	(190)	190	-
Balance as at 31 March 2024	55,339	8,060	20,024	1,281	29,365	87,583	172,287

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

Note	Current year-to-date ended 31.03.2024 RM'000 (unaudited)	Preceding financial year ended 31.12.2023 RM'000 (audited)
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	8,515	28,272
Adjustments for non-cash flow items:-		
Depreciation	1,323	4,684
Dividend income	(4)	(22)
Fair value loss/(gains) on financial instruments	3	(214)
Gain on disposal of property, plant and equipment	(34)	(5)
Impairment (gains)/losses on financial assets	(51)	61
Interest expense	78	336
Interest income	(387)	(1,626)
Inventories written down	-	6
Inventories written off	-	16
Loss on derecognition of financial assets	-	145
Operating profit before working capital changes	9,443	31,653
Changes in :-		
Inventories	2,501	6,752
Receivables	1,849	(2,407)
Prepayments	1,405	564
Payables	(3,645)	1,023
Cash generated from operations	11,553	37,585
Tax paid	(1,187)	(4,621)
Tax refunded	-	676
Net cash generated from operating activities	10,366	33,640
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(1,381)	(7,525)
Acquisition of right-of-use assets	-	(9)
Dividends received	4	22
Interest received	387	1,838
Proceeds from disposal of property, plant and equipment	52	5
Net cash used in investing activities	(938)	(5,669)

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Current year-to-date ended 31.03.2024 RM'000 (unaudited)</b>	<b>Preceding year-to-date ended 31.12.2023 RM'000 (audited)</b>
	<b>Note</b>	
<b>Cash flows from financing activities</b>		
Dividend paid	-	(6,554)
Interest paid	(78)	(336)
Net (decrease)/increase in short-term loans and borrowings	(75)	436
Payment of lease liabilities	(180)	(977)
Placement of term deposits pledged as security	(21)	(2,045)
Net cash used in financing activities	(354)	(9,476)
Currency translation differences	167	262
Net increase in cash and cash equivalents	9,241	18,757
Cash and cash equivalents brought forward	73,235	54,478
Cash and cash equivalents carried forward	<b>B10</b> 82,476	73,235

**(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements)**

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

Notes to the Interim Financial Statements:-

**A. Explanatory Notes to the Interim Financial Statements as required by MFRS134****A1. Basis of preparation**

The interim financial statements of the Group for the period ended 31 March 2024 are unaudited and have been prepared in accordance with the requirements of MFRS134: Interim Financial Reporting and paragraph 9.22 of Bursa Listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements of Master-Pack Group Berhad (“the Group”) for the year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions so as to give a true and fair view of the state of affairs of the Group as of 31 March 2024 and of its results and cash flows for the period ended on that date.

**A2. Annual Audit Report**

The auditors’ report on the financial statements for the year ended 31 December 2023 was not qualified.

**A3. Changes in Accounting Policies and Method of Computation**

The significant accounting policies and methods of computation adopted by the Group in the interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2023 except for the adoption of the following MFRS :-

MFRS	Effective for annual periods beginning on or after
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

The initial application of the above MFRSs is either not relevant or did not have any significant impacts on the financial statements.

The Group has not applied the following MFRS which have been issued but are not yet effective at the end of the reporting period:-

MFRS	Effective for annual periods beginning on or after
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2024



## **MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

The adoption of the above standards and amendments is either not relevant or not expected to have any material effect on the financial performance or position of the Group.

### **A4. Seasonality or cyclicity of operations**

The Group's performance is not significantly affected by any seasonal or cyclical factor for the financial period under review.

### **A5. Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows because of their nature, size, or incidence for the financial period under review.

### **A6. Changes in estimates**

There were no material changes in the estimates for the financial period under review.

### **A7. Issues, repurchases, and repayment of debt and equity securities**

There were no issuance and repayment of debts and equity securities.

### **A8. Dividend**

There was no dividend paid in the quarter under review.

### **A9. Segmental Information**

The Group has two operating segments as follows:-

#### **a) Packaging Division**

Designing and manufacturing corrugated paper cartons, wooden packaging as well as providing one-stop packaging solutions.

#### **b) Other Divisions**

Rental of properties and investment holding.

In view that contribution from the other divisions is not significant, operating results from the other divisions is not segregated.

### **A10. Events after reporting period**

There was no material event subsequent to the reporting period that has not been reflected in these financial statements.

### **A11. Changes in the composition of the Group**

There was no business combinations, long term investment and restructuring or discontinuing operations during the financial period.

### **A12. Changes in contingent liabilities or contingent assets**

There was no liability that the Group is contingently liable to since the last annual reporting date.

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**B. Additional information required by the listing requirements of Bursa Malaysia Securities Berhad****B1 Performance Review of the Group****Current Quarter 2024 vs Corresponding Quarter 2023**

	<b>Current quarter ended 31.03.2024 RM'000</b>	<b>Preceding year corresponding quarter ended 31.03.2023 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	41,999	40,768	1,231	3.0%
Profit before taxation	8,515	5,949	2,566	43.1%

In the first quarter ending 31 March 2024, revenue increased by RM1.2 million or 3% compared to the same period in the financial year 2023. Despite market challenges, particularly within the E&E sector, revenue growth was buoyed by the solar sector, which saw a RM2.3 million increase, partly due to higher demand from existing customers. However, this growth was offset by declines in other sectors.

Profit before taxation when compared to the corresponding quarter of the preceding year, showed an improvement, attributed to prudent management of purchasing materials and operational costs.

**Current Quarter 2024 vs Preceding Quarter**

	<b>Current quarter ended 31.03.2024 RM'000</b>	<b>Preceding quarter ended 31.12.2023 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	41,999	43,020	-1,021	-2.4%
Profit before taxation	8,515	7,707	808	10.5%

When comparing the current quarter to the preceding one, revenue has decreased. Deliveries to the solar sector experience a decline of RM1.5 million from maintenance activity of a major customer and cost reduction exercise offered to customers. Deliveries to the Electronic and Electrical sector saw a small increase of RM0.7 million while all the other sectors declined.

Despite the reduction in selling prices to the solar sector, profit before taxation was higher by RM0.8 million, attributed to effective management of material prices and operational costs.

**B2. Prospect 2024**

The Group will strive to sustain its incremental growth for this financial year on the back of improved productivity and efficiency on the production floor and expected uptake in deliveries to the Electronic and Electrical sector for this year.

However, the regional economic outlook for the rest of this year remains uncertain. As a packaging provider our business is thus impacted by the fluctuations in the global supply chain movement.

**B3. Variance of actual profit from forecast profit and shortfall in the profit guarantee**

Not applicable.

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**B4. Taxation**

The taxation of the Group comprises:

	<b>Current quarter ended 31.03.2024 RM'000</b>	<b>Current year-to-date ended 31.03.2024 RM'000</b>
Taxation		
- current year	(1,409)	(1,409)
Deferred tax		
- current year	81	81
	<u>(1,328)</u>	<u>(1,328)</u>

The effective tax rate for the year is slightly lower than the Malaysian income tax rate of 24% due to lower tax rate enjoyed by its foreign subsidiary.

**B5. Group borrowings as at 31.03.2024****Short term borrowings - Secured**

	<b>RM'000</b>
Banker acceptances	<u>2,138</u>

The effective interest rates of loans and borrowings as at 31.03.2024 ranged from 4.8% to 5.3% per annum.

**B6. Lease Liabilities as at 31.03.2024****Short term lease liabilities - Secured**

	<b>RM'000</b>
Lease liabilities due within one year	<u>774</u>

**Long-term lease liabilities - Secured**

	<b>Due Within 1 to 2 years RM'000</b>	<b>Due Within 2 to 5 years RM'000</b>	<b>Total RM'000</b>
Lease liabilities	<u>471</u>	<u>770</u>	<u>1,241</u>

The effective interest rates of lease liabilities as at 31.03.2024 ranged from 5.0% to 11.0% per annum.

**B7. Litigation**

There is no material litigation at the date of this report.

**B8. Dividend Declared**

The Board of Directors has declared a first interim dividend of 8 sen amounting to RM4,369,612 on 29 March 2024 and paid on 10 May 2024 for the financial year ending 31 December 2024.

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**B9. Earnings per Share****Basic**

Basic earnings per share is calculated by dividing profit attributable to owners of the parent entity by the weighted average number of ordinary shares in issue during the period.

	<b>Current quarter ended 31.03.2024</b>	<b>Current year-to-date ended 31.03.2024</b>
Profit attributable to owners of the parent (RM'000)	7,187	7,187
Number of ordinary shares outstanding	54,620,150	54,620,150
Basic earning per share (sen)	13.16	13.16
Diluted	N/A	N/A

**B10. Cash and cash equivalents**

	<b>As at 31.03.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
High liquid investments in money market funds	8,494	8,441
Term deposits	32,875	29,505
Cash and bank balances	44,173	38,334
	<hr/>	<hr/>
	85,542	76,280
Term deposits pledged as security	(3,066)	(3,045)
	<hr/>	<hr/>
	82,476	73,235
	<hr/> <hr/>	<hr/> <hr/>

**B11. Profit Before Tax Items**

	<b>Current quarter ended 31.03.2024 RM'000</b>	<b>Current year-to-date ended 31.03.2024 RM'000</b>
Depreciation	1,323	1,323
Foreign exchange gain	(175)	(175)
Gain on disposal of property, plant and equipment	34	34
Fair value losses on financial instruments	3	3
Impairment gain on financial assets	(51)	-51
Interest expense	78	78
Interest income	(387)	(387)

Items which are not disclosed as per Listing Requirement Notes 16 Appendix 9B are not applicable to the group for the current period.

**MASTER-PACK GROUP BERHAD (297020-W)**

For the 1st quarter ended 31 March 2024

**B12. Disclosure of realized and unrealized profits and losses**

	<b>Current quarter ended 31.03.2024 RM'000</b>	<b>Preceding year ended 31.12.2023 RM'000</b>
Master-Pack Group Berhad and its subsidiaries :		
- Realised	60,321	57,971
- Unrealised	2,677	2,654
	<hr/>	<hr/>
	62,998	60,625
Less : Consolidation adjustments	24,585	24,585
	<hr/>	<hr/>
Total Group retained profit	<u>87,583</u>	<u>85,210</u>

By order of the Board

Lee Peng Loon

P'ng Chiew Keem

Secretaries

Penang

Date: 24 May 2024