



**MASTER-PACK**  
GROUP BERHAD 199401011341

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2024**

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

For the 2nd quarter ended 30 June 2024

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(the figures have not been audited)

		Current quarter ended 30/06/2024 RM '000	Preceding year corresponding quarter ended 30/06/2023 RM '000	Current year-to-date ended 30/06/2024 RM '000	Preceding year corresponding year-to-date ended 30/06/2023 RM '000
Revenue	<b>B1</b>	40,386	41,164	82,385	81,932
Operating expenses		(33,540)	(34,598)	(67,721)	(70,158)
Other operating income		656	727	1,431	1,551
<b>Profit from operations</b>		<b>7,502</b>	<b>7,293</b>	<b>16,095</b>	<b>13,325</b>
Finance costs		(73)	(81)	(151)	(164)
<b>Profit before taxation</b>		<b>7,429</b>	<b>7,212</b>	<b>15,944</b>	<b>13,161</b>
Taxation	<b>B4</b>	(1,234)	(1,185)	(2,562)	(2,181)
<b>Profit for the period</b>		<b>6,195</b>	<b>6,027</b>	<b>13,382</b>	<b>10,980</b>
<b>Other comprehensive income :-</b>					
Items that may be reclassified subsequently to profit or loss:-					
- Currency translation of foreign operations		(1,184)	1,807	(1,016)	2,189
<b>Other comprehensive income for the period</b>		<b>(1,184)</b>	<b>1,807</b>	<b>(1,016)</b>	<b>2,189</b>
		<b>5,011</b>	<b>7,834</b>	<b>12,366</b>	<b>13,169</b>
<b>Profit for the financial period attributable to:-</b>					
- Owners of the Company		6,195	6,027	13,382	10,980
<b>Total comprehensive income for the financial period attributable to:-</b>					
- Owners of the Company		5,011	7,834	12,366	13,169
<b>Earnings per share (sen) :</b>					
(i) Basic	<b>B9</b>	11.34	11.03	24.50	20.10
(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 2nd quarter ended 30 June 2024

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at end of current quarter ended 30/06/24 RM'000 (unaudited)	As at end of financial year ended 31/12/23 RM'000 (audited)
<b>Non-Current Assets</b>			
Property, plant and equipment		52,638	52,539
Investment properties		14,640	14,640
Right-of-use assets		6,867	7,416
Goodwill on consolidation		196	196
Other investments		260	271
Deferred tax assets		8	86
		<u>74,609</u>	<u>75,148</u>
<b>Current Assets</b>			
Inventories		12,116	12,123
Trade and other receivables		29,580	33,253
Prepayments		173	1,593
Current tax assets		632	914
Cash and bank balances	<b>B10</b>	84,922	76,280
		<u>127,423</u>	<u>124,163</u>
<b>TOTAL ASSETS</b>		<u>202,032</u>	<u>199,311</u>
<b>Non-Current Liabilities</b>			
Lease Liabilities	<b>B6</b>	1,030	1,436
Deferred tax liabilities		6,717	6,838
		<u>7,747</u>	<u>8,274</u>
<b>Current Liabilities</b>			
Trade and other payables		13,468	18,252
Loans and borrowings - secured	<b>B5</b>	2,110	2,212
Lease liabilities	<b>B6</b>	773	760
Current tax liabilities		636	511
		<u>16,987</u>	<u>21,735</u>
<b>TOTAL LIABILITIES</b>		<u>24,734</u>	<u>30,009</u>
<b>Equity</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital		55,339	55,339
Other reserves		28,527	28,753
Retained Profits		93,432	85,210
		<u>177,298</u>	<u>169,302</u>
<b>TOTAL EQUITY</b>		<u>177,298</u>	<u>169,302</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>202,032</u>	<u>199,311</u>
Net assets per share attributable to owners of the Company (RM)		3.25	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 2nd quarter ended 30 June 2024

Note	-----Attributable to Owners of the Company-----						Retained Profits RM'000	TOTAL EQUITY RM'000
	Share Capital RM'000	Legal Reserves RM'000	Revaluation Surplus RM'000	Currency Translation Reserve RM'000	Total Other Reserves RM'00	Non Distributable		
<b>6 months ended 30 June 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								
Profit for the financial period	-	-	-	-	-	10,980	10,980	
Total comprehensive income for the period	-	-	-	2,189	2,189	10,980	13,169	
Dividend								
Owners of the Company								
Total transactions with owners	-	-	-	-	-	(3,277)	(3,277)	
Transfer of legal reserves	-	1,055	-	-	1,055	(1,055)	-	
Transfer of revaluation surplus	-	-	(322)	-	(322)	322	-	
Balance as at 30 June 2023	55,339	6,280	12,787	3,040	22,107	75,699	153,145	

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

For the 2nd quarter ended 30 June 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>6 months ended 30 June 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	-	-	-	(1,016)	(1,016)	-	(1,016)
Profit for the period	-	-	-	-	-	13,382	13,382
Total comprehensive income for the period	-	-	-	(1,016)	(1,016)	13,382	12,366
Dividend							
Owners of the Company	-	-	-	-	-	(4,370)	(4,370)
Total transactions with owners	-	-	-	-	-	(4,370)	(4,370)
Transfer of legal reserves	-	1,184	-	-	1,184	(1,184)	-
Transfer of revaluation surplus	-	-	(394)	-	(394)	394	-
Balance as at 30 June 2024	55,339	8,610	19,820	97	28,527	93,432	177,298

(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 2nd quarter ended 30 June 2024

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Current year-to-date ended 30/06/24 RM'000 (unaudited)	Preceding financial year ended 31/12/23 RM'000 (audited)
<b>OPERATING ACTIVITIES</b>		
Profit before taxation	15,944	28,272
Adjustments for non-cash flow items:-		
Depreciation	2,644	4,684
Dividend income	(4)	(22)
Fair value loss/(gains) on financial instruments	11	(214)
Gain on disposal of property, plant and equipment	(38)	(5)
Impairment (gain)/loss on financial assets	(50)	61
Interest expense	151	336
Interest income	(666)	(1,626)
Inventories written down	-	6
Inventories written off	-	16
Loss on derecognition of financial assets	-	145
Operating profit before working capital changes	17,992	31,653
Changes in :-		
Inventories	7	6,752
Receivables	3,723	(2,407)
Prepayments	1,420	564
Payables	(4,784)	1,023
Cash generated from operations	18,358	37,585
Tax paid	(2,201)	(4,621)
Tax refunded	-	676
Net cash generated from operating activities	16,157	33,640
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(2,232)	(7,525)
Acquisition of right-of-use assets	-	(9)
Dividends received	4	22
Interest received	666	1,838
Proceeds from disposal of property, plant and equipment	55	5
Net cash used in investing activities	(1,507)	(5,669)

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

For the 2nd quarter ended 30 June 2024

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Current</b>	<b>Preceding</b>
	<b>year-to-date ended</b>	<b>financial year ended</b>
	<b>30/06/24</b>	<b>31/12/23</b>
<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>Cash flows from financing activities</b>		
Dividend paid	(4,370)	(6,554)
Interest paid	(151)	(336)
Net (decrease)/increase in short-term loans and borrowings	(102)	436
Payment of lease liabilities	(393)	(977)
Placement of term deposits pledged as security	(40)	(2,045)
Net cash used in financing activities	(5,056)	(9,476)
Currency translation differences	(992)	262
Net increase in cash and cash equivalents	8,602	18,757
Cash and cash equivalents brought forward	73,235	54,478
Cash and cash equivalents carried forward	<b>B10</b> 81,837	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 2nd quarter ended 30 June 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 30 June 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 30 June 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 the 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 the annual periods beginning on or after
- Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
- Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025



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

For the 2nd quarter ended 30 June 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**

The Board of Directors paid an interim dividend of 8 sen amounting to RM4,369,612 on 10 May 2024 for the financial year ending 31 December 2024.

### **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 2nd quarter ended 30 June 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 30/06/24 RM'000</b>	<b>Preceding year corresponding quarter ended 30/6/2023 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	40,386	41,164	(778)	-1.9%
Profit before taxation	7,429	7,212	217	3.0%

For the quarter ended 30/06/2024, revenue decreased by RM0.778 million, or 1.9%, compared to the same quarter of the previous year, reflecting a slight overall decline in demand for the Group's products across various market sectors.

However, profit before taxation increased by RM0.217 million, or 3%, over the corresponding quarter of last year. This increase is considered insignificant in terms of profit margin.

**Current Quarter 2024 vs Preceding Quarter**

	<b>Current quarter ended 30/6/2024 RM'000</b>	<b>Preceding quarter ended 31/3/2024 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	40,386	41,999	(1,613)	-3.8%
Profit before taxation	7,429	8,515	(1,086)	-12.8%

For the quarter ended 30/06/2024, revenue decreased by RM1.6 million, or 3.8%, compared to the previous quarter ended March 31, 2024. This decline was primarily due to price adjustments made to retain market share among selective customers.

Consequently, profit before taxation also decreased by RM1.1 million, or 12.8%, largely due to a slight increase in operational costs following a change in service tax rates, which were raised from 6% to 8% on certain expense categories. Additionally, the expanded scope of the service tax to include logistics further contributed to the rise in expenses.

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

For the 2nd quarter ended 30 June 2024

**Current Year-to-date 2024 vs Preceding Year-to-date 2023**

	<b>Current year-to-date ended 30/6/2024 RM'000</b>	<b>Preceding year-to-date ended 30/6/2023 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Revenue	82,385	81,932	453	0.6%
Profit before taxation	15,944	13,161	2,783	21.1%

Current year-to-date revenue increased by RM0.453 million or 0.6% compared against the same period last year. The difference is not significant.

Profit before taxation improved by RM2.8 million or 21.1% compared to the preceding year-to-date due to foreign exchange gain and lower raw material prices,

**B2. Prospect 2024**

The Group's first half of 2024 performance was within expectation. The recent introduction of service tax on logistics services is anticipated to increase operational costs further, impacting overall profitability. Additionally, the removal of diesel subsidy by the Malaysian government adds another layer of cost pressure, particularly affecting transportation and distribution expenses. These factors are likely to erode profit margins in the coming quarter. The Group will need to carefully manage these rising costs to mitigate their impact on the bottom line while continuing to focus on sustaining its market position.

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

Not applicable.

**B4. Taxation**

The taxation of the Group comprises:

	<b>Current quarter ended 30/06/24 RM'000</b>	<b>Current year-to-date ended 30/06/24 RM'000</b>
Taxation		
- current year	(1,276)	(2,685)
Deferred tax		
- current year	42	123
	<u>(1,234)</u>	<u>(2,562)</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.

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

For the 2nd quarter ended 30 June 2024

**B5. Group borrowings as at 30/06/2024****Short term borrowings - Secured**

	<b>RM'000</b>
Banker acceptances	2,110

The effective interest rates of loans and borrowings as at 30/06/2024 ranged from 4.8% to 5.3% per annum.

**B6. Lease Liabilities as at 30/06/2024****Short term lease liabilities - Secured**

	<b>RM'000</b>
Lease liabilities due within one year	773

**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	500	530	1,030

The effective interest rates of lease liabilities as at 30/06/2024 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 second interim dividend of 6 sen amounting to RM3,277,209 on 25 July 2024 and will be paid on 30 Aug 2024 for the financial year ending 31 December 2024.

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

For the 2nd quarter ended 30 June 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 30/06/24</b>	<b>Current year-to-date ended 30/06/24</b>
Profit attributable to owners of the parent (RM'000)	6,195	13,382
Number of ordinary shares outstanding	54,620,150	54,620,150
Basic earning per share (sen)	11.34	24.50
Diluted	N/A	N/A

**B10. Cash and cash equivalents**

	<b>As at 30/6/2024 RM'000</b>	<b>As at 31/12/23 RM'000</b>
High liquid investments in money market funds	8,545	8,441
Term deposits	25,285	29,505
Cash and bank balances	51,092	38,334
	<hr/>	<hr/>
	84,922	76,280
Term deposits pledged as security	(3,085)	(3,045)
	<hr/>	<hr/>
	<b>81,837</b>	<b>73,235</b>

**B11. Profit Before Tax Items**

	<b>Current quarter ended 30/06/24 RM'000</b>	<b>Current year-to-date ended 30/06/24 RM'000</b>
Depreciation	1,321	2,644
Foreign exchange gain	(176)	(351)
Gain on disposal of property, plant and equipment	(4)	(38)
Impairment loss on other investments	8	11
Impairment loss/( gain) on financial assets	1	(50)
Interest expense	73	151
Interest income	(279)	(666)

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 2nd quarter ended 30 June 2024

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

	<b>Current quarter ended 30/6/2024 RM'000</b>	<b>Preceding year ended 31/12/23 RM'000</b>
Master-Pack Group Berhad and its subsidiaries :		
- Realised	66,228	57,971
- Unrealised	2,619	2,654
	<hr/>	<hr/>
	68,847	60,625
Consolidation adjustments	24,585	24,585
	<hr/>	<hr/>
Total Group retained profit	<u>93,432</u>	<u>85,210</u>

By order of the Board

Lee Peng Loon

P'ng Chiew Keem

Secretaries

Penang

Date: 23 Aug 2024