



TOMYPAK HOLDINGS BERHAD

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

QUARTERLY REPORT

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024**

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

	Note	3 months ended 30.09.2024 RM '000	3 months ended 30.09.2023 RM '000
Revenue	7	56,543	14,591
Operating loss		(3,707)	(7,668)
Finance income		93	-
Finance costs		(2,045)	(422)
Loss before tax		(5,659)	(8,090)
Tax expense	15	(782)	(13)
Loss after tax		(6,441)	(8,103)
(Loss)/Profit attributable to:			
Owners of the Company		(6,505)	(8,125)
Non-controlling interest		64	22
Loss for the period and total comprehensive expense for the period		(6,441)	(8,103)
Basic and diluted earnings per ordinary share (sen)	21	(1.51)	(1.88)

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 2024.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at Note 30.09.2024 RM'000	Audited As at 30.06.2024 RM'000
ASSETS		
Property, plant and equipment	135,748	139,148
Right-of-use assets	7,499	7,648
Investment property	1,513	1,515
Goodwill	8,258	8,258
Deferred tax assets	98	98
Non-current assets	153,116	156,667
Inventories	56,210	66,074
Trade and other receivables	67,621	69,000
Current tax assets	262	253
Other investments	8,964	8,964
Cash and cash equivalents	30,177	33,386
Assets classified as held for sale	18,298	18,298
Current assets	181,532	195,975
Total assets	334,648	352,642
EQUITY AND LIABILITIES		
Share capital	133,627	133,627
Reserves	(16,291)	(9,786)
Equity attributable to owners of the Company	117,336	123,841
Non-controlling interest	27,843	27,779
Total Equity	145,179	151,620
Loans and borrowings	17 65,243	70,141
Lease liabilities	2,242	2,492
Employee benefits	528	528
Deferred tax liabilities	7,767	7,767
Put option liability	6,172	6,172
Non-current liabilities	81,952	87,100
Trade and other payables	43,256	51,419
Lease liabilities	738	731
Loans and borrowings	17 46,694	44,832
Current tax liabilities	880	991
Put option liability	15,949	15,949
Current liabilities	107,517	113,922
Total liabilities	189,468	201,022
Total equity and liabilities	334,648	352,642
Net assets per share attributable to owners of the Company (RM)	0.27	0.29

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 2024.

TOMYPAK HOLDINGS BERHAD

Company No. 199501008545 (337743-W)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company				Total RM '000	Non- controlling interest RM '000	Total equity RM '000
	Non-distributable		Distributable				
	Share capital RM '000	Merger reserve RM '000	Put Option reserve RM '000	Retained earnings RM '000			
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	-	-	-	(6,505)	(6,505)	64	(6,441)
At 30 September 2024	<u>133,627</u>	<u>2,991</u>	<u>(22,121)</u>	<u>2,839</u>	<u>117,336</u>	<u>27,843</u>	<u>145,179</u>
At 1 July 2023	133,627	2,991	-	31,677	168,295	792	169,087
(Loss)/Profit and total comprehensive (expense)/income for the period	-	-	-	(8,125)	(8,125)	22	(8,103)
At 30 September 2023	<u>133,627</u>	<u>2,991</u>	<u>-</u>	<u>23,552</u>	<u>160,170</u>	<u>814</u>	<u>160,984</u>

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 2024.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	3 months ended 30.09.2024 RM'000	3 months ended 30.09.2023 RM'000
Cash flows from operating activities		
Loss before tax	(5,659)	(8,090)
Adjustments for:		
Depreciation	4,241	2,754
Finance costs	2,045	422
Finance income	(93)	-
Loss on disposal of machinery	-	556
Unrealised gain on foreign exchange	(664)	(1,364)
Operating loss before changes in working capital	(130)	(5,722)
Change in employee benefits	-	-
Change in inventories	9,864	(565)
Change in trade and other receivables	1,004	6,162
Change in trade and other payables	(7,124)	738
Cash from/(used in) operations	3,614	613
Tax paid	(902)	(32)
Other finance costs paid	(24)	(10)
Net cash from/(used in) operating activities	2,688	571
Cash flows from investing activities		
Acquisition of property, plant and equipment	(690)	(11,642)
Proceeds from disposal of property, plant and equipment	-	400
Interest received	93	-
Net cash (used in)/from investing activities	(597)	(11,242)
Cash flows from financing activities		
Drawdown of hire purchase	-	9,162
Repayment of term loans	(3,137)	(23)
Repayment of hire purchase	(884)	(444)
Repayment of lease liabilities	(242)	(98)
Net repayment of short-term borrowings	984	(12,581)
Interest paid	(2,021)	(412)
Net cash from/(used in) financing activities	(5,300)	(4,396)
Net decrease/(increase) in cash and cash equivalents	(3,209)	(15,067)
Cash and cash equivalents at beginning of period	33,386	49,318
Cash and cash equivalents at end of period	30,177	34,251

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 2024.

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 2024 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 2024, 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 2024

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

The following pronouncements are not yet effective and either not relevant or not expected to have any material impact on the Group's financial statements:

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 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*

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 Cyclicity 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	
	30.09.2024	30.09.2023
	RM'000	RM'000
Revenue		
- Local	31,380	12,592
- Export	25,163	1,999
	<u>56,543</u>	<u>14,591</u>

8. Material Event Subsequent to Period End

On 16 October 2024, SP Plastic & Packaging Sdn Bhd ("SPP"), a 51% owned subsidiary has been placed under Members' voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act 2016.

Other than the above Members' voluntary winding-up, there was no material event subsequent to the end of the current quarter ended 30 September 2024.

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	As at
	30.09.2024	30.06.2024
	RM'000	RM'000
Secured corporate guarantees given to banks in respect of outstanding bank facilities of a subsidiary	81,234	83,734

11. Capital Commitments

	Group	
	As at	As at
	30.09.2024	30.06.2024
	RM'000	RM'000
Plant and equipment contracted but not provided for	82	82

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

12. Review of Performance

Current quarter vs corresponding quarter of the preceding year (Q1-FY2025 vs Q1-FY2024)

Revenue

For the current quarter ended 30 September 2024, the Group recorded a revenue of RM56.5 million, an increase of RM41.9 million or 3.9 times higher compared to RM14.6 million in the corresponding quarter in the previous financial year mainly due to sales by the newly acquired subsidiary, EB Packaging Sdn Bhd (“EBP”), being consolidated as well as increase in sales orders recorded by TFP after the Tampoi plant achieved production readiness in Q2-FY2024.

Loss before tax

The Group recorded a loss before tax of RM5.7 million for the current quarter under review compared to RM8.1 million in the corresponding quarter. The lower loss before tax was mainly due to higher revenue as well as EBP’s results being consolidated in the current quarter.

Current quarter vs Immediate preceding quarter (Q1-FY2025 vs Q4-FY2024)

Revenue

Revenue for the current quarter of RM56.5 million increased by RM5.5 million or 10.8% as compared to RM51.0 million in the immediate preceding quarter, primarily due to increase in sales orders recorded by TFP.

Loss before tax

The Group recorded a loss before tax of RM5.7 million for the quarter under review compared to a profit before tax of RM3.4 million in the preceding quarter. The adverse difference is due to business interruption claim included in the preceding quarter.

13. Commentary on Prospects

As the Group continues its rebuilding efforts, we remain focused on the ongoing integration and optimisation initiatives between the two entities, with the aim of enhancing operational efficiency.

At the same time, we are committed to serving our existing clients through both established and newly developed sustainable structures, ensuring we stay relevant and responsive to their evolving needs.

Onboarding clients for Tomypak Flexible Packaging is inherently a complex process, often resulting in long sales cycles. Transitioning existing orders from our customers' current suppliers requires a detailed and time-intensive approach, involving coordination across multiple departments at the client’s side. On the other hand, EB Packaging's product lines and sales engagement typically have shorter sales cycles and less complex processes.

We continue to work closely with our clients to navigate these comprehensive onboarding and approval procedures for Tomypak Flexible Packaging while leveraging off the shorter sales cycle of EB Packaging’s products. This dual approach is designed to drive consistent sales and create greater value for both our clients and the Group.

14. Profit Forecast

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

15. Taxation

	3 months ended	
	30.09.2024	30.09.2023
	RM'000	RM'000
Tax expense		
- Current year	782	13
- Prior year	-	-
	782	13

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	As at
	30.09.2024	30.06.2024
	RM'000	RM'000
Non-current		
Secured		
Term loans	54,602	58,555
Hire Purchase	10,641	11,586
	65,243	70,141
Current		
Secured		
Term loans	12,570	13,053
Hire Purchase	3,688	3,628
	16,258	16,681
Unsecured		
Bank overdraft	-	20
Banker's acceptances		
- denominated in USD	8,215	6,802
- denominated in MYR	22,221	21,329
	30,436	28,151
	46,694	44,832
	111,937	114,973

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	
	30.09.2024	30.09.2023
Profit attributable to owners of the Company (RM'000)	(6,505)	(8,125)
Weighted average number of ordinary shares in issue ('000)	431,117	431,117
Basic and diluted earnings per ordinary share (sen)	(1.51)	(1.88)

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

There were no significant related party transactions for the Group 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	
	30.09.2024	30.09.2023
Interest expenses	2,045	422
Depreciation:		
- Property, plant and equipment	4,090	2,605
- Right-of-use assets	149	148
- Investment properties	2	1
Loss on disposal of machinery	-	556
Net foreign exchange differences	651	(61)