



**FOUNDPAC GROUP BERHAD**

(Company No. 1165946-H)  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2016**

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)  
Company No: 1165946-H

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2016

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Note	Preceding Year Quarter 31.12.2015 <sup>(2)</sup>	Current Year-To-Date 31.12.2016	Preceding Year-To-Date 31.12.2015 <sup>(2)</sup>
	31.12.2016 RM'000	31.12.2015 <sup>(2)</sup> RM'000	31.12.2016 RM'000	31.12.2015 <sup>(2)</sup> RM'000
Revenue	7,969	N/A	16,128	N/A
Cost of goods sold	(4,622)	N/A	(9,491)	N/A
Gross profit	3,347	N/A	6,637	N/A
Other income	672	N/A	1,141	N/A
Administrative and general expenses	(767)	N/A	(1,527)	N/A
Selling and distribution expenses	(337)	N/A	(588)	N/A
Profit before tax	B12 2,915	N/A	5,663	N/A
Tax expense	B5 (705)	N/A	(1,210)	N/A
<b>Profit for the financial period</b>	<b>2,210</b>	<b>N/A</b>	<b>4,453</b>	<b>N/A</b>
Other comprehensive income for the financial period	0	N/A	0	N/A
<b>Total comprehensive income for the financial period</b>	<b>2,210</b>	<b>N/A</b>	<b>4,453</b>	<b>N/A</b>
<b>Profit for the financial period attributable to:</b>				
Owners of the Company	2,210	N/A	4,453	N/A
Non-controlling interest	0	N/A	0	N/A
	<b>2,210</b>	<b>N/A</b>	<b>4,453</b>	<b>N/A</b>
<b>Earnings per share:</b>	B11			
Basic (sen)	0.67	N/A	1.35	N/A
Diluted (sen)	0.67	N/A	1.35	N/A

### Notes:

- (1) The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 13 December 2016 and the accompanying explanatory notes attached to these interim financial statements.
  - (2) No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- N/A Not applicable

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)  
Company No: 1165946-H

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	Note	Unaudited As at 31.12.2016 RM'000	Audited As at 30.06.2016 <sup>(2)</sup> RM'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		15,071	15,789
Investment in unquoted shares		2,000	0
<b>TOTAL NON-CURRENT ASSETS</b>		<b>17,071</b>	<b>15,789</b>
<b>CURRENT ASSETS</b>			
Inventories		2,875	2,627
Trade and other receivables		7,964	7,634
Prepayments		33	1,256
Cash and cash equivalents		42,838	20,181
<b>TOTAL CURRENT ASSETS</b>		<b>53,710</b>	<b>31,698</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,997	3,082
Current tax liabilities		222	114
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,219</b>	<b>3,196</b>
<b>NET CURRENT ASSETS</b>		<b>50,491</b>	<b>28,502</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		2,110	2,002
<b>NET ASSETS</b>		<b>65,452</b>	<b>42,289</b>
<b>EQUITY</b>			
Share capital		37,000	33,000
Share premium		14,710	0
Retained profits	B13	13,742	9,289
<b>TOTAL EQUITY</b>		<b>65,452</b>	<b>42,289</b>
<b>Net assets per share (sen)<sup>(3)</sup></b>		<b>17.69</b>	<b>12.81</b>

**Notes:**

- (1) The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 13 December 2016 and the accompanying explanatory notes attached to these interim financial statements.
- (2) The audited Condensed Consolidated Statement of Financial Position are in the Accountants' Report as disclosed in the Prospectus of the Company dated 13 December 2016.
- (3) Based on the issued and paid-up share capital of 370,000,000 ordinary shares as at 31 December 2016 and 330,000,000 ordinary shares as at 30 June 2016 respectively.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

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## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2016

	Non-Distributable		Distributable	Total equity RM'000
	Share capital RM'000	Share premium RM'000	Retained profits RM'000	
Balance as at 1 July 2016	33,000	-	9,289	42,289
Issue of ordinary shares	4,000	17,600	0	21,600
Listing expenses	0	(2,890)	0	(2,890)
Total transactions with owners of the Company	4,000	14,710	0	18,710
Profit (representing total comprehensive income) for the financial period	0		4,453	4,453
Balance as at 31 December 2016	<u>37,000</u>	<u>14,710</u>	<u>13,742</u>	<u>65,452</u>

**Notes:**

- (1) *The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 13 December 2016 and the accompanying explanatory notes attached to these interim financial statements.*
- (2) *No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.*

# FOUNDPAC GROUP BERHAD

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Company No: 1165946-H

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2016

	Current Year-To-Date 31.12.2016 RM'000	Preceding Year-To-Date 31.12.2015 <sup>(2)</sup> RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,663	N/A
Adjustments for:-		
Depreciation of property, plant and equipment	735	N/A
Interest income	(394)	N/A
Unrealised gain on foreign exchange	(447)	N/A
Operating profit before working capital changes	5,557	N/A
Changes in:-		
Inventories	(248)	N/A
Receivables and prepayments	1,133	N/A
Payables	(104)	N/A
Cash generated from operations	6,338	N/A
Interest received	394	N/A
Tax paid	(994)	N/A
<b>Net cash from operating activities</b>	<b>5,738</b>	<b>N/A</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment in unquoted shares	(2,000)	N/A
Purchase of property, plant and equipment	(17)	N/A
<b>Net cash used in investing activities</b>	<b>(2,017)</b>	<b>N/A</b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>		
Net proceeds from issuance of shares	18,710	N/A
<b>Net cash from financing activity</b>	<b>18,710</b>	<b>N/A</b>
Effect of exchange rate changes on cash and cash equivalents	226	N/A
<b>Net increase in cash and cash equivalents</b>	<b>22,657</b>	<b>N/A</b>
Cash and cash equivalents brought forward	20,181	N/A
<b>Cash and cash equivalents carried forward</b>	<b>42,838</b>	<b>N/A</b>
<b>Analysis of cash and cash equivalents</b>		
Term deposits with licensed banks (fixed rate)	10,533	N/A
Short-term highly liquid investments	5,019	N/A
Cash and bank balances	27,286	N/A
	<b>42,838</b>	<b>N/A</b>

### Notes:

- (1) The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Accountants' Report as disclosed in the Prospectus of the Company dated 13 December 2016 and the accompanying explanatory notes attached to this interim financial statements.
- (2) No comparative figures for the preceding year-to-date are presented as this is the second interim financial report on the consolidated results for the period ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

N/A Not applicable

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)  
Company No: 1165946-H

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

### PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING

#### A1 Basis of Preparation

This interim financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This is the Company’s second interim financial report on its consolidated results for the second quarter ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad 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 as disclosed in the Prospectus of the Company dated 13 December 2016 and the accompanying explanatory notes attached to these condensed financial statements.

#### A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those adopted as disclosed in the Accountants’ Reports in the Prospectus of the Company dated 13 December 2016 except for the adoption of the following MFRSs:-

MFRS	Effective for annual periods beginning on or after
MFRS 14 <i>Regulatory Deferral Accounts</i>	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128 <i>Investment Entities: Applying the Consolidation Exception</i>	1 January 2016
Amendments to MFRS 11 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to MFRS 101 <i>Disclosure Initiative</i>	1 January 2016
Amendments to MFRS 116 and MFRS 138 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to MFRS 116 and MFRS 141 <i>Agriculture: Bearer Plants</i>	1 January 2016
Amendments to MFRS 127 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to MFRSs contained in the document entitled “ <i>Annual Improvements to MFRSs 2012 - 2014 Cycle</i> ”	1 January 2016

The adoption of the above MFRSs did not result in any significant changes in the accounting policies of the Group.

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# FOUNDPAC GROUP BERHAD

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## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

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### PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING (cont’d)

#### A2 Changes in Accounting Policies (cont’d)

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

MFRS (Issued as at the end of the reporting period)	Effective for annual periods beginning on or after
MFRS 9 <i>Financial Instruments</i> (IFRS 9 <i>Financial Instruments</i> as issued by IASB in July 2014)	1 January 2018
MFRS 15 <i>Revenue from Contracts with Customers</i>	1 January 2018
MFRS 16 <i>Leases</i>	1 January 2019
Amendments to MFRS 2 <i>Classification and Measurement of Share-based Payment Transactions</i>	1 January 2018
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 15 <i>Clarifications to MFRS 15 Revenue from Contracts with Customers</i>	1 January 2018
Amendments to MFRS 107 <i>Disclosure Initiative</i>	1 January 2017
Amendments to MFRS 112 <i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017

#### A3 Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiaries for the financial year ended 30 June 2016.

#### A4 Seasonality or Cyclicity of Operations

The business operations of the Group were not materially affected by any seasonal or cyclical factor during the current quarter 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 during the current quarter under review.

#### A6 Significant Estimates and Changes in Estimates

There were no changes in estimates that had any material effects on the current quarter under review.

# FOUND PAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

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### PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING (cont’d)

#### A7 Debt and Equity Securities

Save as disclosed below, there were no other issuances, cancellations, repurchases, resales or repayments of debt and equity securities during the current quarter under review:

##### Initial Public Offering (“IPO”)

The Company issued 40,000,000 new ordinary shares of RM0.10 each at an issue price of RM0.54 per share (“Public Issue”) pursuant to the IPO exercise on 29 December 2016. The listing of and quotation of the Company’s entire enlarged issued and paid-up share capital of RM37,000,000 comprising 370,000,000 ordinary shares of RM0.10 each on the Main Market of Bursa Malaysia Securities Berhad was successfully completed on the same date.

#### A8 Dividends Paid

No dividend was paid during the current quarter under review.

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# FOUND PAC GROUP BERHAD

(Incorporated in Malaysia)  
Company No: 1165946-H

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

### PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134, INTERIM FINANCIAL REPORTING (cont'd)

#### A9 Segmental Information

The Group is principally involved in the design, development, manufacturing, marketing and sale of precision engineering parts namely stiffeners, test sockets, hand lids and related accessories to our customers in the semiconductor industry. As such, information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment.

The Group operates principally in Malaysia and generates revenue from the following geographical locations of customers:-

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Quarter 31.12.2015 <sup>(1)</sup> RM'000	Current Year-To-Date 31.12.2016 RM'000	Preceding Year-To-Date 31.12.2015 <sup>(1)</sup> RM'000
<b>United States ("US")</b>	<b>3,866</b>	<b>N/A</b>	<b>9,625</b>	<b>N/A</b>
<b>Europe</b>				
France	782	N/A	1,551	N/A
United Kingdom ("UK")	1,749	N/A	2,163	N/A
Others <sup>(2)</sup>	210	N/A	368	N/A
	<b>2,741</b>	<b>N/A</b>	<b>4,082</b>	<b>N/A</b>
<b>Asia</b>				
Malaysia	535	N/A	913	N/A
Singapore	297	N/A	477	N/A
Others <sup>(3)</sup>	530	N/A	1,031	N/A
	<b>1,362</b>	<b>N/A</b>	<b>2,421</b>	<b>N/A</b>
<b>Total</b>	<b>7,969</b>	<b>N/A</b>	<b>16,128</b>	<b>N/A</b>

Notes:-

(1) No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

(2) Others include Italy, Belgium and Germany.

(3) Others include Vietnam, Republic of Korea, the People's Republic of China, Taiwan, Hong Kong, India and Philippines.

N/A Not applicable

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

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### PART A: EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134, INTERIM FINANCIAL REPORTING (cont’d)

#### A10 Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment during the current quarter under review.

#### A11 Capital Commitments

The capital commitments in respect of property, plant and equipment of the Group not provided for in these interim financial statements as at the end of the current quarter under review are as follows:

**RM'000**

Approved and contracted for

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#### A12 Changes in Composition of The Group

There were no changes in the composition of the Group during the current quarter under review.

#### A13 Contingent Assets and Liabilities

There were no contingent assets and contingent liabilities as at the date of these interim financial statements.

#### A14 Material Events Subsequent to the End of the Current Quarter

There were no other material events subsequent to the end of the current quarter under review that have not been reflected in this interim financial report.

#### A15 Significant Related Party Transactions

There were no significant related party transactions during the current quarter under review.

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# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)  
Company No: 1165946-H

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

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

#### B1 Review of Performance of the Group

The Group recorded revenue of RM7.97 million and profit before tax of RM2.92 million for the current quarter ended 31 December 2016. And for the current financial period-to-date, the Group recorded total revenue of RM16.13 million and profit before tax of RM5.66 million.

The revenue from sales to overseas customers remained the main contributor and accounted for RM7.43 million or 93.22% of the Group's total revenue for the current quarter under review and RM15.22 million or 94.36% of the Group's total revenue for the current financial period-to-date.

There are no comparative figures for the preceding year corresponding quarter's results as this is the second interim financial report being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

#### B2 Material Changes in the Quarterly Results Compared To the Results of the Preceding Quarter

	3 months ended		Variance	
	31.12.2016	30.09.2016	RM'000	%
	RM'000	RM'000		
Revenue	7,969	8,159	(190)	(2.33)
Profit before tax	2,915	2,748	167	6.08

The Group's revenue of RM7.97 million in the current quarter was slightly lower than the RM8.16 million recorded in the previous quarter. The decrease was mainly attributed to the decrease in sales to existing major customer in US market of RM1.89 million. However, the impact was offset by the increase in sales to new and existing customers in UK market of RM1.34 million, as well as the market growth in Asia countries of RM0.30 million respectively.

Despite the lower revenue for the current quarter, the Group current quarter's profit before tax of RM2.92 million was marginally higher compared to the previous quarter's profit before tax of RM2.75 million. The improvement in profit before tax was mainly attributed to the reduce in production overhead cost such as repair and maintenance cost and depreciation of property, plant and equipment amounted to RM0.13 million, as well as the realised and unrealised gain on foreign exchange of RM0.14 million and RM0.07 million respectively as a result of strengthening of US Dollars against RM.

#### B3 Commentary on Prospects

As disclosed in the Prospectus of the Company dated 13 December 2016, the Group's future plans and strategies will focus on the expansion of its manufacturing activities, market presence and product range through the following areas:

- (a) Production capacity expansion  
The Group intends to expand its production capacity through the acquisition of additional machineries and equipment.
- (b) Overseas expansion  
The Group intends to establish sales offices in Europe and the United States to continue expanding its presence in these major markets.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)  
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## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

### PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (cont'd)

#### B3 Commentary on Prospects (cont'd)

(c) Setting up a design and development (“D&D”) team  
The Group is planning to set up a dedicated D&D team to focus on product development.

(d) Diversify customer base  
The Group is planning to diversify its customer base to include other end-user industries.

In light of the current challenging business environment, the Group will be prudent to conserve its resources to continuously stay focused in expanding its profitable business and at the same time, to explore new business opportunities to grow its business.

The Group is cautious due to the current economic climate and the Board is optimistic about the Group’s performance for the remaining quarters of the current financial year.

#### B4 Profit Forecast

The Group did not issue any profit forecast or profit estimate in any form of public documentation and announcement.

#### B5 Tax Expense

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Quarter 31.12.2015 <sup>(1)</sup> RM'000	Current Year-To-Date 31.12.2016 RM'000	Preceding Year-To-Date 31.12.2015 <sup>(1)</sup> RM'000
Income tax	670	N/A	1,102	N/A
Deferred tax	35	N/A	108	N/A
<b>Total tax expense</b>	<b>705</b>	<b>N/A</b>	<b>1,210</b>	<b>N/A</b>

Notes:-

(1) No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

N/A Not applicable

The effective tax rate for the current financial year-to-date is lower than the statutory tax rate of 24% was mainly due to tax incentive enjoyed by the subsidiary, FoundPac Technologies Sdn. Bhd., which had expired on 31 August 2016.

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# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

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## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

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### PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (cont'd)

#### B6 Status of Corporate Proposals

##### Listing on Main Market of Bursa Malaysia Securities Berhad

In conjunction with and as an integral part of the Company's listing on the Main Market of Bursa Malaysia Securities Berhad, the Company had on 13 December 2016 issued its Prospectus to undertake Initial Public Offering ("IPO") comprising of a public issue and an offer for sales at an issue/offer price of RM0.54 per share ("IPO Price"), collectively:

##### A. Public Issue

The Company had undertaken a public issue of 40,000,000 new ordinary shares of RM0.10 each ("Public Issue") at IPO Price, representing approximately 10.81% of the Company's enlarged issued and paid-up share capital.

##### B. Offer for Sale

Concurrent with the Public Issue, the Offeror will offer for sale of 92,000,000 existing ordinary shares of the Company at IPO Price, representing approximately 24.86% of the Company's enlarged issued and paid-up share capital.

The listing of and quotation of the Company's entire enlarged issued and paid-up share capital of RM37,000,000 comprising 370,000,000 ordinary shares of RM0.10 each on the Main Market of Bursa Malaysia Securities Berhad was successfully completed on 29 December 2016.

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# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

### PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (cont'd)

#### B7 Utilisation of Proceeds from Public Issue

Subsequent to the Company's listing on the Main Market of Bursa Securities on 29 December 2016, the status of utilisation of the proceeds raised from the Public Issue amounting to RM21.60 million up to 31 December 2016 is as follows:-

Purpose	Proposed utilisation	Actual utilisation	Deviation	Estimated timeframe for utilisation from the date of listing
	RM'000	RM'000	RM'000	
Purchase of property, plant and equipment	8,000	-	-	Within 24 months
Overseas expansion	4,000	-	-	Within 24 months
Working capital	3,600	-	-	Within 24 months
D&D expenditure	3,000	-	-	Within 24 months
Estimated listing expenses	3,000	(2,890)	110 ^	Immediate
<b>Total</b>	<b>21,600</b>	<b>(2,890)</b>	<b>110</b>	

Note:-

^ The excess funds allocated for the listing expenses of RM0.11 million will be utilised for general working capital purposes in subsequent quarters.

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 13 December 2016.

#### B8 Borrowings

There were no borrowings as at the end of the reporting quarter under review.

#### B9 Changes in Material Litigation

As at the date of this interim financial report, there is no litigation or arbitration against the Group, which has a material effect on the financial position of the Group, and the Board is not aware of any material proceedings pending or of any fact likely to give rise to any proceedings.

#### B10 Dividend

No dividend has been declared or recommended for payment during the current quarter under review.

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# FOUND PAC GROUP BERHAD

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## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

### PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (cont'd)

#### B11 Earnings Per Share ("EPS")

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016	Preceding Year Quarter 31.12.2015 <sup>(1)</sup>	Current Year-To-Date 31.12.2016	Preceding Year-To-Date 31.12.2015 <sup>(1)</sup>
Profit attributable to owners of the Company (RM'000)	2,210	N/A	4,453	N/A
Weighted average number of ordinary shares in issue ('000)	330,329	N/A	330,329	N/A
Basic EPS (sen) <sup>(2)</sup>	0.67	N/A	1.35	N/A
Diluted EPS (sen) <sup>(3)</sup>	0.67	N/A	1.35	N/A

Notes:-

- (1) No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
  - (2) Basic EPS is calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue after the completion of the Public Issue.
  - (3) Diluted EPS is equivalent to the basic EPS as the Company did not have dilutive potential ordinary shares as at 31 December 2016.
- N/A Not applicable

#### B12 Profit Before Tax

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Quarter 31.12.2015 <sup>(1)</sup> RM'000	Current Year-To-Date 31.12.2016 RM'000	Preceding Year-To-Date 31.12.2015 <sup>(1)</sup> RM'000
Profit before taxation is arrived at after charging/(crediting):				
Depreciation of property, plant and equipment	340	N/A	735	N/A
Interest income	(191)	N/A	(394)	N/A
Realised gain on foreign exchange	(221)	N/A	(300)	N/A
Unrealised gain on foreign exchange	(260)	N/A	(447)	N/A

# FOUND PAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

## INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016

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### PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (cont'd)

#### B12 Profit Before Tax (cont'd)

Notes:-

(1) *No comparative figures for the preceding year are presented as this is the second interim financial report on the consolidated results for the period ended 31 December 2016 being announced by the Company in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.*

*N/A Not applicable*

Save for the above, the other items as required under Paragraph 16 of Part A of Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

#### B13 Realised and Unrealised Profits/ (Losses)

	<b>As at 31.12.2016 RM'000</b>	<b>As at 30.06.2016 RM'000</b>
<b>Total retained earnings</b>		
Realised	15,405	10,996
Unrealised	(1,663)	(1,707)
	<b>13,742</b>	<b>9,289</b>

**By Order of the Board**  
**22 February 2017**