



FOUNDPAC GROUP BERHAD

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

**UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2017**

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	Note	Individual Quarter		Cumulative Period	
		Current Quarter Ended 30.09.2017 RM'000	Corresponding Preceding Quarter Ended 30.09.2016 RM'000	Current Year-To-Date Ended 30.09.2017 RM'000	Corresponding Year-To-Date Ended 30.09.2016 RM'000
Revenue		9,395	8,159	9,395	8,159
Cost of goods sold		(5,416)	(4,869)	(5,416)	(4,869)
Gross profit		3,979	3,290	3,979	3,290
Other income		370	469	370	469
Administrative and general expenses		(920)	(760)	(920)	(760)
Selling and distribution expenses		(403)	(251)	(403)	(251)
Profit before tax	B12	3,026	2,748	3,026	2,748
Tax expense	B5	(696)	(505)	(696)	(505)
Profit for the financial period		2,330	2,243	2,330	2,243
Other comprehensive income for the financial period		-	-	-	-
Total comprehensive income for the financial period		2,330	2,243	2,330	2,243
Profit for the financial period attributable to:					
Owners of the Company		2,330	2,243	2,330	2,243
Non-controlling interests		-	-	-	-
		2,330	2,243	2,330	2,243
Earnings per share:	B11				
Basic (sen)		0.65	0.68	0.65	0.68
Diluted (sen)		0.65	0.68	0.65	0.68

Note:

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2017

	(Unaudited) As at 30.09.2017 RM'000	(Audited) As at 30.06.2017 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	14,776	14,438
CURRENT ASSETS		
Inventories	3,323	2,776
Trade and other receivables	8,568	8,098
Prepayments	371	194
Current tax asset	86	-
Cash and cash equivalents	47,681	46,386
TOTAL CURRENT ASSETS	60,029	57,454
CURRENT LIABILITIES		
Trade and other payables	3,025	2,373
Current tax liabilities	8	56
TOTAL CURRENT LIABILITIES	3,033	2,429
NET CURRENT ASSETS	56,996	55,025
NON-CURRENT LIABILITIES		
Deferred tax liabilities	1,923	1,944
NET ASSETS	69,849	67,519
EQUITY		
Share capital	51,710	51,710
Retained profits	18,139	15,809
TOTAL EQUITY	69,849	67,519
Net assets per share (sen)	18.88	18.25

Note:-

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	Share capital RM'000	<u>Distributable</u> Retained profits RM'000	Total equity RM'000
Balance as at 1 July 2016	33,000	9,289	42,289
Profit (representing total comprehensive income) for the financial period	-	2,243	2,243
Balance as at 30 September 2016	<u>33,000</u>	<u>11,532</u>	<u>44,532</u>
Balance as at 1 July 2017	51,710	15,809	67,519
Profit (representing total comprehensive income) for the financial period	-	2,330	2,330
Balance as at 30 September 2017	<u>51,710</u>	<u>18,139</u>	<u>69,849</u>

Note:-

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2017

	Current Year-To-Date Ended 30.09.2017 RM'000	Corresponding Preceding Year-To-Date Ended 30.09.2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,026	2,748
Adjustments for:-		
Depreciation of property, plant and equipment	346	395
Interest income	(360)	(203)
Unrealised loss/(gain) on foreign exchange	86	(187)
Operating profit before working capital changes	<u>3,098</u>	<u>2,753</u>
Changes in:-		
Inventories	(547)	50
Receivables and prepayments	(647)	355
Payables	651	(299)
Cash generated from operations	<u>2,555</u>	<u>2,859</u>
Tax paid	(981)	(523)
Tax refunded	130	-
Net cash from operating activities	<u>1,704</u>	<u>2,336</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	360	203
Purchase of property, plant and equipment	(684)	(8)
Net cash (used in)/ from investing activities	<u>(324)</u>	<u>195</u>
Effect of exchange rate changes on cash and cash equivalents	(85)	76
Net increase in cash and cash equivalents	1,295	2,607
Cash and cash equivalents brought forward	46,386	20,181
Cash and cash equivalents carried forward	<u>47,681</u>	<u>22,788</u>
Analysis of cash and cash equivalents		
Term deposits with licensed banks (fixed rate)	-	16,940
Short-term highly liquid investments	39,288	1,653
Cash and bank balances	8,393	4,195
	<u>47,681</u>	<u>22,788</u>

Note:-

The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

A1 Basis of Preparation

This interim financial report 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.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2017 and the accompanying explanatory notes attached to this interim financial report.

The significant accounting policies and method of computation adopted in the interim financial report are consistent with those adopted as disclosed in the audited financial statements of the Group for the financial year ended 30 June 2017.

A2 Seasonality or Cyclicity of Operations

The business operations of the Group were not materially affected by any seasonal or cyclical factor.

A3 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.

A4 Significant Estimates and Changes in Estimates

There were no changes in estimates of amounts reported in prior interim period of current financial year or change in estimates of amounts reported in prior financial year.

A5 Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale or repayments of debt and equity securities during the current quarter under review.

A6 Dividends Paid

No dividend was paid during the current quarter under review.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

A7 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 Period	
	Current Quarter Ended 30.09.2017 RM'000	Corresponding Preceding Quarter Ended 30.09.2016 RM'000	Current Year-To-Date Ended 30.09.2017 RM'000	Corresponding Year-To-Date Ended 30.09.2016 RM'000
<i>United States ("US")</i>	3,622	5,759	3,622	5,759
<i>Europe</i>				
France	932	769	932	769
United Kingdom ("UK")	578	414	578	414
Others ⁽¹⁾	127	158	127	158
	<u>1,637</u>	<u>1,341</u>	<u>1,637</u>	<u>1,341</u>
<i>Asia</i>				
Malaysia	2,980	378	2,980	378
Singapore	279	180	279	180
Others ⁽²⁾	877	501	877	501
	<u>4,136</u>	<u>1,059</u>	<u>4,136</u>	<u>1,059</u>
Total	<u>9,395</u>	<u>8,159</u>	<u>9,395</u>	<u>8,159</u>

Notes:-

(1) Others include Italy and Germany.

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

A8 Contractual Commitments For Purchase of Property, Plant and Equipment

	30.09.2017 RM'000
Contracted but not provided for	<u>350</u>

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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

A9 Changes in Composition

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

A10 Contingencies

There were no significant changes in contingent assets and contingent liabilities since 30 June 2017.

A11 Material Events

Proposed Acquisition of 187,500 Ordinary Shares, representing 75% Equity Interest in Dynamic Stencil Sdn. Bhd. for a Total Cash Consideration of RM16,500,000

The Board of Directors of FoundPac had on 25 September 2017 announced that the Company had on 25 September 2017 entered in to a Share Sale Agreement (“Agreement”) with Lim Seng Chiew and Lim Seng Choon (collectively, the “Vendors”) in relation to the acquisition of 187,500 ordinary shares representing 75% equity interests in Dynamic Stencil Sdn. Bhd. (“DSSB”) for a total cash consideration of RM16,500,000, subject to the terms and conditions in the Agreement (“Proposed Acquisition”).

Upon completion of the Proposed Acquisition, DSSB will be a 75% owned subsidiary of FoundPac.

Barring unforeseen circumstances and subject to the Conditions being fulfilled, the Proposed Acquisition is expected to be completed by fourth (4th) quarter of 2017.

Save for the above, there were no other material events subsequent to 30 September 2017 that have not been reflected in this interim financial report.

A12 Significant Related Party Transactions

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

A13 Financial Instruments

Derivatives

There were no outstanding derivatives as at 30 September 2017.

Fair Value Changes of Financial Liabilities

The Group does not remeasure its financial liabilities at fair value after the initial recognition.

Fair Value

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

A13 Financial Instruments (cont’d)

Fair Value (cont’d)

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:-

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- (ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3 - unobservable inputs for the asset or liability.

As at end of the current quarter under review, the carrying amounts of receivables, cash and cash equivalents and payables which are short-term in nature or repayable on demand are reasonable approximations of fair values.

There were no transfers between levels of fair value hierarchy during the current quarter under review.

FOUNDPAC GROUP BERHAD

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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

B1 Review of Performance

- Comparison between Current Quarter and Corresponding Preceding Quarter

	Individual Quarter Corresponding				Cumulative Period Corresponding			
	Current	Preceding			Current	Preceding		
	Quarter	Quarter			Year-To-Date	Year-To-Date		
	Ended	Ended	Variance		Ended	Ended	Variance	
	30.09.2017	30.09.2016	RM'000	%	30.09.2017	30.09.2016	RM'000	%
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	9,395	8,159	1,236	15.15%	9,395	8,159	1,236	15.15%
Profit before tax	3,026	2,748	278	10.12%	3,026	2,748	278	10.12%
Profit for the financial period	2,330	2,243	87	3.88%	2,330	2,243	87	3.88%
Profit attributable to owners of the Company	2,330	2,243	87	3.88%	2,330	2,243	87	3.88%

For the current quarter, the Group recorded revenue of RM9.395 million and profit before tax ("PBT") of RM3.026 million respectively.

The higher revenue for the current quarter, which representing an increase of RM1.236 million or 15.15% as compared to revenue of RM8.159 million recorded in the corresponding preceding quarter ended 30 September 2016 ("Corresponding Preceding Quarter"), was mainly attributable to the increase in sales in Asia Region.

The export sales remained the main contributor to our Group's total revenue for the current quarter, which accounted for RM6.415 million or 68.28% of our Group's total revenue for the current quarter. The decrease in export sales by RM1.366 million or 17.56% as compared to the Corresponding Preceding Quarter's export sales of RM7.781 million was mainly due to lower revenue generated from our customer in US.

The Group recorded PBT of RM3.026 million for the current quarter, representing an increase of RM0.278 million or 10.12% as compared to PBT of RM2.748 million recorded in the Corresponding Preceding Quarter. The increase in PBT was mainly due to increase in revenue, coupled with higher interest income, offset by higher selling and distribution expenses and higher foreign exchange loss for the current quarter.

There was no unusual or material one-off gain/loss affecting the revenue or profit for the current quarter.

B2 Review of Performance

- Comparison between Current Quarter and Immediate Preceding Quarter

	Current	Immediate		
	Quarter	Preceding	Variance	
	Ended	Quarter	RM'000	%
	30.09.2017	30.06.2017	RM'000	%
	RM'000	RM'000	RM'000	%
Revenue	9,395	10,461	(1,066)	(10.19)
Profit before tax	3,026	3,526	(500)	(14.18)
Profit for the financial period	2,330	2,808	(478)	(17.02)
Profit attributable to owners of the Company	2,330	2,808	(478)	(17.02)

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

B2 Review of Performance

- Comparison between Current Quarter and Immediate Preceding Quarter (cont'd)

The Group's revenue of RM9.395 million in the current quarter was RM1.066 million or 10.19% lower than the revenue of RM10.461 million recorded in the immediate preceding quarter. The decrease in sales was mainly attributed to the decrease in sales in Europe market of RM1.377 million which was mainly contributed by UK market. Sales in US market has dropped by RM0.961 million compared to immediate preceding quarter due to lower demand from customers. However, the impact was cushioned by increase in sales in Asia Region by RM1.272 million.

Our Group current quarter's PBT of RM3.026 million was RM0.500 million or 14.18% lower as compared to the immediate preceding quarter's PBT of RM3.526 million. It was mainly attributed to decrease in revenue, coupled with lower other income for the quarter under review as there was a gain on disposal of property, plant and equipment in immediate preceding quarter.

B3 Commentary on Prospects

As disclosed in the Prospectus of the Company dated 13 December 2016, our 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
Our Group intends to expand its production capacity through the acquisition of new machineries and equipment.
- (b) Diversify customer base
Our Group is planning to diversify its customer base to include end-user industries.
- (c) Setting up a design and development ("D&D") team
Our Group is planning to set up a dedicated D&D team to focus on product development.
- (d) Overseas expansion
Our Group intends to establish sales offices in Europe and the United States to continue expanding our presence in these major markets.

Semiconductor and electronics industries are projected to continue growing in the coming years. Demand for our stiffeners and accessories for stiffeners are expected to remain steady. For medium to long term, we will put more effort and concentrate on the products of test socket, hand lids and accessories for test sockets to gain more market segment.

Our Group will continue to uphold its core and long-term strategy to focus on business expansion and diversification, product development, as well as business process optimisation through lean implementation across all operations in the organisation.

Based on the uptrend market outlook of the semiconductor industry and electronics industry, coupled with our Group competitive strengths, as well as our commitment towards the future plans and strategies of our Group, the Board and the management is positive about our prospects for the financial year ended 30 June 2018.

B4 Profit Forecast

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

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

B5 Tax Expense

	Individual Quarter		Cumulative Period	
	Current Quarter	Corresponding Preceding Quarter	Current Year-To-Date	Corresponding Preceding Year-To-Date
	Ended 30.09.2017	Ended 30.09.2016	Ended 30.09.2017	Ended 30.09.2016
	RM'000	RM'000	RM'000	RM'000
Income tax	717	432	717	432
Deferred tax	(21)	73	(21)	73
	<u>696</u>	<u>505</u>	<u>696</u>	<u>505</u>

The effective tax rate of the Group for the corresponding preceding quarter and preceding year-to-date is lower than the statutory tax rate of 24%. This was mainly due to tax incentive enjoyed by one of its subsidiaries, FoundPac Technologies Sdn. Bhd., which had expired on 31 August 2016.

B6 Status of Corporate Proposals

On 21 September 2017, TA Securities Holdings Berhad had, on behalf of FoundPac Group Berhad ("FoundPac") announced that the Company proposed to undertake the following:-

- (i) Proposed bonus issue of up to 148,000,000 new ordinary shares in FoundPac ("Bonus Shares") on the basis of two (2) Bonus Shares for every five (5) existing ordinary shares in FoundPac ("FoundPac Share(s)" or "Share(s)") held at an entitlement date to be determined later ("Entitlement Date") ("Proposed Bonus Issue");
- (ii) Proposed employees' share option scheme of up to ten percent (10%) of the Company's total number of issued Shares (excluding treasury shares, if any) at any one time during the duration of the scheme for the eligible Directors and employees of FoundPac group of companies ("FoundPac Group" or "Group") (excluding dormant subsidiaries) ("Proposed ESOS"); and
- (iii) Proposed share buy-back by FoundPac of up to ten percent (10%) of its total number of issued Shares ("Proposed Share Buy-Back").

[COLLECTIVELY REFERRED TO AS, THE "PROPOSALS"]

Bursa Malaysia Securities Berhad ("Bursa Securities") had, vide its letter dated 4 October 2017, resolved to approve the listing of and quotation for the followings Shares on the Main Market of Bursa Securities, subject to the conditions as detailed in our announcement dated 4 October 2017:-

- Bonus Shares; and
- new FoundPac Shares to be issued arising from the exercise of the Options under the Proposed ESOS.

The Proposals is subject to the approval of the shareholders of FoundPac at the forthcoming Extraordinary General Meeting to be held on 22 November 2017.

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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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 30 September 2017 is as follows:-

Purpose	Proposed	Actual	Balance	Deviation		Estimated timeframe for utilisation from date of listing
	utilisation	utilisation		RM'000	RM'000	
	RM'000	RM'000	RM'000	RM'000	%	
Purchase of property, plant and equipment	8,000	(638)	7,362	-	-	Within 24 months
Overseas expansion	4,000	-	4,000	-	-	Within 24 months
Working capital	3,710 [^]	(2,400)	1,310	-	-	Within 24 months
D&D expenditure	3,000	-	3,000	-	-	Within 24 months
Listing expenses	2,890	(2,890)	-	-	-	Immediate
Total	21,600	(5,928)	15,672	-	-	

Note:-

[^] Include the excess funds allocated for the listing expenses of RM0.11 million which will be utilised for general working capital purposes.

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 current 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

The Board does not propose any dividend during the current quarter under review.

FOUND PAC GROUP BERHAD

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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 Period	
	Current	Corresponding	Current	Corresponding
	Quarter	Preceding	Year-To-Date	Preceding
	Ended	Quarter	Year-To-Date	Preceding
	30.09.2017	Ended	30.09.2017	Year-To-Date
	RM'000	30.09.2016	RM'000	30.09.2016
		RM'000		RM'000
Profit attributable to owners of the Company (RM'000)	2,330	2,243	2,330	2,243
Weighted average number of ordinary shares in issue ('000)	360,247	330,000	360,247	330,000
Basic EPS (sen) ⁽¹⁾	0.65	0.68	0.65	0.68
Diluted EPS (sen) ⁽²⁾	0.65	0.68	0.65	0.68

Notes:-

- (1) Basic EPS is calculated by dividing profit attributable to owners of the Company by the weighted average number of ordinary shares in issue.
- (2) Diluted EPS equals the basic EPS as there were no dilutive potential ordinary shares during the financial quarter.

B12 Profit Before Tax

	Individual Quarter		Cumulative Period	
	Current	Corresponding	Current	Corresponding
	Quarter	Preceding	Year-To-Date	Preceding
	Ended	Quarter	Year-To-Date	Preceding
	30.09.2017	Ended	30.09.2017	Year-To-Date
	RM'000	30.09.2016	RM'000	30.09.2016
		RM'000		RM'000
Profit before tax is arrived at after charging/(crediting):-				
Depreciation of property, plant and equipment	346	395	346	395
(Gain)/Loss on foreign exchange:-				
- Realised	(10)	(79)	(10)	(79)
- Unrealised	86	(187)	86	(187)
Interest income	(360)	(203)	(360)	(203)

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.

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INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2017

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

B13 Realised and Unrealised Profits or Losses

The breakdown of retained profits of the Group into realised and unrealised profits or losses, which was prepared in accordance with Guidance on Special Matter No. 1 *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, as issued by the Malaysian Institute of Accountants and the directive of Bursa Malaysia Securities Berhad, was as follows:-

	30.09.2017 RM'000	30.09.2016 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	21,693	14,633
- Unrealised	<u>(2,289)</u>	<u>(2,104)</u>
	19,404	12,529
Less: Consolidation adjustments and eliminations	<u>(1,265)</u>	<u>(997)</u>
Total retained profits as per statement of financial position	<u>18,139</u>	<u>11,532</u>

By Order of the Board
21 November 2017