



FOUNDPAC GROUP BERHAD

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

**UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2019**

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2019

	Note	Individual Quarter		Cumulative Period	
		Current Quarter Ended 31.03.2019 RM'000	Corresponding Preceding Quarter Ended 31.03.2018 RM'000	Current Period-To-Date Ended 31.03.2019 RM'000	Corresponding Period-To-Date Ended 31.03.2018 RM'000
Revenue		11,610	9,193	32,908	26,337
Cost of goods sold		(5,459)	(4,425)	(16,040)	(13,604)
Gross profit		6,151	4,768	16,868	12,733
Other income		306	306	943	1,061
Administrative and general expenses		(1,524)	(1,721)	(3,950)	(4,062)
Selling and distribution expenses		(815)	(679)	(2,296)	(1,565)
Finance costs		-	-	-	(1)
Profit before tax	B12	4,118	2,674	11,565	8,166
Tax expense	B5	(923)	(655)	(2,825)	(1,986)
Profit for the financial period		3,195	2,019	8,740	6,180
Other comprehensive income for the financial period		-	-	-	-
Comprehensive income for the financial period		3,195	2,019	8,740	6,180
Profit/ Comprehensive income for the financial period attributable to:					
Owners of the Company		3,007	1,818	8,157	5,870
Non-controlling interests		188	201	583	310
		3,195	2,019	8,740	6,180
Earnings per share:	B11				
Basic (sen)		0.58	0.35	1.57	1.13
Diluted (sen)		0.58	0.35	1.57	1.13

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 2018 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 31 MARCH 2019

	As at 31.03.2019 (Unaudited) RM'000	As at 30.06.2018 (Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	21,198	17,005
Goodwill	12,647	12,647
Deferred tax assets	24	24
	33,869	29,676
CURRENT ASSETS		
Inventories	4,129	2,949
Receivables	10,757	9,449
Prepayments	649	1,803
Current tax assets	33	289
Cash and cash equivalents	32,914	33,144
	48,482	47,634
CURRENT LIABILITIES		
Payables	2,932	2,657
Current tax liabilities	588	242
	3,520	2,899
NET CURRENT ASSETS	44,962	44,735
NON-CURRENT LIABILITIES		
Deferred tax liabilities	2,068	1,972
NET ASSETS	76,763	72,439
EQUITY		
Share capital	51,816	51,605
Share option reserve	1,714	1,155
Retained profits	20,964	18,019
Equity attributable to owners of the Company	74,494	70,779
Non-controlling interests	2,269	1,660
TOTAL EQUITY	76,763	72,439
Net assets per share attributable to owners of the Company (sen)	14.36	13.66

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 2018 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 31 MARCH 2019

	<u>Non-distributable</u>	<u>Distributable</u>	<u>Equity attributable to owners of the Company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>	
	Share capital RM'000	Share option reserve RM'000	Retained profits RM'000	RM'000	RM'000	
Balance as at 1 July 2018	51,605	1,155	18,019	70,779	1,660	72,439
Issue of shares pursuant to ESOS	211	(49)	-	162	-	162
Share-based payments	-	608	(26)	582	26	608
Dividend	-	-	(5,186)	(5,186)	-	(5,186)
Total transactions with owners	211	559	(5,212)	(4,442)	26	(4,416)
Profit (representing comprehensive income) for the financial period	-	-	8,157	8,157	583	8,740
Balance as at 31 March 2019	<u>51,816</u>	<u>1,714</u>	<u>20,964</u>	<u>74,494</u>	<u>2,269</u>	<u>76,763</u>
Balance as at 1 July 2017	51,710	-	15,809	67,519	-	67,519
Bonus issue	90	-	(90)	-	-	-
Share issue transaction costs	(195)	-	-	(195)	-	(195)
Share-based payments	-	415	-	415	-	415
Total transactions with owners	-105	415	-90	220	-	220
Acquisition of subsidiary	-	-	-	-	1,285	1,285
Profit (representing comprehensive income) for the financial period	-	-	5,870	5,870	310	6,180
Balance as at 31 March 2018	<u>51,605</u>	<u>415</u>	<u>21,589</u>	<u>73,609</u>	<u>1,595</u>	<u>75,204</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 2018 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 31 MARCH 2019

	Current Period-To-Date Ended 31.03.2019 RM'000	Corresponding Preceding Period-To-Date Ended 31.03.2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	11,565	8,166
Adjustments for:-		
Depreciation of property, plant and equipment	2,265	1,126
Gain on disposal of property, plant and equipment	(3)	(46)
Impairment loss on receivables	100	-
Interest expense	-	1
Interest income	(856)	(1,015)
Share-based payments	608	415
Unrealised loss on foreign exchange	29	143
Operating profit before working capital changes	13,708	8,790
Changes in:-		
Inventories	(1,180)	(657)
Receivables	(1,473)	1,800
Prepayments	1,154	(2,250)
Payables	317	(714)
Cash generated from operations	12,526	6,969
Tax paid	(2,129)	(4,476)
Tax refunded	2	130
Net cash from operating activities	10,399	2,623
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of subsidiary, net of cash acquired	-	(11,298)
Interest received	856	1,015
Proceeds from disposal of property, plant and equipment	3	60
Purchase of property, plant and equipment	(6,458)	(1,032)
Net cash used in investing activities	(5,599)	(11,255)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(5,186)	-
Interest paid	-	(1)
Proceeds from issuance of shares	162	-
Repayment of hire purchase obligations	-	(40)
Share issue transaction costs	-	(195)
Net cash used in financing activities	(5,024)	(236)
Effect of exchange rate changes on cash and cash equivalents	(6)	(50)
Net decrease in cash and cash equivalents	(230)	(8,918)
Cash and cash equivalents brought forward	33,144	46,386
Cash and cash equivalents carried forward	32,914	37,468
Analysis of cash and cash equivalents		
Short-term highly liquid investments	28,366	33,249
Cash and bank balances	4,548	4,219
	32,914	37,468

Notes:-

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 2018 and the accompanying explanatory notes attached to this interim financial report.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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 2018 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 2018, except for new adoption of new MFRSs which are effective for financial period beginning on or after 1 January 2018. The adoption of new MFRSs did not result in any significant changes in the accounting policies of the Group.

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

An interim single tier dividend of RM0.01 per share amounting to RM5,186,120 in respect of the financial year ending 30 June 2019 was paid by the Company on 29 March 2019.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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

A7 Segmental Information

Operating Segments

For management purposes, the Group is organised into business units based on their nature of business and services and has the following reportable operating segments:-

- (i) Precision engineering - Design, development, manufacturing, marketing and sale of precision engineering parts namely stiffeners, test sockets, hand lids and related accessories
- (ii) Laser stencils - Manufacture and sale of laser stencils

	Precision engineering RM'000	Laser stencils RM'000	Total RM'000
Financial Period Ended 31.03.2019			
STATEMENT OF FINANCIAL POSITION			
Segment assets	59,444	22,907	82,351
Included in the measure of segment assets are:-			
- Additions to non-current assets	6,031	427	6,458
Segment liabilities	4,723	865	5,588
STATEMENT OF COMPREHENSIVE INCOME			
Segment profit	6,409	2,331	8,740
Included in the measure of segment profit are:-			
- External revenue	24,814	8,094	32,908
- Interest income	747	109	856
- Depreciation	2,033	232	2,265
- Other non-cash expenses	129	-	129
- Tax expense	1,947	878	2,825

Financial Period Ended 31.03.2018

STATEMENT OF FINANCIAL POSITION

Segment assets	59,632	21,039	80,671
Included in the measure of segment assets are:-			
- Additions to non-current assets	867	165	1,032
Segment liabilities	3,685	1,783	5,468

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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

A7 Segmental Information (cont’d)

Operating Segments (cont’d)

	Precision engineering RM'000	Laser stencils RM'000	Total RM'000
Financial Period Ended 31.03.2018 (cont’d)			
STATEMENT OF COMPREHENSIVE INCOME			
Segment profit	5,088	1,092	6,180
Included in the measure of segment profit are:-			
- External revenue	22,850	3,487	26,337
- Interest income	959	56	1,015
- Interest expense	-	1	1
- Depreciation	1,058	68	1,126
- Other non-cash expenses	143	-	143
- Tax expense	1,527	459	1,986

Geographical Information

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

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 31.03.2019 RM'000	Corresponding Preceding Quarter Ended 31.03.2018 RM'000	Current Period-To-Date Ended 31.03.2019 RM'000	Corresponding Preceding Period-To-Date Ended 31.03.2018 RM'000
Malaysia	2,032	2,805	7,366	7,428
Other Asian countries	2,622	1,557	6,681	3,989
North America	2,724	2,509	9,599	8,878
Europe	4,232	2,322	9,262	6,042
	<u>11,610</u>	<u>9,193</u>	<u>32,908</u>	<u>26,337</u>

Major Customer

The Group did not have any major customer that contributed 10% or more of its total revenue for the current financial period under review.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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

A8 Contractual Commitments

31.03.2019
RM'000

Purchase of property, plant and equipment

4,257

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 2018.

A11 Material Events

There were no other material events subsequent to 31 March 2019 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 31 March 2019.

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.

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.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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)

(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

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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

B1 Review of Performance

- Comparison with Corresponding Period and Cumulative Period of Preceding Year

	Individual Quarter Corresponding				Cumulative Period Corresponding			
	Current	Preceding			Current	Preceding		
	Quarter	Quarter			Period-To-Date	Period-To-Date		
	Ended	Ended	Variance		Ended	Ended	Variance	
31.03.2019	31.03.2018	RM'000	%	31.03.2019	31.03.2018	RM'000	%	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	11,610	9,193	2,417	26.29	32,908	26,337	6,571	24.95
Profit before tax	4,118	2,674	1,444	54.00	11,565	8,166	3,399	41.62
Profit for the financial period	3,195	2,019	1,176	58.25	8,740	6,180	2,560	41.42
Profit attributable to owners of the Company	3,007	1,818	1,189	65.40	8,157	5,870	2,287	38.96

Current Period vs Corresponding Preceding Period

For the current quarter, the Group recorded revenue of RM11.610 million and profit before tax ("PBT") of RM4.118 million respectively.

The increase in revenue for the current quarter, which representing an increase of RM2.417 million or 26.29% as compared to revenue of RM9.193 million recorded in the corresponding preceding quarter ended 31 March 2018 ("Corresponding Preceding Quarter"), was mainly attributable to the higher revenue contribution in export sales from precision engineering segment.

The export sales remained the main contributor to our Group's total revenue for the current quarter, which accounted for RM9.578 million or 82.50% of our Group's total revenue for the current quarter. The increase in export sales by RM3.190 million or 49.94% as compared to the Corresponding Preceding Quarter's export sales of RM6.388 million was mainly due to higher revenue generated from our customers in Europe and other Asian countries.

Our Group recorded PBT of RM4.118 million for the current quarter, representing an increase of RM1.444 million or 54.00% as compared to PBT of RM2.674 million recorded in the Corresponding Preceding Quarter. The increase in PBT was mainly due to higher revenue and the lower loss on foreign exchange of RM0.155 million for the current quarter as compared to loss on foreign exchange of RM0.307 million in the Corresponding Preceding Quarter.

Current Cumulative Period vs Corresponding Preceding Cumulative Period

For the current financial period-to-date, the Group recorded total revenue of RM32.908 million and total PBT of RM11.565 million respectively.

The higher revenue for the current financial period-to-date, which representing an increase of RM6.571 million or 24.95% as compared to revenue of RM26.337 million recorded in the corresponding preceding cumulative period ended 31 March 2018 ("Corresponding Preceding Cumulative Period"), was mainly attributable to the higher revenue contribution from both laser stencils segment and precision engineering segment.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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

B1 Review of Performance

- Comparison with Corresponding Period and Cumulative Period of Preceding Year (cont'd)

Current Cumulative Period vs Corresponding Preceding Cumulative Period (cont'd)

Our Group recorded PBT of RM11.565 million for the current financial period-to-date, representing an increase of RM3.399 million or 41.62% as compared to PBT of RM8.166 million recorded in the Corresponding Preceding Cumulative Period. The increase in PBT was mainly due to higher revenue contribution and the gain on foreign exchange of RM0.055 million in the current financial year-to-date compared to the loss on foreign exchange of RM0.627 million in the Corresponding Preceding Cumulative 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 Quarter Ended 31.03.2019 RM'000	Immediate Preceding Quarter Ended 31.12.2018 RM'000	Variance RM'000	%
Revenue	11,610	11,046	564	5.11
Profit before tax	4,118	3,917	201	5.13
Profit for the financial period	3,195	2,940	255	8.67
Profit attributable to owners of the Company	3,007	2,732	275	10.07

The Group's revenue of RM11.610 million in the current quarter was RM0.564 million or 5.11% higher than the revenue of RM11.046 million recorded in the immediate preceding quarter. This was mainly due to higher revenue contribution in export sales from precision engineering segment.

Our Group current quarter's PBT of RM4.118 million was RM0.201 million or 5.13% higher as compared to the immediate preceding quarter's PBT of RM3.917 million. It was mainly due to higher revenue for the current quarter.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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

B3 Commentary on Prospects

Semiconductor and electronics industries are projected to continue growing in the coming years. Demand for our precision engineering products such as 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 sockets, hand lids, and accessories for test sockets to gain more market segment.

The laser stencils business is expected to grow and the management is optimistic in achieving better financial performance in this financial year.

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.

Despite the downtrend market outlook of the semiconductor industry and electronics industry, with our Group competitive strengths and strategies, the Board and the management are still positive about our prospects for the financial year ending 30 June 2019.

B4 Profit Forecast

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

B5 Tax Expense

	Individual Quarter		Cumulative Period	
	Current	Corresponding	Current	Corresponding
	Quarter	Preceding	Period-To-Date	Period-To-Date
	Ended	Quarter	Ended	Ended
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	RM'000	RM'000	RM'000	RM'000
Current tax	918	752	2,729	2,125
Deferred tax	5	(97)	96	(139)
	<u>923</u>	<u>655</u>	<u>2,825</u>	<u>1,986</u>

The effective tax rate of the Group for the current quarter and current period-to-date under review was lower than the statutory tax rate of 24%. This was mainly due to tax incentive enjoyed by its wholly-owned subsidiary, FoundPac Technologies Sdn. Bhd.

The effective tax rate of the Group for the corresponding preceding quarter and preceding period-to-date were close to the statutory tax rate of 24%.

B6 Status of Corporate Proposals

There were no other corporate proposals announced but not completed as at the date of this interim financial report.

FOUND PAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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 March 2019 is as follows:-

Purpose	Approved	Actual	Balance	Estimated timeframe for utilisation from date of listing
	utilisation RM'000	utilisation RM'000		
Purchase of property, plant and equipment	8,000	(7,128)	872	Within 30 months #
Design and development expenditure	3,000	(1,925)	1,075	Within 30 months #
Working capital	7,710 ^ *	(7,710)	-	Within 24 months
Listing expenses	2,890	(2,890)	-	Immediate
Total	21,600	(19,653)	1,947	

Notes:-

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

* Include the re-allocation of RM4.00 million from the overseas expansion which will be utilised for working capital requirements. The details of the variation to the utilisation of proceeds from the Public Issue has been announced to Bursa Securities on 27 August 2018.

The estimated timeframe for utilisation has been revised for an additional six (6) months up to 29 June 2019. The details of the extension of time has been announced to Bursa Securities on 28 November 2018.

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.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)
Company No: 1165946-H

EXPLANATORY NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2019

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 Quarter	Corresponding Preceding Quarter	Current Period-To-Date	Corresponding Preceding Period-To-Date
	Ended 31.03.2019	Ended 31.03.2018	Ended 31.03.2019	Ended 31.03.2018
Profit attributable to owners of the Company (RM'000)	3,007	1,818	8,157	5,870
Weighted average number of ordinary shares in issue ('000)	518,612	518,000	518,612	518,000
Basic EPS (sen)	0.58	0.35	1.57	1.13
Diluted EPS (sen) ⁽¹⁾	0.58	0.35	1.57	1.13

Note:-

(1) The diluted EPS equals the basic EPS was due to the anti-dilutive effect of the share options which has been ignored in calculating the diluted EPS.

B12 Profit Before Tax

	Individual Quarter		Cumulative Period	
	Current Quarter	Corresponding Preceding Quarter	Current Period-To-Date	Corresponding Preceding Period-To-Date
	Ended 31.03.2019	Ended 31.03.2018	Ended 31.03.2019	Ended 31.03.2018
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):-				
Depreciation of property, plant and equipment	870	408	2,265	1,126
Gain on disposal of property, plant and equipment	-	-	(3)	(46)
(Gain)/Loss on foreign exchange:-				
- Realised	158	269	(84)	484
- Unrealised	(3)	38	29	143
Impairment loss on receivables	-	-	100	-
Interest expense	-	-	-	1
Interest income	(303)	(306)	(856)	(1,015)

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.

By Order of the Board
15 May 2019