



**FOUND PAC GROUP BERHAD**  
(Registration No. 201501040628 (1165946-H))  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2022**

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Unaudited Condensed Consolidated Statement of Comprehensive Income for the Financial Period Ended 31 March 2022

	Note	Individual Quarter		Cumulative Period	
		Current Quarter Ended 31.3.2022 RM'000	Corresponding Preceding Quarter Ended 31.3.2021 RM'000	Current Period-To-Date Ended 31.3.2022 RM'000	Corresponding Preceding Period-To-Date Ended 31.3.2021 RM'000
Revenue		17,459	12,428	48,270	36,494
Cost of goods sold		(11,458)	(6,411)	(30,489)	(19,732)
Gross profit		6,001	6,017	17,781	16,762
Impairment gains on financial assets		-	-	-	197
Interest income		160	203	569	659
Other income		527	406	824	596
Administrative and general expenses		(2,874)	(1,890)	(6,801)	(5,088)
Selling and distribution expenses		(450)	(675)	(1,501)	(2,119)
Finance costs		(17)	(1)	(135)	(6)
Profit before tax	B11	3,347	4,060	10,737	11,001
Tax expense	B5	(882)	(870)	(2,704)	(2,501)
Profit for the financial period		2,465	3,190	8,033	8,500
Other comprehensive income for the financial period		-	-	-	-
Comprehensive income for the financial period		2,465	3,190	8,033	8,500
Profit for the financial period attributable to:-					
- Owners of the Company		2,686	3,256	8,199	8,341
- Non-controlling interests		(221)	(66)	(166)	159
		2,465	3,190	8,033	8,500
Comprehensive income for the financial period attributable to:-					
- Owners of the Company		2,686	3,256	8,199	8,341
- Non-controlling interests		(221)	(66)	(166)	159
		2,465	3,190	8,033	8,500
Earnings per share:-	B10				
- Basic (sen)		0.50	0.60	1.52	1.54
- Diluted (sen)		0.47	0.60	1.45	1.54

Note:-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial report.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Unaudited Condensed Consolidated Statement of Financial Position as at 31 March 2022

	As at 31.3.2022 (Unaudited) RM'000	As at 30.6.2021 (Audited) RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	15,315	15,317
Right-of-use assets	10,241	9,041
Intangible assets	65	78
Goodwill	16,679	15,001
Deferred tax assets	1,488	340
	<u>43,788</u>	<u>39,777</u>
<b>CURRENT ASSETS</b>		
Inventories	12,697	4,754
Receivables	13,534	9,486
Prepayments	244	151
Current tax assets	1,328	503
Cash and cash equivalents	53,187	56,197
	<u>80,990</u>	<u>71,091</u>
<b>CURRENT LIABILITIES</b>		
Payables	12,569	4,840
Lease liabilities	1,482	-
Contract liabilities	859	512
Current tax liabilities	-	17
	<u>14,910</u>	<u>5,369</u>
<b>NET CURRENT ASSETS</b>	<b>66,080</b>	<b>65,722</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	2,265	2,328
Deferred income on government grants	310	489
	<u>2,575</u>	<u>2,817</u>
<b>NET ASSETS</b>	<b><u>107,293</u></b>	<b><u>102,682</u></b>
<b>EQUITY</b>		
Share capital	59,996	59,996
Share option reserve	564	-
Treasury shares	(1,341)	(821)
Revaluation surplus	1,852	1,852
Retained profits	42,478	37,692
Equity attributable to owners of the Company	<u>103,549</u>	<u>98,719</u>
Non-controlling interests	3,744	3,963
<b>TOTAL EQUITY</b>	<b><u>107,293</u></b>	<b><u>102,682</u></b>
 Net assets per share attributable to owners of the Company (sen)	 <u>19.16</u>	 <u>18.24</u>

Note:-

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial report.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Unaudited Condensed Consolidated Statement of Changes in Equity for the Financial Year Ended 31 March 2022

	Share capital RM'000	Treasury shares RM'000	Non-distributable		Distributable	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
			Share option Reserve RM'000	Revaluation surplus RM'000	Retained profits RM'000			
Balance as at 1 July 2021	59,996	(821)	-	1,852	37,692	98,719	3,963	102,682
Acquisition of subsidiaries	-	-	-	-	-	-	2,881	2,881
Issue of shares	-	-	-	-	-	-	858	858
Purchase of own shares	-	(520)	-	-	-	(520)	-	(520)
Share-based payments	-	-	564	-	(47)	517	47	564
Dividends to owners of the Company	-	-	-	-	(2,705)	(2,705)	-	(2,705)
Change in ownership interest in subsidiary	-	-	-	-	(661)	(661)	(3,839)	(4,500)
	-	(520)	564	-	(3,413)	(3,369)	(2,934)	(6,303)
Profit (representing comprehensive income) for the financial year	-	-	-	-	8,199	8,199	(166)	8,033
Balance as at 31 March 2022	<u>59,996</u>	<u>(1,341)</u>	<u>564</u>	<u>1,852</u>	<u>42,478</u>	<u>103,549</u>	<u>3,744</u>	<u>107,293</u>
Balance as at 1 July 2020	59,996	-	-	1,852	34,166	96,014	3,287	99,301
Acquisition of subsidiaries	-	-	-	-	-	-	470	470
Purchase of own shares	-	(625)	-	-	-	(625)	-	(625)
Dividends to owners of the Company	-	-	-	-	(2,712)	(2,712)	-	(2,712)
	-	(625)	-	-	(2,712)	(3,337)	-	(3,337)
Profit (representing comprehensive income) for the financial year	-	-	-	-	8,341	8,341	159	8,500
Balance as at 31 March 2021	<u>59,996</u>	<u>(625)</u>	<u>-</u>	<u>1,852</u>	<u>39,795</u>	<u>101,018</u>	<u>3,916</u>	<u>104,934</u>

Note:-

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial report.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Unaudited Condensed Consolidated Statement of Cash Flows for the Period Ended 31 March 2022

	Current Period-To-Date Ended 31.3.2022	Corresponding Preceding Period-To-Date Ended 31.3.2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	10,737	11,001
Adjustments for:-		
Amortisation and depreciation	4,272	3,536
Amortisation of deferred income	(179)	(180)
Gain on disposal of property, plant and equipment	(149)	(70)
Impairment losses on financial assets	-	(197)
Interest expense	135	6
Interest income	(560)	(659)
Inventories written down	-	13
Reversal of inventories written down	(161)	(26)
Share-based payments	564	-
Unrealised gain on foreign exchange	(7)	(202)
Variable lease payment	(3)	-
Operating profit before working capital changes	14,649	13,222
Changes in:-		
Inventories	(1,561)	774
Receivables	2,893	6,927
Prepayments	152	162
Payables	(2,538)	(578)
Contract liabilities	347	(402)
Cash generated from operations	13,942	20,105
Tax paid	(3,405)	(3,634)
Tax refunded	-	24
Net cash from operating activities	10,537	16,495
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of intangible assets	-	(31)
Acquisition of property, plant and equipment	(736)	(3,160)
Acquisition of subsidiary, net of cash acquired	(3,631)	(1,676)
Addition in investment in subsidiary	(4,500)	
Interest received	560	659
Proceeds from disposal of property, plant and equipment	150	72
Net cash used in investing activities	(8,157)	(4,136)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to owners of the Company	(2,705)	(2,712)
Interest paid	(135)	(6)
Issue of preference shares	858	-
Payment of lease liabilities	(479)	(163)
Payment of term loan	(2,416)	-
Purchase of own shares	(520)	(625)
Redemption of preference shares	-	(20)
Net cash used in financing activities	(5,397)	(3,526)

## FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

### Unaudited Condensed Consolidated Statement of Cash Flows for the Period Ended 31 March 2022 (cont'd)

	<b>Current Period-To-Date Ended 31.3.2022</b>	<b>Corresponding Preceding Period-To-Date Ended 31.3.2021</b>
Effect of exchange rate changes on cash and cash equivalents	7	202
Net (decrease)/increase in cash and cash equivalents	(3,010)	9,035
Cash and cash equivalents brought forward	56,197	51,136
Cash and cash equivalents carried forward	<u>53,187</u>	<u>60,171</u>
Analysis of cash and cash equivalents:-		
- Highly liquid investments	33,555	47,585
- Cash and bank balances	<u>19,632</u>	<u>12,586</u>
	<u>53,187</u>	<u>60,171</u>

*Notes:*

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2021 and the accompanying explanatory notes attached to this interim financial report.*

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

### 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 2021 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 2021 except for the adoption of the following MFRSs which became effective for the financial period under review:-

MFRS	Effective for annual periods beginning on or after
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 <i>Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021

The Group and the Company have also early applied the Amendment to MFRS 16 Covid-19-Related Rent Concessions *beyond 30 June 2021* which is effective for annual periods beginning on or after 1 April 2021.

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 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
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 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 116 <i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

Management foresees that the initial application of the above MFRSs will not have any significant impacts on the interim financial report.

## **FOUNDPAC GROUP BERHAD**

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

### **Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022**

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#### **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**

During the quarter under review, 712,500 ordinary shares were repurchased in the open market at an average price of RM0.51 per share and retained as treasury shares of the Company. The repurchased transactions were financed by internally generated funds. As at 31 March 2022, the total number of issued ordinary shares of the Company is 542,322,500 ordinary shares inclusive of 2,000,000 ordinary shares held as treasury shares.

#### **A6 Dividends Paid**

No dividend was paid during the current quarter under review.

#### **A7 Segmental Information**

##### **Operating Segments**

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, manufacture, marketing and sale of stiffeners, test sockets, hand lids and related accessories |
| (ii) Laser stencils       | - Manufacture and sale of laser stencils  |
| (iii) Automation          | - Manufacture of industrial equipment and machinery   |
| (iv) Accessory cables     | - Manufacture and sale of accessory cables and connectors   |



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## Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

### Part A: Explanatory Notes Pursuant to MFRS 134, *Interim Financial Reporting* (cont'd)

#### A7 Segmental Information (cont'd)

##### Operating Segments (cont'd)

	Precision engineering RM'000	Laser stencils RM'000	Automation RM'000	Accessory cables RM'000	Unallocated non-operating segments RM'000	Consolidations adjustments and eliminations RM'000	Total RM'000
<u>Financial period ended 31 March 2022</u>							
STATEMENT OF FINANCIAL POSITION							
Segment assets	71,339	26,712	5,895	20,217	68,337	(67,722)	124,778
Included in the measure of segment assets are:-							
- Additions to non-current assets	169	133	22	412	-	-	736
Segment liabilities	7,835	890	2,414	6,181	165	-	17,485
STATEMENT OF COMPREHENSIVE INCOME							
Segment profit/(loss)	8,329	967	(465)	(207)	8,412	(9,003)	8,033
Included in the measure of segment profit/(loss) are:-							
- External revenue	30,799	5,853	2,397	9,207	9,019	(9,005)	48,270
- Interest income	399	136	16	-	18	-	569
- Non-cash income	227	-	-	120	-	-	347
- Interest expense	-	11	-	124	-	-	135
- Amortisation and depreciation	2,793	723	77	665	14	-	4,272
- Other non-cash expenses	192	47	47	103	175	-	564
- Tax expense	2,371	306	63	(36)	-	-	2,704

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## Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

### Part A: Explanatory Notes Pursuant to MFRS 134, *Interim Financial Reporting* (cont'd)

#### A7 Segmental Information (cont'd)

##### Operating Segments (cont'd)

	Precision engineering RM'000	Laser stencils RM'000	Automation RM'000	Unallocated non-operating segments RM'000	Consolidations adjustments and eliminations RM'000	Total RM'000
<u>Financial period ended 31 March 2021</u>						
STATEMENT OF FINANCIAL POSITION						
Segment assets	70,386	28,060	4,529	65,492	(54,428)	114,039
Included in the measure of segment assets are:-						
- Additions to non-current assets	2,918	45	197	31	-	3,191
Segment liabilities	6,248	786	1,916	155	-	9,105
STATEMENT OF COMPREHENSIVE INCOME						
Segment profit/(loss)	7,968	1,479	(442)	5,945	(6,450)	8,500
Included in the measure of segment profit/(loss) are:-						
- External revenue	26,441	7,446	2,605	6,456	(6,454)	36,494
- Interest income	416	107	2	134	-	659
- Non-cash income	408	197	-	-	-	605
- Interest expense	-	6	-	-	-	6
- Depreciation	2,998	461	53	24	-	3,536
- Other non-cash expenses	-	13	-	-	-	13
- Tax expense	2,027	474	-	-	-	2,501

## FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

### Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

#### Part A: Explanatory Notes Pursuant to MFRS 134, *Interim Financial Reporting* (cont'd)

##### A7 Segmental Information (cont'd)

###### Geographical Information

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

	Individual Quarter 3 Months Ended		Cumulative Financial Period Ended	
	31.3.2022 RM'000	31.3.2021 RM'000	31.3.2022 RM'000	31.3.2021 RM'000
North America	5,506	4,430	18,117	8,081
Other Asian countries	4,030	1,747	8,798	4,697
Malaysia	5,662	2,392	14,920	13,182
Europe	2,155	3,769	6,076	9,377
Africa	15	67	204	1,134
Others	91	23	155	23
	<u>17,459</u>	<u>12,428</u>	<u>48,270</u>	<u>36,494</u>

##### A8 Contractual Commitments

	31.3.2022 RM'000
Purchase of property, plant and equipment	<u>199</u>

##### 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 2021.

##### A11 Material events subsequent to the end of the quarter

There were no material events subsequent to 31 March 2022 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.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

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### Part A: Explanatory Notes Pursuant to MFRS 134, *Interim Financial Reporting* (cont'd)

#### A13 Financial Instruments

##### Derivatives

There were no outstanding derivatives as at 31 March 2022.

##### 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 valuation techniques used include the following or a combination thereof:-

- (i) Market approach - which uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities.
- (ii) Cost approach - which reflects the amount that would be required currently to replace the service capacity of an asset.
- (iii) Income approach - which converts future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount.

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.

##### Non-financial Assets

The fair values of buildings are measured using the market comparison approach. Under this approach, the fair values are derived from observable market data such as prices per square foot for comparable properties in similar locations (i.e. Level 2).

##### Financial Assets and Financial Liabilities

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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## Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

### 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 Period

	Individual Quarter				Cumulative			
	3 Months Ended				Financial Period Ended			
	31.3.2022	31.3.2021	Variance		31.3.2022	31.3.2021	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	17,459	12,428	5,031	40.48	48,270	36,494	11,776	32.27
Profit before tax	3,347	4,060	(713)	(17.56)	10,737	11,001	(264)	(2.40)
Profit for the financial period	2,465	3,190	(725)	(22.73)	8,033	8,500	(467)	(5.49)
Profit attributable to owners of the Company	2,686	3,256	(570)	(17.51)	8,199	8,341	(142)	(1.70)

#### Current Period vs Corresponding Preceding Period

For the current quarter, the Group recorded revenue of RM17.459 million and profit before tax ("PBT") of RM3.347 million respectively.

The increase in revenue for the current quarter, which representing an increase of RM5.031 million or 40.48% as compared to revenue of RM12.428 million in the corresponding preceding quarter ended 31 March 2021 ("Corresponding Preceding Quarter") was mainly attributable to the revenue contribution from the group's new segment, accessory cables of RM3.736 million.

The export sales remained the main contributor to our Group's total revenue, which accounted for RM11.797 million or 68.14% of our Group's total revenue for the current quarter and RM10.036 million or 80.75% of our Group's total revenue for the corresponding preceding quarter. The decrease in export sales was mainly due to the Accessory cables segment's revenue majority derived from domestic market.

Our Group recorded PBT of RM3.347 million for the current quarter, representing a decrease of RM0.713 million or 17.56% as compared to PBT of RM4.060 million recorded in the Corresponding Preceding Quarter. This was mainly due to accessory cables segment recorded a loss before tax in current quarter.

#### Current Cumulative Period vs Corresponding Preceding Cumulative Period

For the current financial period-to-date, the Group recorded total revenue of RM48.270 million and total PBT of RM10.737 million respectively.

The higher revenue for the current financial period-to-date, which representing an increase of RM11.776 million or 32.27% as compared to revenue of RM36.494 million recorded in the corresponding preceding cumulative period ended 31 March 2022 ("Corresponding Preceding Cumulative Period"), was mainly attributable to the revenue contribution from accessory cables segment.

Our Group recorded PBT of RM10.737 million for the current financial period-to-date, representing a marginal decrease of RM0.264 million or 2.40% as compared to PBT of RM11.001 million recorded in Corresponding Preceding Cumulative Period. Increase in revenue while decrease in PBT was mainly due to higher administrative expenses incurred in accessory cables segment.

## FOUNDPAC GROUP BERHAD

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### Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

#### Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad

##### B2 Review of Performance

###### - Comparison between Current Quarter and Immediate Preceding Quarter

	Individual Quarter 3 Months Ended		Variance	
	31.3.2022	31.12.2021	RM'000	%
	RM'000	RM'000		
Revenue	17,459	18,363	(904)	(4.92)
Profit before tax	3,347	4,153	(806)	(19.41)
Profit for the financial period	2,465	3,210	(745)	(23.21)
Profit attributable to owners of the Company	2,686	3,115	(429)	(13.77)

The Group recorded revenue of RM17.459 million in the current quarter, which was marginally lower by RM0.904 million or 4.92% than RM18.363 million recorded in the immediate preceding quarter was mainly due to decrease in revenue in accessory cables segment.

The Group recorded PBT of RM3.347 million in the current quarter; decrease by RM0.806 million or 19.41% as compared to RM4.153 million was mainly due to decrease in revenue in accessory cables segment while the fixed costs remained.

##### B3 Commentary on Prospects

Most countries have lifted Covid-19 restrictions and reopened their international borders. However, current market uncertainties on global supply chains issue have led to price fluctuations in the raw materials, this was further aggravated by the sudden erupt of geopolitical war between Russia and Ukraine. This posed a new set of challenges to our Group and the management is closely monitoring situation to ensure that such impact to the overall Group performance is mitigated.

Notwithstanding the external circumstances, the Board are confident about the contribution from the new segment of the Group and remains cautiously optimistic on the Group's business prospects in coming year.

##### B4 Profit Forecast

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

##### B5 Tax Expense

	Individual Quarter Ended 3 Months Ended		Cumulative Financial Period Ended	
	31.3.2022	31.3.2021	31.3.2022	31.3.2021
	RM'000	RM'000	RM'000	RM'000
Current tax	1,006	903	3,223	2,600
Deferred tax	(124)	(33)	(519)	(99)
	<u>882</u>	<u>870</u>	<u>2,704</u>	<u>2,501</u>

The effective tax rate of the Group was higher than statutory tax rate of 24%. This was mainly due to losses in certain subsidiaries which are not available for set off against taxable profit in other subsidiaries within the Group.

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## Explanatory Notes to Condensed Consolidated Financial Statements – 31 March 2022

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### Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad

#### B6 Status of Corporate Proposals

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

#### B7 Borrowings

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

#### B8 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.

#### B9 Dividend

A single tier interim dividend of 1.0 sen per share in respect of the financial year ending 30 June 2022 has been declared on 20 May 2022 and is to be paid on 28 June 2022 to depositors registered in the records of Depositors at the close of business on 10 June 2022. The interim report does not reflect this dividend. Such dividend will be accounted for in equity as appropriation of retained profits in the quarter ending 30 June 2022.

#### B10 Earnings Per Share (“EPS”)

	Individual Quarter		Cumulative	
	3 Months Ended		Financial Period Ended	
	31.3.2022	31.3.2021	31.3.2022	31.3.2021
Profit attributable to owners of the Company (RM'000)	2,686	3,256	8,199	8,341
Weighted average number of shares for computing basic EPS ('000)	540,322	542,047	540,322	542,047
Basic EPS (sen)	<u>0.50</u>	<u>0.60</u>	<u>1.52</u>	<u>1.54</u>
Weighted average number of shares for computing diluted EPS ('000)	567,202	542,047	567,202	542,047
Diluted EPS (sen)	<u>0.47</u>	<u>0.60</u>	<u>1.45</u>	<u>1.54</u>

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#### B11 Profit Before Tax

	Individual Quarter		Cumulative	
	3 Months Ended		Financial Period Ended	
	31.3.2022	31.3.2021	31.3.2022	31.3.2021
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,545	1,157	4,272	3,536
Amortisation of deferred income	(60)	(60)	(180)	(180)
(Gain)/Loss on foreign exchange:-				
- Realised	(228)	27	(391)	435
- Unrealised	(92)	(337)	(7)	(202)
(Gain)/Loss on disposal of property, plant and equipment	(148)	-	(149)	(70)
Impairment gains on financial assets	-	-	-	197
Interest expense for lease liabilities	17	1	135	6
Interest income	(160)	(203)	(569)	(659)
Inventories written down	-	-	-	13
Reversal of inventories written down	-	-	(153)	(26)
Short-term lease liabilities	47	53	139	133

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.