



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

**CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Condensed Consolidated Statement of Comprehensive Income for the Financial Year Ended 30 June 2022

		Individual Quarter		Cumulative Period	
	Note	Current Quarter Ended 30.6.2022 (Unaudited) RM'000	Corresponding Preceding Quarter Ended 30.6.2021 (Unaudited) RM'000	Current Period-To-Date Ended 30.6.2022 (Audited) RM'000	Corresponding Preceding Period-To-Date Ended 30.6.2021 (Audited) RM'000
Revenue		22,756	12,496	71,026	48,990
Cost of goods sold		(14,734)	(7,078)	(45,223)	(26,810)
Gross profit		8,022	5,418	25,803	22,180
Interest income		6	9	28	18
Other income		1,296	574	2,674	1,287
Administrative and general expenses		(2,980)	(1,598)	(9,789)	(6,153)
Selling and distribution expenses		(395)	(495)	(1,896)	(2,614)
Finance costs		(15)	-	(150)	(6)
Impairment losses on financial assets		(347)	(278)	(347)	(81)
Loss on derecognition of financial assets cost measured at amortised		(44)	-	(44)	-
Profit before tax	B11	5,543	3,630	16,279	14,631
Tax expense	B5	(1,503)	(274)	(4,207)	(2,775)
Profit for the financial period/year		4,040	3,356	12,072	11,856
Other comprehensive income for the financial period/year		-	-	-	-
Comprehensive income for the financial period/year		4,040	3,356	12,072	11,856
Profit for the financial period attributable to:-					
- Owners of the Company		4,123	3,309	12,321	11,650
- Non-controlling interests		(83)	47	(249)	206
		4,040	3,356	12,072	11,856
Comprehensive income for the financial period/year attributable to:-					
- Owners of the Company		4,123	3,309	12,321	11,650
- Non-controlling interests		(83)	47	(249)	159
		4,040	3,356	12,072	11,856
Earnings per share:-	B10				
- Basic (sen)		0.76	0.61	2.28	2.15
- Diluted (sen)		0.76	0.61	2.28	2.15

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 2022 and the accompanying explanatory notes attached to this interim financial report.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Condensed Consolidated Statement of Financial Position as at 30 June 2022

	As at 30.6.2022 (Audited) RM'000	As at 30.6.2021 (Audited) RM'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	14,239	15,317
Right-of-use assets	10,179	9,041
Intangible assets	-	78
Goodwill	16,529	15,001
Deferred tax assets	1,591	340
	<b>42,538</b>	<b>39,777</b>
<b>CURRENT ASSETS</b>		
Inventories	12,933	4,754
Receivables	16,872	9,486
Prepayments	1,251	151
Current tax assets	1,031	503
Cash and cash equivalents	50,385	56,197
	<b>82,472</b>	<b>71,091</b>
<b>CURRENT LIABILITIES</b>		
Payables	12,135	4,840
Lease liabilities	864	-
Contract liabilities	1,822	512
Current tax liabilities	687	17
	<b>15,508</b>	<b>5,369</b>
<b>NET CURRENT ASSETS</b>	<b>66,964</b>	<b>65,722</b>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	498	-
Deferred tax liabilities	2,106	2,328
Deferred income on government grants	250	489
	<b>2,854</b>	<b>2,817</b>
<b>NET ASSETS</b>	<b>106,648</b>	<b>102,682</b>
<b>EQUITY</b>		
Share capital	59,996	59,996
Share option reserve	1,283	-
Treasury shares	(1,341)	(821)
Revaluation surplus	1,852	1,852
Retained profits	41,136	37,692
Equity attributable to owners of the Company	<b>102,926</b>	<b>98,719</b>
Non-controlling interests	3,722	3,963
<b>TOTAL EQUITY</b>	<b>106,648</b>	<b>102,682</b>
Net assets per share attributable to owners of the Company (sen)	<b>19.05</b>	<b>18.24</b>

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 2022 and the accompanying explanatory notes attached to this interim financial report.

**FOUNDPAC GROUP BERHAD**

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

**Condensed Consolidated Statement of Changes in Equity for the Financial Year Ended 30 June 2022**

			Non-distributable		Distributable	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares 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	-	-	1,283	-	(108)	1,175	108	1,283
Dividends to owners of the Company	-	-	-	-	(8,108)	(8,108)	-	(8,108)
Change in ownership interest in subsidiary	-	-	-	-	(661)	(661)	(3,839)	(4,500)
	-	(520)	1,283	-	(8,877)	(8,114)	(2,873)	(10,987)
Profit (representing comprehensive income) for the financial year	-	-	-	-	12,321	12,321	(249)	12,072
Balance as at 30 June 2022	<u>59,996</u>	<u>(1,341)</u>	<u>1,283</u>	<u>1,852</u>	<u>41,136</u>	<u>102,926</u>	<u>3,722</u>	<u>106,648</u>

# FOUNDPAC GROUP BERHAD

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Registration No.: 201501040628 (1165946-H)

## Condensed Consolidated Statement of Changes in Equity for the Financial Year Ended 30 June 2022 (cont'd)

	Non-distributable				Distributable	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Share option Reserve RM'000	Revaluation surplus RM'000	Retained profits RM'000			
Balance as at 1 July 2020	59,996	-	-	1,852	34,166	96,014	3,287	99,301
Acquisition of subsidiaries	-	-	-	-	-	-	490	490
Purchase of own shares	-	(821)	-	-	-	(821)	-	(821)
Redemption of preference shares	-	-	-	-	-	-	(20)	(20)
Dividends to owners of the Company	-	-	-	-	(8,124)	(8,124)	-	(8,124)
	-	(821)	-	-	(8,124)	(8,945)	(20)	(8,965)
Profit (representing comprehensive income) for the financial year	-	-	-	-	11,650	11,650	206	11,856
Balance as at 30 June 2021	<u>59,996</u>	<u>(821)</u>	<u>-</u>	<u>1,852</u>	<u>37,692</u>	<u>98,719</u>	<u>3,963</u>	<u>102,682</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 2022 and the accompanying explanatory notes attached to this interim financial report.

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Condensed Consolidated Statement of Cash Flows for the Year Ended 30 June 2022

	Current Year-To-Date Ended 30.6.2022	Corresponding Preceding Year-To-Date Ended 30.6.2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	16,279	14,631
Adjustments for:-		
Amortisation and depreciation	5,494	4,633
Amortisation of deferred income	(239)	(240)
Fair value gains on financial instruments	(740)	(857)
Gain on disposal of property, plant and equipment	(192)	(70)
Impairment loss on goodwill	150	-
Impairment loss on intangible assets	60	-
Impairment losses on financial assets	347	80
Interest expense	150	6
Interest income	(28)	(18)
Inventories written down	837	440
Loss on derecognition of financial assets measured at amortised cost	44	-
Property, plant and equipment written off	325	-
Reversal of inventories written down	(43)	(31)
Share-based payments	1,283	-
Unrealised gain on foreign exchange	(236)	(80)
Variable lease payments	(8)	-
Operating profit before working capital changes	23,483	18,494
Changes in:-		
Inventories	(2,751)	172
Receivables	(525)	5,432
Prepayments	(855)	255
Payables	(3,019)	(1,332)
Contract liabilities	1,310	(355)
Cash generated from operations	17,643	22,666
Tax paid	(4,534)	(4,514)
Tax refunded	347	24
Net cash from operating activities	13,456	18,176
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of intangible assets	-	(31)
Acquisition of property, plant and equipment	(1,040)	(3,199)
Acquisition of subsidiary, net of cash acquired	(3,631)	(1,676)
Interest or distributions received	768	875
Proceeds from disposal of property, plant and equipment	193	72
Net cash used in investing activities	(3,710)	(3,959)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Addition in investment in subsidiary	(4,500)	-
Dividends paid to owners of the Company	(8,108)	(8,124)
Interest paid	(150)	(6)
Issue of preference shares	858	-
Payment of lease liabilities	(694)	(219)
Payment of term loan	(2,416)	-
Purchase of own shares	(520)	(821)
Redemption of preference shares	-	(20)
Net cash used in financing activities	(15,530)	(9,190)

## FOUNDPAC GROUP BERHAD

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Registration No.: 201501040628 (1165946-H)

### Condensed Consolidated Statement of Cash Flows for the Year Ended 30 June 2022 (cont'd)

	Current Year-To-Date Ended 30.6.2022	Corresponding Preceding Year-To-Date Ended 30.6.2021
Currency translation differences	(28)	33
Net (decrease)/increase in cash and cash equivalents	(5,812)	5,061
Cash and cash equivalents brought forward	56,197	51,136
Cash and cash equivalents carried forward	<u>50,385</u>	<u>56,197</u>
Analysis of cash and cash equivalents:-		
- Cash and bank balances	33,274	39,857
- Short-term funds - at fair value	17,111	16,340
	<u>50,385</u>	<u>56,197</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 2022 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 – 30 June 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 2022 and the accompanying explanatory notes attached to this interim financial report.

For the financial year under review, the Group and the Company have applied the Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 *Interest Rate Benchmark Reform - Phase 2* which are effective for annual periods beginning on or after 1 January 2021. The initial application of these amendments did not have any significant impacts on the financial statements.

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
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</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**

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### **Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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**

There were no 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 RM5,403,225 in respect of the financial year ended 30 June 2022 was paid by the Company on 28 June 2022.

#### **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 and connectors - Manufacture and sale of accessory cables and connectors

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## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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 and connectors RM'000	Unallocated non-reportable segments RM'000	Total RM'000
<u>Financial period ended 30 June 2022</u>						
STATEMENT OF FINANCIAL POSITION						
Segment assets	71,231	26,548	6,805	19,926	500	125,010
Included in the measure of segment assets are:-						
- Additions to non-current assets	234	743	32	4,853	-	5,862
Segment liabilities	8,618	669	2,901	6,043	131	18,362
STATEMENT OF COMPREHENSIVE INCOME						
Segment profit/(loss)	12,705	965	(101)	(473)	(1,024)	12,072
Included in the measure of segment profit/(loss) are:-						
- External revenue	44,122	7,436	5,094	14,356	18	71,026
- Interest and fund distributions income	554	177	19	-	18	768
- Non-cash income	309	23	52	143	-	527
- Interest expense	-	13	-	138	-	151
- Amortisation and depreciation	3,732	651	103	990	18	5,494
- Other non-cash expenses	1,166	888	214	265	514	3,047
- Tax expense/(income)	3,849	407	8	(57)	-	4,207

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## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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-reportable segments RM'000	Total RM'000
<u>Financial period ended 30 June 2021</u>					
STATEMENT OF FINANCIAL POSITION					
Segment assets	70,619	28,494	4,592	7,163	110,868
Included in the measure of segment assets are:-					
- Additions to non-current assets	2,942	60	508	95	3,605
Segment liabilities	6,633	685	695	173	8,186
STATEMENT OF COMPREHENSIVE INCOME					
Segment profit/(loss)	11,135	2,013	(676)	(616)	11,856
Included in the measure of segment profit/(loss) are:-					
- External revenue	36,032	9,984	2,970	8	48,990
- Interest and fund distributions income	538	151	6	180	875
- Non-cash income	351	-	-	-	351
- Interest expense	-	6	-	-	6
- Amortisation and depreciation	3,923	617	79	14	4,633
- Other non-cash expenses	314	13	391	-	718
- Tax expense	2,536	694	(455)	-	2,775

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## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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		Cumulative	
	3 Months Ended		Financial Period Ended	
	30.6.2022	30.6.2021	30.6.2022	30.6.2021
	RM'000	RM'000	RM'000	RM'000
North America	6,857	5,639	24,974	18,821
Other Asian countries	3,166	1,921	11,964	6,618
Malaysia	8,244	2,485	23,164	10,566
Europe	4,241	2,266	10,317	11,643
Africa	17	-	221	-
Others	231	185	386	1,342
	<u>22,756</u>	<u>12,496</u>	<u>71,026</u>	<u>48,990</u>

#### A8 Contractual Commitments

	30.6.2022
	RM'000
Purchase of property, plant and equipment	<u>101</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 30 June 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

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## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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 30 June 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.

Any transfers between the levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.

##### 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 bank balances and payables which are short-term in nature or repayable on demand are reasonable approximations of fair values.

The fair values of short-term funds are directly measured using their unadjusted market values quoted by financial institutions (i.e. Level 1).

# FOUNDPAC GROUP BERHAD

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## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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			
	30.6.2022	30.6.2021	Variance		30.6.2022	30.6.2021	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	22,756	12,496	10,260	82.11	71,026	48,990	22,036	44.98
Profit before tax	5,543	3,630	1,913	52.70	16,279	14,631	1,648	11.26
Profit for the financial period	4,040	3,356	684	20.38	12,072	11,856	216	1.82
Profit attributable to owners of the Company	4,123	3,309	814	24.60	12,321	11,650	671	5.76

#### Current Period vs Corresponding Preceding Period

For the current quarter, the Group recorded revenue of RM22.756 million and profit before tax (“PBT”) of RM5.543 million respectively.

The increase in revenue for the current quarter, which representing an increase of RM10.260 million or 82.11% as compared to revenue of RM12.496 million in the corresponding preceding quarter ended 31 June 2021 (“Corresponding Preceding Quarter”) was mainly attributable to the revenue contribution from the group’s new segment, accessory cables and connectors of RM5.149 million and increase in precision engineering segment by RM 3.737 million.

The export sales remained the main contributor to our Group’s total revenue, which accounted for RM14.512 million or 63.77% of our Group’s total revenue for the current quarter and RM10.011 million or 80.11% of our Group’s total revenue for the corresponding preceding quarter. The decrease in export sales was mainly due to the Accessory cables and connectors segment’s revenue majority derived from domestic market.

Our Group recorded PBT of RM5.543 million for the current quarter, representing an increase of RM1.913 million or 52.70% as compared to PBT of RM3.630 million recorded in the Corresponding Preceding Quarter. The increase in PBT was mainly due to higher revenue from precision engineering segment and coupled with increase in gain on foreign exchange of RM0.850 million for the current quarter as compared to gain on foreign exchange of RM0.148 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 RM71.026 million and total PBT of RM16.279 million respectively.

The higher revenue for the current financial year-to-date, which representing an increase of RM22.036 million or 44.98% as compared to revenue of RM48.990 million recorded in the corresponding preceding cumulative period ended 30 June 2022 (“Corresponding Preceding Cumulative Period”), was mainly attributable to the revenue contribution from accessory cables and connectors segment.

Our Group recorded PBT of RM16.279 million for the current financial year-to-date, representing a marginal increase of RM1.648 million or 11.26% as compared to PBT of RM14.631 million recorded in Corresponding Preceding Cumulative Period. The increase in PBT was mainly due to higher revenue contributed by precision engineering segment. However, the increment of PBT is not in line with the increment of the revenue was mainly due to higher administrative expenses incurred in Accessory cables and connectors segment that leads to a lower PBT margin.

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## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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		Variance	
	3 Months Ended		RM'000	%
	30.6.2022	31.3.2022		
	RM'000	RM'000		
Revenue	22,756	17,459	5,297	30.34
Profit before tax	5,543	3,347	2,196	65.61
Profit for the financial period	4,040	2,465	1,575	63.89
Profit attributable to owners of the Company	4,123	2,686	1,437	53.50

The Group recorded revenue of RM22.756 million in the current quarter, which was higher by RM5.297 million or 30.34% than RM17.459 million recorded in the immediate preceding quarter. This was mainly due to higher revenue contribution in export sales from precision engineering segment and accessory cables and connectors segment.

The Group recorded PBT of RM5.543 million in the current quarter; increase by RM2.196 million or 65.61% as compared to RM3.347 million. It was mainly due to higher revenue for the current quarter.

#### 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		Cumulative	
	3 Months Ended		Financial Period Ended	
	30.6.2022	30.6.2021	30.6.2022	30.6.2021
	RM'000	RM'000	RM'000	RM'000
Current tax	1,765	561	4,988	3,161
Deferred tax	(262)	(287)	(781)	(386)
	<u>1,503</u>	<u>274</u>	<u>4,207</u>	<u>2,775</u>

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

# FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 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

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

#### B10 Earnings Per Share (“EPS”)

	Individual Quarter		Cumulative	
	3 Months Ended		Financial Year Ended	
	30.6.2022	30.6.2021	30.6.2022	30.6.2021
Profit attributable to owners of the Company (RM'000)	4,123	3,309	12,321	11,650
Weighted average number of shares for computing basic EPS ('000)	540,322	541,352	540,844	542,013
Basic EPS (sen)	<u>0.76</u>	<u>0.61</u>	<u>2.28</u>	<u>2.15</u>
Weighted average number of shares for computing diluted EPS ('000)	540,576	541,352	541,185	542,013
Diluted EPS (sen)	<u>0.76</u>	<u>0.61</u>	<u>2.28</u>	<u>2.15</u>



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## Explanatory Notes to Condensed Consolidated Financial Statements – 30 June 2022

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

#### B11 Profit Before Tax

	Individual Quarter		Cumulative	
	3 Months Ended		Financial Period Ended	
	30.6.2022	30.6.2021	30.6.2022	30.6.2021
	RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):-				
Amortisation and depreciation	1,222	1,097	5,494	4,633
Amortisation of deferred income	(59)	(60)	(239)	(240)
Fair value gain on financial instruments	(200)	(205)	(740)	(857)
(Gain)/Loss on foreign exchange:-				
- Realised	(621)	(270)	(1,012)	165
- Unrealised	(229)	122	(236)	(80)
Gain on disposal of property, plant and equipment	(43)	-	(192)	(70)
Impairment loss on goodwill	150	-	150	-
Impairment loss on intangible assets	60	-	60	-
Impairment gains on financial assets	347	278	347	81
Interest expense for lease liabilities	15	-	150	6
Interest income	(6)	(9)	(28)	(18)
Inventories written down	837	427	837	440
Property, plant and equipment written off	325	-	325	-
Reversal of inventories written down	(43)	(5)	(43)	(31)
Short-term lease liabilities	169	47	308	180

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.