



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

**UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2020**

FOUND PAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

**Unaudited Condensed Consolidated Statement Of Comprehensive Income
For The Financial Period Ended 31 March 2020**

		Individual Quarter	Corresponding	Cumulative Period	Corresponding
		Current	Preceding	Current	Preceding
	Note	Quarter	Quarter	Period-To-Date	Period-To-Date
		Ended	Ended	Ended	Ended
		31.3.2020	31.3.2019	31.3.2020	31.3.2019
		RM'000	RM'000	RM'000	RM'000
Revenue		11,143	11,610	38,637	32,908
Cost of goods sold		(5,566)	(5,459)	(17,677)	(16,040)
Gross profit		5,577	6,151	20,960	16,868
Interest income		322	303	919	856
Other income		112	3	575	87
Administrative and general expenses		(1,289)	(1,524)	(3,750)	(3,950)
Selling and distribution expenses		(700)	(815)	(2,154)	(2,296)
Finance costs		(4)	-	(14)	-
Profit before tax	B11	4,018	4,118	16,536	11,565
Tax expense	B5	(853)	(923)	(3,763)	(2,825)
Profit for the financial period		3,165	3,195	12,773	8,740
Other comprehensive income for the financial period		-	-	-	-
Comprehensive income for the financial period		3,165	3,195	12,773	8,740
Profit for the financial period attributable to:-					
- Owners of the Company		3,120	3,007	11,847	8,157
- Non-controlling interests		45	188	926	583
		3,165	3,195	12,773	8,740
Comprehensive income for the financial period attributable to:-					
- Owners of the Company		3,120	3,007	11,847	8,157
- Non-controlling interests		45	188	926	583
		3,165	3,195	12,773	8,740
Earnings per share:-	B10				
- Basic (sen)		0.58	0.58	2.23	1.57
- Diluted (sen)		0.58	0.58	2.21	1.57

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 2019 and the accompanying explanatory notes attached to this interim financial report.

FOUND PAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

Condensed Consolidated Statement Of Financial Position As At 31 March 2020

	As at 31.3.2020 (Unaudited) RM'000	As at 30.6.2019 (Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	26,507	23,207
Goodwill	12,647	12,647
	<u>39,154</u>	<u>35,854</u>
CURRENT ASSETS		
Inventories	3,662	3,472
Receivables	15,723	11,568
Prepayments	555	6,001
Current tax assets	33	22
Cash and cash equivalents	43,695	32,428
	<u>63,668</u>	<u>53,491</u>
CURRENT LIABILITIES		
Payables	2,987	3,242
Lease liabilities	216	-
Current tax liabilities	1,489	918
	<u>4,692</u>	<u>4,160</u>
NET CURRENT ASSETS	58,976	49,331
NON-CURRENT LIABILITIES		
Lease liabilities	56	-
Deferred tax liabilities	2,317	2,398
Deferred income on government grants	788	334
	<u>3,161</u>	<u>2,732</u>
NET ASSETS	<u>94,969</u>	<u>82,453</u>
EQUITY		
Share capital	59,944	51,960
Share option reserve	12	1,747
Revaluation surplus	1,852	1,852
Retained profits	29,951	24,613
Equity attributable to owners of the Company	<u>91,759</u>	<u>80,172</u>
Non-controlling interests	3,210	2,281
TOTAL EQUITY	<u>94,969</u>	<u>82,453</u>
Net assets per share attributable to owners of the Company (sen)	<u>16.92</u>	<u>15.45</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 2019 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 Period Ended 31 March 2020

	Non-distributable			Distributable	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital RM'000	Share option reserve RM'000	Revaluation surplus RM'000	Retained profits RM'000	RM'000	RM'000	RM'000
Balance as at 1 July 2019	51,960	1,747	1,852	24,613	80,172	2,281	82,453
Share-based payments	-	117	-	(3)	114	3	117
Issue of shares pursuant to Employees' Share Option Scheme	7,984	(1,852)	-	-	6,132	-	6,132
Dividend	-	-	-	(6,506)	(6,506)	-	(6,506)
Total transactions with owners	7,984	(1,735)	-	(6,509)	(260)	3	(257)
Profit (representing comprehensive income) for the financial period	-	-	-	11,847	11,847	926	12,773
Balance as at 31 March 2020	<u>59,944</u>	<u>12</u>	<u>1,852</u>	<u>29,951</u>	<u>91,759</u>	<u>3,210</u>	<u>94,969</u>
Balance as at 1 July 2018	51,605	1,155	-	18,019	70,779	1,660	72,439
Share-based payments	211	(49)	-	-	162	-	162
Issue of shares pursuant to Employees' Share Option Scheme	-	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>-</u>	<u>20,964</u>	<u>74,494</u>	<u>2,269</u>	<u>76,763</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 2019 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 2020**

	Current Period-To-Date Ended 31.3.2020 RM'000	Corresponding Preceding Period-To-Date Ended 31.3.2019 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	16,536	11,565
Adjustments for:-		
Amortisation of deferred income	(329)	-
Depreciation	3,268	2,265
Gain on disposal of property, plant and equipment	(62)	(3)
Impairment loss on receivables	-	100
Interest expense for lease liabilities	14	-
Interest income	(919)	(856)
Inventories written down	77	-
Reversal of inventories written down	(63)	-
Share-based payments	117	608
Unrealised (gain)/loss on foreign exchange	(19)	29
Operating profit before working capital changes	18,620	13,708
Changes in:-		
Inventories	(204)	(1,180)
Receivables	(4,155)	(1,473)
Prepayments	5,446	1,154
Payables	(255)	317
Cash generated from operations	19,452	12,526
Tax paid	(3,537)	(2,129)
Tax refunded	253	2
Net cash from operating activities	16,168	10,399
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(6,148)	(6,458)
Grant received	783	-
Interest received	919	856
Proceeds from disposal of property, plant and equipment	67	3
Net cash used in investing activities	(4,379)	(5,599)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to owners of the Company	(6,506)	(5,186)
Issue of shares	6,132	162
Payment of lease liabilities	(167)	-
Net cash used in financing activities	(541)	(5,024)
Effect of exchange rate changes on cash and cash equivalents	19	(6)
Net increase/(decrease) in cash and cash equivalents	11,267	(230)
Cash and cash equivalents brought forward	32,428	33,144
Cash and cash equivalents carried forward	43,695	32,914
Analysis of cash and cash equivalents:-		
- Short-term highly liquid investments	41,692	28,366
- Cash and bank balances	2,003	4,548
	43,695	32,914

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 2019 and the accompanying explanatory notes attached to this interim financial report.

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(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020

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 2019 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 2019 except for the adoption of the following MFRS:-

The following MFRSs became effective for the financial period under review:-

MFRS	Effective for annual periods beginning on or after
MFRS 16 <i>Leases</i>	1 January 2019
IC Interpretation 23 <i>Uncertainty over Income Tax Treatments</i>	1 January 2019
Amendments to MFRS 9 <i>Prepayment Features with Negative Compensation</i>	1 January 2019
Amendments to MFRS 119 <i>Plan Amendment, Curtailment or Settlement</i>	1 January 2019
Amendments to MFRS 128 <i>Long-term Interests in Associates and Joint Ventures</i>	1 January 2019
Annual Improvements to MFRS Standards 2015 - 2017 Cycle	1 January 2019

The initial application of the above MFRSs did not have any significant impacts on the interim financial report except as follows:-

MFRS 16 *Leases*

MFRS 16, which replaces MFRS 117 *Leases* and other related interpretations, eliminates the distinction between finance and operating leases for lessees. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

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Registration No.: 201501040628 (1165946-H)

Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020

Part A: Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting (cont'd)**A1 Basis of Preparation (cont'd)**

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

MFRS (issued as at the end of the reporting period)	Effective for annual periods beginning on or after
MFRS 17 <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 3 <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 9, MFRS 139, MFRS 7 <i>Interest Rate Benchmark Reform</i>	1 January 2020
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 101 and MFRS 108 <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2020
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020

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

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 current quarter, the Company issued 13,879,500 new ordinary shares at exercise price of RM0.265 pursuant to the Employees' Shares Option Scheme.

Save as disclosed above, 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 RM0.012 per share amounting to RM6,506,070 in respect of the financial year ending 30 June 2020 was paid by the Company on 28 February 2020.

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Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020**Part A: Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting (cont'd)****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

	Precision engineering RM'000	Laser stencils RM'000	Total RM'000
<u>Financial period ended 31.3.2020</u>			
STATEMENT OF FINANCIAL POSITION			
Segment assets	75,946	26,876	102,822
Included in the measure of segment assets are:-			
- Additions to non-current assets	5,825	323	6,148
Segment liabilities	6,848	1,005	7,853
STATEMENT OF COMPREHENSIVE INCOME			
Segment profit	9,074	3,699	12,773
Included in the measure of segment profit are:-			
- External revenue	28,796	9,841	38,637
- Interest income	807	112	919
- Interest expense	-	14	14
- Non-cash income	411	-	411
- Depreciation	2,841	427	3,268
- Other non-cash expenses	184	10	194
- Tax expense	2,637	1,126	3,763
<u>Financial period ended 31.3.2019</u>			
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
- Interest expense	-	-	-
- Non-cash income	-	-	-
- Depreciation	2,033	232	2,265
- Other non-cash expenses	633	104	737
- Tax expense	1,947	878	2,825

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Registration No.: 201501040628 (1165946-H)

Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020**Part A: Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("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 Period	
	Current	Corresponding	Current	Corresponding
	Quarter	Preceding	Period-To-Date	Preceding
	Ended	Quarter	Ended	Period-To-Date
	31.3.2020	Ended	31.3.2020	Ended
	RM'000	31.3.2019	RM'000	31.3.2019
		RM'000		RM'000
Malaysia	1,861	2,032	6,173	7,366
Other Asian countries	2,647	2,622	12,195	6,681
North America	4,394	2,724	14,125	9,599
Europe	2,225	4,232	6,116	9,262
Others	16	-	28	-
	<u>11,143</u>	<u>11,610</u>	<u>38,637</u>	<u>32,908</u>

A8 Contractual Commitments

	31.3.2020
	RM'000
Purchase of property, plant and equipment	<u>1,093</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 2019.

A11 Material Events

There were no other material events subsequent to 31 March 2020 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 2020.

FOUNDPAC GROUP BERHAD

(Incorporated in Malaysia)

Registration No.: 201501040628 (1165946-H)

Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020

Part A: Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting (cont’d)

A13 Financial Instruments (cont’d)

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 land and 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, payables and lease liabilities which are short-term in nature or repayable on demand are reasonable approximations of fair values. The fair values of lease liabilities are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2).

The fair values of unquoted investments that are not making an adequate return on assets or are making only marginal levels of profits are measured using the adjusted net asset method which involves deriving the fair values of the investees' equity instruments by reference to the fair values of their assets and liabilities (i.e. Level 3).

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

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Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020

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 Corresponding				Cumulative Period Corresponding			
	Current	Preceding			Current	Preceding		
	Quarter	Quarter			Period-To-Date	Period-To-Date		
	Ended	Ended			Ended	Ended		
	31.3.2020	31.3.2019	Variance		31.3.2020	31.3.2019	Variance	
	RM'000	RM'000	RM'000	%	RM'000	RM'000	RM'000	%
Revenue	11,143	11,610	(467)	(4.02)	38,637	32,908	5,729	17.41
Profit before tax	4,018	4,118	(100)	(2.43)	16,536	11,565	4,971	42.98
Profit for the financial period	3,165	3,195	(30)	(0.94)	12,773	8,740	4,033	46.14
Profit attributable to owners of the Company	3,120	3,007	113	3.76	11,847	8,157	3,690	45.24

Current Period vs Corresponding Preceding Period

For the current quarter, the Group recorded revenue of RM11.143 million and profit before tax ("PBT") of RM4.018 million respectively.

Decrease in revenue for the current quarter, which representing decrease of RM0.467 million or 4.02% as compared to revenue of RM11.610 million recorded in the corresponding preceding quarter ended 31 March 2019 ("Corresponding Preceding Quarter"), was mainly attributable to the lower revenue contribution in export sales from laser stencils segment.

The export sales remained the main contributor to our Group's total revenue for the current quarter, which accounted for RM9.282 million or 83.30% of our Group's total revenue for the current quarter. Export sales recorded in the current quarter is slightly lower by RM0.296 million or 3.09% as compared to RM9.578 million recorded in the Corresponding Preceding Quarter. This was mainly due to decrease in revenue generated from our customers in Europe by RM2.007 million and partially offset against surge in revenue contributed by our customers in North America by RM1.670 million.

Our Group recorded PBT of RM4.018 million for the current quarter, representing decrease of RM0.100 million or 2.43% as compared to PBT of RM4.118 million recorded 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 RM38.637 million and total PBT of RM16.536 million respectively.

The higher revenue for the current financial period-to-date, which representing an increase of RM5.729 million or 17.41% as compared to revenue of RM32.908 million recorded in the corresponding preceding cumulative period ended 31 March 2019 ("Corresponding Preceding Cumulative Period"), was mainly attributable to the higher revenue contribution from both precision engineering and laser stencils segments.

Our Group recorded PBT of RM16.536 million for the current financial period-to-date, representing an increase of RM4.971 million or 42.98% as compared to PBT of RM11.565 million recorded in Corresponding Preceding Cumulative Period. The increase in PBT was mainly due to higher revenue coupled with cost saving measures taken by the Group.

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

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Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020

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

	Current Quarter Ended 31.3.2020 RM'000	Immediate Preceding Quarter Ended 31.12.2019 RM'000	Variance RM'000	%
Revenue	11,143	14,532	(3,389)	(23.32)
Profit before tax	4,018	6,619	(2,601)	(39.30)
Profit for the financial period	3,165	5,186	(2,021)	(38.97)
Profit attributable to owners of the Company	3,120	4,646	(1,526)	(32.85)

The Group recorded revenue of RM11.143 million in the current quarter, which was RM3.389 million or 23.32% lower than the revenue of RM14.532 million recorded in the immediate preceding quarter. Both segments of the Group; precision engineering and laser stencils segments recorded decrease in revenue by RM1.021 million and RM2.368 million respectively.

The Group recorded PBT of RM4.018 million in the current quarter as compared to RM6.619 million attained in the immediate preceding quarter. Decrease in PBT of RM2.601 million was mainly attributable to decrease in revenue.

B3 Commentary on Prospects

The current Covid-19 pandemic's economic challenges are unprecedented. The Covid-19 pandemic is threatening not only healthcare systems, but also the livelihoods of citizens and the stability of economies. It has caused interruptions to the global supply chain and volatility in the business environment.

At this juncture, there are still many uncertainties looming on the impact of the Covid-19 on the world economies. Taking the current world economies coupled with nationwide Movement Control Order, the Board views that market outlook become more challenging but the Board remained cautiously optimistic about our prospect in the coming 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.

B4 Profit Forecast

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

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Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020**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	Corresponding	Current	Corresponding
	Quarter	Preceding	Period-To-Date	Preceding
	Ended	Quarter	Ended	Period-To-Date
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
	RM'000	RM'000	RM'000	RM'000
Current tax	874	918	3,844	2,729
Deferred tax	(21)	5	(81)	96
	<u>853</u>	<u>923</u>	<u>3,763</u>	<u>2,825</u>

The effective tax rates of the Group for the current quarter, corresponding preceding quarter and current period-to-date were lower than the statutory tax rate of 24%. This was mainly due to tax incentive enjoyed by certain subsidiaries.

The effective tax rate of the Group for the preceding period-to-date was higher than the statutory tax rate of 24%. This was mainly due to non-deductible expenses.

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.

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Explanatory Notes to Condensed Consolidated Financial Statements - 31 March 2020**Part B: Explanatory Notes Pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad (cont'd)****B10 Earnings Per Share ("EPS")**

	Individual Quarter Corresponding		Cumulative Period Corresponding	
	Current Quarter Ended 31.3.2020	Preceding Quarter Ended 31.3.2019	Current Period-To-Date Ended 31.3.2020	Preceding Period-To-Date Ended 31.3.2019
Profit attributable to owners of the Company (RM'000)	3,120	3,007	11,847	8,157
Weighted average number of shares for computing basic EPS ('000)	542,173	518,612	530,153	518,612
Basic EPS (sen)	<u>0.58</u>	<u>0.58</u>	<u>2.23</u>	<u>1.57</u>
Weighted average number of shares for computing diluted EPS ('000)	542,271	518,612	536,605	518,612
Diluted EPS (sen)	<u>0.58</u>	<u>0.58</u>	<u>2.21</u>	<u>1.57</u>

B11 Profit Before Tax

	Individual Quarter Corresponding		Cumulative Period Corresponding	
	Current Quarter Ended 31.3.2020 RM'000	Preceding Quarter Ended 31.3.2019 RM'000	Current Period-To-Date Ended 31.3.2020 RM'000	Preceding Period-To-Date Ended 31.3.2019 RM'000
Profit before tax is arrived at after charging/(crediting):-				
Amortisation of deferred income	(60)	-	(329)	-
Depreciation of property, plant and equipment	1,058	870	3,268	2,265
Gain on disposal of property, plant and equipment	-	-	(62)	(3)
Impairment loss on receivables	-	-	-	100
Interest expense	4	-	14	-
Interest income	(322)	(303)	(919)	(856)
Inventories written down	-	-	77	-
Loss/(Gain) on foreign exchange:-				
- Realised	66	158	(17)	(84)
- Unrealised	(51)	(3)	(19)	29
Reversal of inventories written down	<u>(55)</u>	<u>-</u>	<u>(63)</u>	<u>-</u>

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.