

Company No.: 811010-H

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2014

	Unaudited As at 31.05.2014 RM'000	Audited As at 31.05.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,960	5,541
Intangible assets	1,187	1,144
	<u>7,147</u>	<u>6,685</u>
Current assets		
Inventories	988	1,460
Trade receivables	5,450	5,527
Other receivables, deposits and prepayments	937	136
Tax recoverable	327	238
Fixed deposits with licensed bank	14,020	14,979
Cash and bank balances	8,022	5,074
	<u>29,744</u>	<u>27,414</u>
TOTAL ASSETS	<u>36,891</u>	<u>34,099</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	9,800	9,800
Share premium	707	707
Other reserve	(2,600)	(2,600)
Translation reserve	(15)	(29)
Retained earnings	27,302	24,524
	<u>35,194</u>	<u>32,402</u>
Total equity	<u>35,194</u>	<u>32,402</u>
Non-current liabilities		
Deferred tax liabilities	657	713
	<u>657</u>	<u>713</u>
Current liabilities		
Trade payables	472	554
Other payables and accruals	529	423
Tax payable	39	7
	<u>1,040</u>	<u>984</u>
Total liabilities	<u>1,697</u>	<u>1,697</u>
TOTAL EQUITY AND LIABILITIES	<u>36,891</u>	<u>34,099</u>
Net assets per share (RM)	<u>0.36</u>	<u>0.33</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 May 2013 and the accompanying explanatory notes attached to the interim financial statements.

Company No.: 811010-H

FIBON BERHAD
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER ENDED 31 MAY 2014**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31.05.2014 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31.05.2013 RM'000	CURRENT YEAR- TO-DATE 31.05.2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.05.2013 RM'000
Revenue	3,482	3,352	15,308	16,674
Cost of sales	-1,240	-1,150	-6,736	-6,744
Gross Profit	2,242	2,202	8,572	9,930
Other income	121	164	466	489
Selling & distribution costs	-42	-28	-191	-173
Administrative expenses	-829	-1,010	-3,463	-3,580
Profit Before Taxation	1,492	1,328	5,384	6,666
Income tax expense	-334	-305	-1,381	-1,761
Profit After Taxation	1,158	1,023	4,003	4,905
Other Comprehensive Income,	-	-	-	-
Foreign currency translation	14	-27	14	-27
Total Comprehensive Income For The Period	1,172	996	4,017	4,878
Profit Attributable to:				
Equity holders of the parent	1,158	1,023	4,003	4,905
Minority interest	-	-	-	-
	1,158	1,023	4,003	4,905
Total Comprehensive Income Attributable To :				
Equity holders of the parent	1,172	996	4,017	4,878
Minority interest	-	-	-	-
	1,172	996	4,017	4,878
Earnings per share attributable to equity holders of the Company:				
- Basic (Sen)	1.18	1.04	4.08	5.01
- Diluted	N/A	N/A	N/A	N/A

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 May 2013 and the accompanying explanatory notes attached to the interim financial statement.

Company No.: 811010-H

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 MAY 2014
(The figures have not been audited)

	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000
<u>12 months period ended 31 May 2014</u>						
As at 1 June 2013	9,800	707	(2,600)	(29)	24,524	32,402
Total comprehensive income for the period	-	-	-	14	4,003	4,017
Dividend paid	-	-	-	-	(1,225)	(1,225)
As at 31 May 2014	9,800	707	(2,600)	(15)	27,302	35,194
	Share Capital RM'000	Share Premium RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000
<u>12 months period ended 31 May 2013</u>						
As at 1 June 2012	9,800	707	(2,600)	(2)	20,746	28,651
Total comprehensive income for the period	-	-	-	(27)	4,905	4,878
Dividend paid	-	-	-	-	(1,127)	(1,127)
As at 31 May 2013	9,800	707	(2,600)	(29)	24,524	32,402

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2013 and the accompanying explanatory notes attached to the interim financial statements.

Company No.: 811010-H

FIBON BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FOURTH QUARTER ENDED 31 MAY 2014
(The figures have not been audited)

	CURRENT YEAR- TO-DATE 31.05.2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31.05.2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the financial period	5,384	6,666
Adjustments for:		
Amortisation of development expenditure	98	82
Depreciation of property, plant and equipment	391	381
Property, plant and equipment written off	-	2
Loss / (gain) on disposal of plant and equipment	12	(7)
Goodwill written off	46	-
Unrealised foreign exchange (gain) / loss	(122)	148
Interest income	(447)	(482)
Operating profit before changes in working capital	<u>5,362</u>	<u>6,790</u>
Changes in working capital:		
(Increase) / decrease in development expenditure	(140)	(18)
Decrease / (increase) in inventories	471	(198)
Increase in receivables	(716)	(958)
Decrease in payables	-	(180)
Cash generated from operations	<u>4,977</u>	<u>5,436</u>
Tax refund	271	-
Taxation paid	(1,771)	(2,090)
Net cash from operating activities	<u>3,477</u>	<u>3,346</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(843)	(549)
Proceeds from disposal of property, plant and equipment	24	19
Interest received	447	482
Investment in subsidiary	(40)	-
Net cash used in investing activities	<u>(412)</u>	<u>(48)</u>
CASH FLOWS FOR FINANCING ACTIVITY		
Dividend paid	(1,225)	(1,127)
Net cash used in financing activity	<u>(1,225)</u>	<u>(1,127)</u>
Effect of exchange rate changes	149	(88)
Net Change in Cash & Cash Equivalents	1,989	2,083
Cash and Cash Equivalents at beginning of period	20,053	17,970
Cash and Cash Equivalents at end of period	<u>22,042</u>	<u>20,053</u>
Cash and cash equivalents at the end of the financial period comprise the following:		
	31.05.2014 RM'000	31.05.2013 RM'000
Fixed deposits with licensed bank	14,020	14,979
Cash and bank balances	8,022	5,074
	<u>22,042</u>	<u>20,053</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 May 2013 and the accompanying explanatory notes attached to the interim financial statements.

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***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2014***

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134

1. Corporate Information

Fibon Berhad is a public limited liability company incorporated and domiciled in Malaysia and is listed on Bursa Malaysia Securities Berhad.

2. Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with MFRS 134 Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 May 2013. These explanatory notes attached to the interim financial statements provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2013.

3. Summary of significant accounting policies

The significant accounting policies adopted are consistent with those used in the preparation of the audited financial statements for the financial year ended 31 May 2013.

3.1 Changes in accounting policies and effects arising from adoption of new MFRSs, amendments to MFRSs and IC Interpretations

At beginning of current financial period, the Group has adopted the following new MFRSs, amendments to MFRSs and IC Interpretations:

- MFRS 10 Consolidated Financial Statements
- MFRS 11 Joint Arrangements
- MFRS 12 Disclosure of Interests in Other Entities
- MFRS 13 Fair Value Measurement

MFRS 13 defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. The scope of MFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other MFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in MFRS 13 are more extensive than those required in the current standards and therefore there will be no financial impact on the financial statements of the Company upon its initial application but may impact its future disclosures.

- MFRS 119 Employee Benefits
- MFRS 127 Separate Financial Statements
- MFRS 128 Investments in Associates and Joint Ventures
- Amendments to MFRS 7: Disclosures Offsetting Financial Assets and Financial Liabilities

The amendments to MFRS 7 (Disclosures - Offsetting Financial Assets and Financial Liabilities) require disclosures that will enable users of an entity's financial statements to evaluate the effect or potential, effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There will be no financial impact on the financial statements of the Company upon its initial application but may impact its future disclosures.

- Amendments to MFRS 10, MFRS 11 and MFRS 12: Transition Guidance
- IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MAY 2014

3. Summary of significant accounting policies (continued)

3.1 Changes in accounting policies and effects arising from adoption of new MFRSs, amendments to MFRSs and IC Interpretations (continued)

• Annual Improvements to MFRSs 2009 - 2011 Cycle

The Annual Improvements to MFRSs 2009 - 2011 Cycle contain amendments to MFRS 1, MFRS 101, MFRS 116, MFRS 132 and MFRS 134. These amendments are expected to have no material impact on the financial statements of the Company upon their initial application.

3.2 Standards and Interpretations issued but not yet effective

The following new and amended MFRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group:

Effective for financial periods beginning on or after 1 January 2014

- Amendments to MFRS 10, MFRS 12 and MFRS 127(2011): Investment Entities
- Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
The amendments to MFRS 132 provide the application guidance for criteria to offset financial assets and financial liabilities. Accordingly, there will be no financial impact on the financial statements of the Company upon its initial application but may impact its future disclosures.
- Amendments to MFRS 136: Recoverable Amount Disclosures for Non-financial Assets
The amendments to MFRS 136 remove the requirement to disclose the recoverable amount when a cash-generating unit (CGU) contains goodwill or intangible assets with indefinite useful lives but there has been no impairment. Therefore, there will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.
- Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting
The amendments to MFRS 139 allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated (i.e. parties have agreed to replace their original counterparty with a new one) to effect clearing with a central counterparty as a result of laws or regulations, if specific conditions are met. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.
- IC Interpretation 21 Levies
IC Interpretation 21 clarifies the accounting for an obligation to pay a levy that is not income tax. The obligation event that gives rise to a liability is the event identified by the legislation that triggers the obligation to pay the levy. The fact that an entity is economically compelled to continue operating in a future period, or prepares its financial statements under the going concern assumption, does not create an obligation. The application of the interpretation to liabilities arising from emissions trading schemes is optional.

Effective for financial periods beginning on or after 1 July 2014

- Amendments to MFRS 119: Defined Benefit Plans – Employee Contributions
The amendments to MFRS 119 simplify the accounting treatment of contributions from employees and third parties to defined benefit plans. Contributions that are independent of the number of years of service shall be recognised as a reduction in the service cost in the period in which the related service is rendered. For contributions that are dependent on the number of years of service, the Company is required to attribute those contributions to periods of service using either based on the plan's contribution formula or on a straight-line basis, as appropriate. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.
- Annual Improvements to MFRSs 2010 – 2012 Cycle
- Annual Improvements to MFRSs 2011 – 2013 Cycle

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***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2014***

3.2 Standards and Interpretations issued but not yet effective (Cont'd)

Effective for financial periods beginning on or after 1 January 2016

- MFRS 14 Regulatory Deferral Accounts
Not relevant to Malaysia.
- Amendments to MFRS 11:Accounting for Acquisitions of Interests in Joint Operations
Accounting for acquisition of interests in joint operations.
- Amendments to MFRS 116 and MFRS 138:Clarification of Acceptable Methods of Depreciation and Amortisation.
The amendments prohibit revenue-based depreciation/amortization because revenue does not, as a matter of principle, reflect the way in which an item of property, plant and equipment/intangible assets is used or consumed. Therefore, the Group will be changing its current depreciation/amortisation policy that based on revenue to the straight-line method, upon its initial application of the amendments. There will be no financial impact on the financial statements of the Group upon its initial application but may impact its future disclosures.

Effective date to be announced by MASB

- MFRS 9 (2009) Financial Instruments
- MFRS 9 (2010) Financial Instruments.
- MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 7, MFRS 9, MFRS 139)
- Amendments to MFRS 9 and MFRS 7: Mandatory Effective Date of MFRS 9 and Transition Disclosures

4. Audit Report

The auditor's report of the annual financial statements for the financial year ended 31 May 2013 did not contain any qualification.

5. Seasonal or Cyclical Factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

6. Items of Unusual Nature or Amount

There were no items affecting the assets, liabilities, equity, net income or cash flow during the current financial quarter under review that are unusual by reason of their size, nature or incidence.

7. Changes in Estimates

There were no changes to the estimates of amounts reported in prior financial years that may have a material effect in the current financial quarter.

8. Debts and Equity Securities

There were no issuance, repurchase, or repayment of debts and equity securities for the current financial period ended 31 May 2014.

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9. Acquisition and Disposal of Property, Plant and Equipment

Acquisitions

Below are the property, plant and equipment acquired by the Group during the period under review:

	Cost RM'000
Plant and machinery	194
Furniture, fittings and office equipment	42
Freehold building	292
Motor vehicles	178
Capital work in progress	137
	<u>843</u>

Disposals

Below is the plant and equipment disposed by the Group during the period under review:

	Cost RM'000	Net carrying amount RM'000	Sales proceeds RM'000	Loss on disposals RM'000
Plant and machinery	<u>42</u>	<u>36</u>	<u>24</u>	<u>12</u>
	<u>42</u>	<u>36</u>	<u>24</u>	<u>12</u>

10. Inventories

During the 12 months ended 31 May 2014, there was no write-down of inventories.

11. Fair Value Hierarchy

No transfers between any levels of the fair value hierarchy took place during the current interim period and the comparative period. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

The Group does not hold credit enhancements or collateral to mitigate credit risk. The carrying amount of financial assets therefore represents the potential credit risk.

12. Provisions for Cost of Restructuring

There was no provision for, or reversal of, costs of restructuring during the reporting period.

13. Dividends paid

There were no dividends paid during the current quarter under review.

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***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2014*****14. Segmental Information**

Sales revenue by geographical market for the twelve (12) months financial period ended 31 May 2014 is as follows:

	<u>Current period to date 31/05/2014</u> RM'000	<u>Preceding year corresponding period 31/05/2013</u> RM'000
Malaysia	4,981	5,310
Singapore	5,040	4,818
Australia	2,025	2,110
Indonesia	669	2,362
Europe	170	72
Others	2,423	2,002
Total	<u>15,308</u>	<u>16,674</u>

No other segmental information such as segment assets, liabilities and results are presented as the Group's manufacturing operation is predominantly in Malaysia.

15. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the end of the current financial quarter other than as disclosed below.

The Company through a wholly owned subsidiary, Fibon Electric (M) Sdn Bhd had on 22 November 2013 entered into a Sale and Purchase Agreement with Kind Action (M) Sdn Bhd (non related party) to acquire a piece of land measuring approximately 33 acres part of H.S.(D) 63864 Lot No. PTD 80577, Mukim Kluang, Daerah Kluang, Negeri Johor for a total cash consideration of RM7,890,000.00.

16. Changes in the Composition of the Group

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

17. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in the contingent liabilities and contingent assets since the end of the last annual balance sheet date.

18. Capital Commitments

	<u>As at 31/05/2014</u> RM'000	<u>As at 31/05/2013</u> RM'000
Property, plant and equipment		
- Approved and contracted for	<u>7,182</u>	-

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2014****B. Additional information required by BMSB Listing Requirements****1. Review of Performance**

In the current quarter ended 31 May 2014, the Group registered higher revenue of RM3,482,000 compared to previous corresponding quarter ended 31 May 2013 of RM3,352,000 as a result of increase in manufacturing sales. Profit before tax has increased from RM1,328,000 to RM1,492,000 as a result of higher sales and lower administrative expenses incurred.

2. Comparison With the Preceding Quarter's Results

The Group posted a lower revenue in the current quarter of RM3,482,000 as compared to the preceding quarter ended 28 February 2014 of RM4,318,000 representing an decrease of RM836,000. Profit before tax has increased from RM523,000 to RM1,492,000 mainly due to higher operating margin generated and lower administrative expenses incurred.

3. Commentary on the Prospects

Despite facing various general economic challenges, the Board of Directors of Fibon Berhad is of the opinion that the performance of the Group for the financial year ending 31 May 2015 will not be severely affected.

4. Profit Forecast and Profit Estimate

The Group did not issue any profit forecast or profit estimate previously or for the financial year ended 31 May 2014 in any public document and hence this information is not applicable.

5. Profit Before Tax

Profit before tax is arrived at after charging:-

	<u>Current quarter</u> 31/05/2014 RM'000	<u>Preceding year corresponding quarter</u> 31/05/2013 RM'000	<u>Current period to date</u> 31/05/2014 RM'000	<u>Preceding year corresponding period</u> 31/05/2013 RM'000
Audit fee				
- for the financial period	23	21	68	64
Amortisation of development expenditure	24	82	98	82
Depreciation of property, plant and equipment	105	101	391	381
Directors' fees	66	61	260	246
Directors non-fee emoluments	184	43	1,256	861
Goodwill written off	-	-	46	-
Loss on disposal of plant and equipment	12	-	12	-
Loss on foreign exchange - unrealised	26	36	-	148
- realised	-	248	-	211
Property, plant and equipment written off	-	2	-	2
Rental of premises	11	13	50	68
Research and development expenditure	163	153	624	591
and crediting:-				
Gain on foreign exchange - unrealised	-	-	(122)	-
- realised	(107)	(51)	(713)	(267)
Interest income	(110)	(162)	(447)	(482)
Gain on disposal of plant and equipment	-	(7)	-	(7)

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2014****6. Taxation**

	<u>Current quarter</u> 31/05/2014 RM'000	<u>Preceding year corresponding quarter</u> 31/05/2013 RM'000	<u>Current period to date</u> 31/05/2014 RM'000	<u>Preceding year corresponding period</u> 31/05/2013 RM'000
Income taxation in Malaysia				
- Current year	394	357	1,367	1,714
- (Over)/under provision in previous year	-	(11)	(19)	65
Foreign tax				
- Current year	16	29	90	75
- Under provision in previous year	-	-	3	-
Deferred taxation				
- Current year	(66)	(66)	108	(56)
- Over provision in previous year	-	(4)	(168)	(37)
	<u>334</u>	<u>305</u>	<u>1,381</u>	<u>1,761</u>

The effective tax rate of the Group was higher than the statutory tax rate mainly due to certain expenses which are not tax deductible.

7. Status of Corporate Proposals**a) Status of Corporate Proposal Announced but Not Completed**

There was no corporate proposal announced but not completed as at the date of this announcement unless otherwise disclosed.

b) Utilisation of Proceeds

As at 31 May 2014, the proceeds raised from the Public Issue of RM9.137 million is utilised in the following manner:

Purposes	Proceeds raised RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation RM'000	Extended Timeframe for Utilisation RM'000	Balance Unutilised/ Deviation RM'000	%	Explanations
(i) Research & development activities	1,848	1,848	18 December 2011	18 December 2012	0	-	@
(ii) Purchase of machineries	1,700	1,700	18 December 2011	18 December 2012	0	-	@ [^]
(iii) Geographical expansion	1,180	790	18 December 2011	18 December 2012	390	33	@ [^] &*
(iv) Working capital	2,409	3,469	-	-	(1,060)	-	*
(v) Listing expenses	2,000	1,330	-	-	670	-	*
Total	<u>9,137</u>	<u>9,137</u>			<u>0</u>		

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7. Status of Corporate Proposals (continued)

b) Utilisation of Proceeds (continued)

Notes:

@ The initial approved time frame for utilisation is 3 years from the date of listing. The Board of Directors have decided to extend the time frame for all remaining unutilised portions for another twelve (12) months period until 18 December 2012 in accordance with announcement made on 31 October 2011.

^ The initial approved time frame for utilisation is 3 years from the date of listing. The Board of Directors have decided to extend the time frame for all remaining unutilised portions for another twelve (12) months period until 18 December 2013 in accordance with announcement made on 18 January 2013.

& The Board of Directors have decided not to extend the time frame for remaining unutilised portion of geographical expansion of RM390,000 but to change as working capital in accordance with announcement made on 19 September 2013.

* The underutilisation of the listing expenses and geographical expansion were adjusted to working capital.

8. Group borrowings

As at 31 May 2014, the Group has no borrowings save for banking facilities utilised amounting to RM16,000 in the form of bank guarantee.

9. Realised and Unrealised Profits of the Group

	As at 31/05/2014	As at 31/05/2013
	RM'000	RM'000
Realised profits	26,530	25,385
Unrealised gain/(loss)	772	(861)
	<u>27,302</u>	<u>24,524</u>

10. Material Litigation

As at the date of this quarterly report, there are no material litigations against the Group or taken by the Group.

11. Dividend

At the forthcoming Annual General Meeting, a first and final single tier dividend of 1.10 sen per ordinary share amounting to RM1,078,000 in respect of the financial year ended 31 May 2014 will be proposed for shareholders' approval.

12. Disclosure of Nature of Outstanding Derivatives

There were no outstanding derivatives as at the end of the reporting period.

13. Rationale for Entering into Derivatives

The Group did not enter into any derivatives during the period ended 31 May 2014 or the previous financial year ended 31 May 2013.

14. Risks and Policies of Derivatives

The Group did not enter into any derivatives during the period ended 31 May 2014 or the previous financial year ended 31 May 2013.

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***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MAY 2014*****15. Disclosure of Gains/Losses Arising from Fair Value Changes of Financial Liabilities**

The Group did not have any financial liabilities measured at fair value through profit or loss as at 31 May 2014 or the previous financial year ended 31 May 2013.

16. Earnings per Share ("EPS")**(i) Basic EPS**

The basic EPS is calculated by dividing the net profit for the current financial quarter ended 31 May 2014 by the weighted average number of ordinary shares in issue during the period.

(ii) Dilutive EPS

There are no dilutive securities currently issued by Fibon Berhad and hence, no computation on diluted EPS.

	Current Quarter	12 Months Cumulative To Date
Net profit (RM'000)	1,158	4,003
Weighted average number of ordinary shares in issue ('000)	98,000	98,000
Basic earnings per share (sen)	1.18	4.08
Diluted earnings per share (sen)	-	-