

**FIBON BERHAD**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2014**

	Unaudited As at 30.11.2014 RM'000	Audited As at 31.05.2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,887	5,960
Intangible assets	1,187	1,187
	<u>7,074</u>	<u>7,147</u>
<b>Current assets</b>		
Inventories	1,307	989
Trade receivables	6,079	5,450
Other receivables, deposits and prepayments	1,493	937
Tax recoverable	451	314
Fixed deposits with licensed bank	13,960	14,020
Cash and bank balances	9,068	8,022
	<u>32,358</u>	<u>29,732</u>
<b>TOTAL ASSETS</b>	<u><b>39,432</b></u>	<u><b>36,879</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	9,800	9,800
Share premium	707	707
Other reserve	(2,600)	(2,600)
Translation reserve	(49)	(15)
Retained earnings	28,399	27,302
	<u>36,257</u>	<u>35,194</u>
<b>Total equity</b>	<u><b>36,257</b></u>	<u><b>35,194</b></u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	698	645
	<u>698</u>	<u>645</u>
<b>Current liabilities</b>		
Trade payables	533	472
Other payables and accruals	796	529
Tax payable	70	39
Dividend payable	1,078	-
	<u>2,477</u>	<u>1,040</u>
<b>Total liabilities</b>	<u><b>3,175</b></u>	<u><b>1,685</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>39,432</b></u>	<u><b>36,879</b></u>
<b>Net assets per share (RM)</b>	<u><b>0.37</b></u>	<u><b>0.36</b></u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 May 2014 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 SECOND QUARTER ENDED 30 NOVEMBER 2014**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30.11.2014 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.11.2013 RM'000	CURRENT YEAR- TO-DATE 30.11.2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.11.2013 RM'000
Revenue	3,754	3,944	7,379	7,508
Cost of sales	-1,089	-1,887	-2,381	-2,946
<b>Gross Profit</b>	<b>2,665</b>	<b>2,057</b>	<b>4,998</b>	<b>4,562</b>
Other income	97	160	196	240
Selling & distribution costs	-48	-57	-113	-110
Administrative expenses	-946	-1,034	-2,071	-1,322
<b>Profit Before Taxation</b>	<b>1,768</b>	<b>1,126</b>	<b>3,010</b>	<b>3,370</b>
Income tax expense	-428	-436	-835	-852
<b>Profit After Taxation</b>	<b>1,340</b>	<b>690</b>	<b>2,175</b>	<b>2,518</b>
<b>Other Comprehensive Income,</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Foreign currency translation	(34)	(3)	(34)	(3)
<b>Total Comprehensive Income For The Period</b>	<b>1,306</b>	<b>687</b>	<b>2,141</b>	<b>2,515</b>
Profit Attributable to:				
Equity holders of the parent	1,340	690	2,175	2,518
Minority interest	-	-	-	-
	<b>1,340</b>	<b>690</b>	<b>2,175</b>	<b>2,518</b>
Total Comprehensive Income Attributable To :				
Equity holders of the parent	1,306	687	2,141	2,515
Minority interest	-	-	-	-
	<b>1,306</b>	<b>687</b>	<b>2,141</b>	<b>2,515</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
- Basic (Sen)	1.37	0.70	2.22	2.57
- 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 2014 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 SECOND QUARTER ENDED 30 NOVEMBER 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
<b><u>6 months period ended 30 November 2014</u></b>						
As at 1 June 2014	9,800	707	(2,600)	(15)	27,302	35,194
Total comprehensive income for the period	-	-	-	(34)	2,175	2,141
Dividend payable	-	-	-	-	(1,078)	(1,078)
As at 30 November 2014	9,800	707	(2,600)	(49)	28,399	36,257
<b><u>6 months period ended 30 November 2013</u></b>						
As at 1 June 2013	9,800	707	(2,600)	(29)	24,524	32,402
Total comprehensive income for the period	-	-	-	(3)	2,518	2,515
Dividend payable	-	-	-	-	(1,225)	(1,225)
As at 30 November 2013	9,800	707	(2,600)	(32)	25,817	33,692

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2014 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 SECOND QUARTER ENDED 30 NOVEMBER 2014**  
(The figures have not been audited)

	<b>CURRENT YEAR- TO-DATE 30.11.2014 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30.11.2013 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax for the financial period	3,010	3,370
Adjustments for:		
Amortisation of development expenditure	49	49
Depreciation of property, plant and equipment	216	186
Goodwill written off	-	46
Unrealised foreign exchange gain	(57)	(232)
Interest income	(180)	(231)
Operating profit before changes in working capital	<u>3,038</u>	<u>3,188</u>
Changes in working capital:		
Increase in development expenditure	(50)	-
(Increase)/decrease in inventories	(331)	156
(Increase)/decrease in receivables	(1,158)	491
Increase in payables	320	740
Cash generated from operations	<u>1,819</u>	<u>4,575</u>
Tax refund	-	4
Taxation paid	(885)	(884)
Net cash from operating activities	<u>934</u>	<u>3,695</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(146)	(158)
Interest received	180	231
Investment in subsidiary	-	(40)
Net cash from/(used in) investing activities	<u>34</u>	<u>33</u>
Effect of exchange rate changes	18	268
<b>Net Change in Cash &amp; Cash Equivalents</b>	<b>986</b>	<b>3,996</b>
<b>Cash and Cash Equivalents at beginning of period</b>	<b>22,042</b>	<b>20,053</b>
<b>Cash and Cash Equivalents at end of period</b>	<b><u>23,028</u></b>	<b><u>24,049</u></b>
<b>Cash and cash equivalents at the end of the financial period</b>		
<b>comprise the following:</b>	<b>30.11.2014</b>	<b>30.11.2013</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits with licensed bank	13,960	9,825
Cash and bank balances	9,068	14,224
	<u>23,028</u>	<u>24,049</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 May 2014 and the accompanying explanatory notes attached to the interim financial statements.

**FIBON BERHAD (Company No. 811010-H)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 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 2014. 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 2014.

**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 2014.

**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:

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. 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 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.

The adoption of the above accounting standards and interpretations (including the consequential amendments) did not have any material impact on the Group's financial statements.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014**

**3. Summary of significant accounting policies (continued)**

**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 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 Group 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**  
The Annual Improvements to MFRSs 2010 – 2012 Cycle contain amendments to MFRS 2, MFRS 3, MFRS 8, MFRS 13, MFRS 116, MFRS 124 and MFRS 138. These amendments have no material impact on the financial statements of the Group upon their initial application but may impact its future disclosures.
- **Annual Improvements to MFRSs 2011 – 2013 Cycle**  
The Annual Improvements to MFRSs 2011 – 2013 Cycle contain amendments to MFRS 1, MFRS 3, MFRS 13, MFRS 140. These amendments have no material impact on the financial statements of the Group upon their initial application but may impact its future disclosures.

*Effective for financial periods beginning on or after 1 January 2016*

- **MFRS 14 Regulatory Deferral Accounts**
- **Amendments to MFRS 11 : Accounting for Acquisitions of Interests in Joint Operations**
- **Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation**  
The amendments to MFRS 116 and MFRS 138 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.

**4. Audit Report**

The auditor's report of the annual financial statements for the financial year ended 31 May 2014 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.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014**

**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 30 November 2014.

**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:

	<b>Cost RM'000</b>
Plant and machinery	28
Motor vehicles	71
Furniture, fittings and office equipment	7
Capital work in progress	40
	<u>146</u>

**10. Inventories**

During the 6 months ended 30 November 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.

**14. Segmental Information**

The segment information in respect of the Group's operating segments are as follows:

- i) Sales of goods – manufacturing & trading of electrical insulators, electrical enclosures & metre boards.
- ii) Financing income – engaging in financial business of leasing, factoring, development finance & building credit activities.

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014****14. Segmental Information (Cont'd)**

Period ended 30.11.2014	Sales of Goods (RM'000)	Financing Income (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
<b>Revenue:</b>				
External customers	7,302	77	-	7,379
<b>Results:</b>				
Interest income	180	-	-	180
Depreciation and amortisation	265	-	-	265
Segment profit	3,021	(11)	-	3,010
<b>Assets:</b>				
Capital expenditure	146	-	-	146
Segment assets	38,478	1,899	(945)	39,432
<b>Segment Liabilities</b>	<b>3,105</b>	<b>70</b>	<b>-</b>	<b>3,175</b>

There were no comparative information required due to the Group derived its financing income starting from this financial year.

**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 under review that has not been reflected.

**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</u> <u>30/11/2014</u> RM'000	<u>As at</u> <u>31/05/2014</u> RM'000
Property, plant and equipment		
- Approved and contracted for	7,101	7,101
- Approved and not contracted for	-	-
	<u>7,101</u>	<u>7,101</u>



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(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014****B. Additional information required by BMSB Listing Requirements****1. Review of Performance**

In the current quarter ended 30 November 2014, the Group registered lower revenue of RM3,754,000 compared to previous corresponding quarter ended 30 November 2013 of RM3,944,000 mainly due to decrease in trading sales. Profit before tax has increased from RM1,126,000 to RM1,768,000 as a result of higher profit margin generated from manufacturing products.

**2. Comparison With the Preceding Quarter's Results**

The Group posted a higher revenue in the current quarter of RM3,754,000 as compared to the preceding quarter ended 31 August 2014 of RM3,625,000 representing an increase of RM129,000. Profit before tax has increased from RM1,242,000 to RM1,768,000 mainly due to higher foreign exchange gain 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 ending 31 May 2015 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> 30/11/2014 RM'000	<u>Preceding year corresponding quarter</u> 30/11/2013 RM'000	<u>Current period to date</u> 30/11/2014 RM'000	<u>Preceding year corresponding period</u> 30/11/2013 RM'000
Audit fee				
- for the financial period	16	15	32	30
Amortisation of development expenditure	25	25	50	49
Depreciation of property, plant and equipment	107	96	215	186
Directors' fees	66	66	132	128
Directors non-fee emoluments	511	453	689	573
Goodwill written off	-	-	-	46
Rental of premises	15	13	30	26
Research and development expenditure	163	145	327	291
<b>and crediting:-</b>				
Gain on foreign exchange - unrealised	(116)	-	(57)	(232)
- realised	(200)	(128)	(27)	(362)
Interest income	(90)	(160)	(180)	(231)

**FIBON BERHAD (Company No. 811010-H)**

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014****6. Taxation**

	<u>Current quarter</u> 30/11/2014 RM'000	<u>Preceding year corresponding quarter</u> 30/11/2013 RM'000	<u>Current period to date</u> 30/11/2014 RM'000	<u>Preceding year corresponding period</u> 30/11/2013 RM'000
<b>Income taxation in Malaysia</b>				
- Current year	404	294	718	817
- Over provision in previous year	(6)	(19)	(6)	(19)
<b>Foreign tax</b>				
- Current year	35	25	67	55
- Under provision in previous year	3	3	3	3
<b>Deferred taxation</b>				
- Current year	21	133	1	164
- (Over)/under provision in previous year	(29)	-	52	(168)
	<b>428</b>	<b>436</b>	<b>835</b>	<b>852</b>

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

**8. Group borrowings**

As at 30 November 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**

	<b>As at 30/11/2014 RM'000</b>	<b>As at 31/05/2014 RM'000</b>
Realised profits	29,040	27,825
Unrealised losses	(641)	(523)
	<b>28,399</b>	<b>27,302</b>

**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**

No dividend has been declared for the quarter under review.

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 has been approved by shareholders at the Annual General Meeting held on 29 October 2014 and has been paid on 29 December 2014.

**12. Disclosure of Nature of Outstanding Derivatives**

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

**FIBON BERHAD (Company No. 811010-H)**

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2014***

**13. Rationale for Entering into Derivatives**

The Group did not enter into any derivatives during the period ended 30 November 2014 or the previous financial year ended 31 May 2014.

**14. Risks and Policies of Derivatives**

The Group did not enter into any derivatives during the period ended 30 November 2014 or the previous financial year 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 30 November 2014 or the previous financial year ended 31 May 2014.

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

**(i) Basic EPS**

The basic EPS is calculated by dividing the net profit for the current financial quarter ended 30 November 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.

	<b>Current Quarter</b>	<b>6 Months Cumulative To Date</b>
Net profit (RM'000)	1,340	2,175
Weighted average number of ordinary shares in issue ('000)	98,000	98,000
Basic earnings per share (sen)	1.37	2.22
Diluted earnings per share (sen)	-	-