

**FIBON BERHAD**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 NOVEMBER 2020**

	<b>Unaudited</b> <b>As at</b> <b>30.11.2020</b> <b>RM'000</b>	<b>Audited</b> <b>As at</b> <b>31.05.2020</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	12,895	13,032
Intangible assets	877	877
Deferred tax assets	24	23
	<u>13,796</u>	<u>13,932</u>
<b>Current assets</b>		
Inventories	1,592	1,594
Trade receivables	3,772	5,512
Other receivables, deposits and prepayments	43	168
Tax recoverable	642	416
Fixed deposits with licensed bank	29,327	27,646
Cash and bank balances	3,334	3,449
	<u>38,710</u>	<u>38,785</u>
<b>TOTAL ASSETS</b>	<b><u>52,506</u></b>	<b><u>52,717</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	10,507	10,507
Other reserve	(2,600)	(2,600)
Translation reserve	141	100
Treasury shares	(135)	(135)
Retained earnings	42,913	42,312
	<u>50,826</u>	<u>50,184</u>
<b>Total equity</b>	<b><u>50,826</u></b>	<b><u>50,184</u></b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	493	496
	<u>493</u>	<u>496</u>
<b>Current liabilities</b>		
Trade payables	242	531
Other payables and accruals	945	1,492
Tax payable	-	14
	<u>1,187</u>	<u>2,037</u>
<b>Total liabilities</b>	<b><u>1,680</u></b>	<b><u>2,533</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>52,506</u></b>	<b><u>52,717</u></b>
	-	-
<b>Net assets per share (RM)</b>	<b>0.52</b>	<b>0.51</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

**FIBON BERHAD**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 30 NOV 2020**  
(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 30.11.2020 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 30.11.2019 RM'000	CURRENT YEAR- TO-DATE 30.11.2020 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30.11.2019 RM'000
Revenue	3,159	3,357	5,976	7,244
Cost of sales	(1,068)	(1,300)	(2,314)	(2,404)
<b>Gross Profit</b>	<b>2,091</b>	<b>2,057</b>	<b>3,662</b>	<b>4,840</b>
Other income	263	334	477	469
Selling & distribution costs	(147)	(67)	(251)	(147)
Administrative expenses	(1,573)	(1,522)	(3,034)	(3,651)
<b>Profit / (Loss) Before Taxation</b>	<b>634</b>	<b>802</b>	<b>854</b>	<b>1,511</b>
Income tax expense	(207)	(265)	(253)	(487)
<b>Profit / (Loss) After Taxation</b>	<b>427</b>	<b>537</b>	<b>601</b>	<b>1,024</b>
<b>Other Comprehensive Income</b>				
<b>Net of Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Foreign currency translation	(18)	(23)	41	(23)
<b>Total Comprehensive Income / (Loss) For The Period</b>	<b>409</b>	<b>514</b>	<b>642</b>	<b>1,001</b>
Profit / (Loss) Attributable to:				
Equity holders of the parent	427	537	601	1,024
Minority interest	-	-	-	-
	<b>427</b>	<b>537</b>	<b>601</b>	<b>1,024</b>
Total Comprehensive Income / (Loss) Attributable To :				
Equity holders of the parent	409	514	642	1,001
Minority interest	-	-	-	-
	<b>409</b>	<b>514</b>	<b>642</b>	<b>1,001</b>
<b>Earnings per share attributable to equity holders of the Company:</b>				
- Basic (Sen)	0.44	0.55	0.62	1.04
- 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 2020 and the accompanying explanatory notes attached to the interim financial statement.

**FIBON BERHAD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SECOND QUARTER ENDED 30 NOV 2020**  
(The figures have not been audited)

	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000
<b><u>6 months period ended 30 Nov 2020</u></b>							
As at 1 June 2020	10,507	-	(135)	(2,600)	100	42,312	50,184
Total comprehensive income for the period	-	-	-	-	41	601	642
<b>As at 30 Nov 2020</b>	<b>10,507</b>	<b>-</b>	<b>(135)</b>	<b>(2,600)</b>	<b>141</b>	<b>42,913</b>	<b>50,826</b>
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Merger Deficit RM'000	Translation Reserve RM'000	Retained Profits RM'000	Total RM'000
<b><u>6 months period ended 30 Nov 2019</u></b>							
As at 1 June 2019	10,507	-	(83)	(2,600)	102	40,866	48,792
Total comprehensive income for the period	-	-	-	-	(23)	1,024	1,001
Shares repurchased	-	-	(52)	-	-	-	(52)
<b>As at 30 Nov 2019</b>	<b>10,507</b>	<b>-</b>	<b>(135)</b>	<b>(2,600)</b>	<b>79</b>	<b>41,890</b>	<b>49,741</b>

*\*Pursuant to the Companies Act 2016, the credit balance in the share premium account had been transferred to the share capital account.*

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

**FIBON BERHAD**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 30 NOV 2020**  
(The figures have not been audited)

	<b>CURRENT YEAR- TO-DATE 30.11.2020 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 30.11.2019 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax for the financial period	854	1,511
Adjustments for:		
Depreciation of property, plant and equipment	144	178
Unrealised foreign exchange (gain)/loss	115	31
Interest income	(176)	(291)
Operating profit before changes in working capital	937	1,429
Changes in working capital:		
Decrease/(increase) in inventories	9	67
(Increase)/decrease in receivables	1,744	1,409
(Decrease)/Increase in payables	(828)	781
Cash generated from operations	1,862	3,686
Tax refund	-	255
Taxation paid	(495)	(580)
Net cash from operating activities	1,367	3,361
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipments	(21)	(655)
Interest received	176	291
Net cash (used in) / from investing activities	155	(364)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Shares repurchased	-	(52)
Net cash used in financing activities	-	(52)
Effect of exchange rate changes	44	(19)
<b>Net Change in Cash &amp; Cash Equivalents</b>	1,566	2,926
<b>Cash and Cash Equivalents at beginning of period</b>	31,095	28,822
<b>Cash and Cash Equivalents at end of period</b>	32,661	31,748
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>	<b>30.11.2020 RM'000</b>	<b>30.11.2019 RM'000</b>
Fixed deposits with licensed bank	29,327	27,861
Cash and bank balances	3,334	3,887
	32,661	31,748
Less: Deposits with licensed bank (more than 3 months)	-	-
	32,661	31,748

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 May 2020 and the accompanying explanatory notes attached to the interim financial statements.

**FIBON BERHAD** (Registration No. 200801009722 (811010-H))  
**(Incorporated in Malaysia)**  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOV 2020**

**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 2020. 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 2020.

**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 2020.

**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:

<b>Title</b>	<b>Effective date</b>
<i>Amendments to References to the Conceptual Framework in MFRS Standards</i>	1 January 2020
<i>Amendments to MFRS 3 Definition of a Business</i>	1 January 2020
<i>Amendments to MFRS 101 and MFRS 108 Definition of Material</i>	1 January 2020
<i>Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark Reform</i>	1 January 2020
<i>Amendments to MFRS 16 Covid-19-Related Rent Concessions</i>	1 June 2020

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.

**3.2 Standards and Interpretations issued but not yet effective**

The following are Standards of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group:

<b>Title</b>	<b>Effective date</b>
<i>Annual Improvements to MFRS Standards 2018 - 2020</i>	1 January 2022
<i>Amendments to MFRS 3 Reference to the Conceptual Framework</i>	1 January 2022
<i>Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
<i>Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
<i>MFRS 17 Insurance Contracts</i>	1 January 2023

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**(Incorporated in Malaysia)**  
**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 30 NOV 2020**

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

**3.2 Standards and Interpretations issued but not yet effective (continued)**

Title	Effective date
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable in future financial years.

**4. Audit Report**

The auditors' report of the annual financial statements for the financial year ended 31 May 2020 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 or repayment of debts and equity securities for the current financial period ending 30 Nov 2020.

**9. Acquisition and Disposal of Property, Plant and Equipment**

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

	Cost RM'000
Furniture, fittings and office equipment	14
Motor vehicle	-
Plant and machinery	4
Land and building	3
	21

**10. Inventories**

During the 6 months ended 30 Nov 2020, 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**

A single-tier final dividend of 0.54 sen per ordinary share amounting to RM528,000 in respect of the financial year ended 31 May 2020 has been approved by shareholders at the Annual General Meeting held on 26 October 2020 and has been paid on 29 December 2020.

**14. Segmental Information**

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

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

	<b>Investment holding (RM'000)</b>	<b>Sales of Goods (RM'000)</b>	<b>Financing Income (RM'000)</b>	<b>Eliminations (RM'000)</b>	<b>Consolidated (RM'000)</b>
<b>Period ended 30.11.2020</b>					
<b>Revenue:</b>					
External customers	504	6,597	-	(1,125)	5,976
<b>Results :</b>					
Interest income	5	157	14	-	176
Depreciation and amortisation	-	144	-	-	144
Segment profit/(loss)	105	781	(20)	(12)	854
<b>Assets:</b>					
Capital expenditure	-	21	-	-	21
Segment assets	16,068	50,775	2,327	(16,664)	52,506
<b>Segment Liabilities</b>	103	2,778	14	(1,215)	1,680

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**FOR THE FINANCIAL PERIOD ENDED 30 NOV 2020**

	Investment holding (RM'000)	Sales of Goods (RM'000)	Financing Income (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
<b>Period ended 30.11.2019</b>					
<b>Revenue:</b>					
External customers	-	7,163	81	-	7,244
<b>Results :</b>					
Interest income	5	267	19	-	291
Depreciation and amortisation	-	178	-	-	178
Segment profit/(loss)	938	1,623	75	(1,125)	1,511
<b>Assets:</b>					
Capital expenditure	-	655	-	-	655
Segment assets	16,823	49,940	2,389	(16,965)	52,187
<b>Segment Liabilities</b>	150	3,808	9	(1,521)	2,446

**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.

**B. Additional information required by BMSB Listing Requirements**

**1. Review of Performance**

	Individual Period (2nd Quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	30/11/2020	30/11/2019		30/11/2020	30/11/2019	
	RM'000	RM'000		RM'000	RM'000	
Revenue	3,159	3,357	(6)	5,976	7,244	(18)
Operating profit	2,091	2,057	2	3,662	4,840	(24)
Profit/(loss) before tax	634	802	(21)	854	1,511	(44)
Profit/(loss) after tax	427	537	(20)	601	1,024	(41)

In the current quarter ended 30 Nov 2020, the Group registered lower revenue of RM3,159,000 compared to previous corresponding quarter ended 30 Nov 2019 of RM3,357,000 as a result of decrease in manufacturing sales. Profit after tax has decreased from profit of RM537,000 to profit of RM427,000 due to decrease in manufacturing sales in current quarter.



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

	Current Quarter 30/11/2020 (RM'000)	Immediate Preceding Quarter 31/08/2020 (RM'000)	Changes (%)
Revenue	3,159	2,817	12
Operating profit	2,091	1,571	33
Profit before tax	634	219	189
Profit after tax	427	173	147

The Group posted higher revenue in the current quarter of RM3,159,000 as compared to the preceding quarter ended 31 Aug 2020 of RM2,817,000 representing increase of RM342,000 due to increase in manufacturing sales. Profit after tax has increased from RM173,000 to RM427,000 mainly due to higher revenue.

**3. Commentary on the Prospects**

Following the imposition of Movement Control Order (MCO), Conditional Movement Control Order (CMCO), Recovery Movement Control Order (RMCO) and subsequently MCO 2.0 due to rising COVID-19 pandemic cases, the Ministry of Finance (MOF) had revised its projection for Gross Domestic Product (GDP) at between -2% to 0.5% against highly challenging global economic outlook mainly due to the pandemic, uncertain crude oil price, continued supply chain disruption and surging unemployment.

The Group will continue strengthen its core business segments and maintain healthy cash flow position in facing the various economic challenges.

**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 2021 in any public document and hence this information is not applicable.

**5. Profit Before Tax**

**Profit before tax is arrived at after charging / (crediting) :-**

	<u>Current quarter</u> 30/11/2020 RM'000	<u>Preceding year corresponding quarter</u> 30/11/2019 RM'000	<u>Current year to date</u> 30/11/2020 RM'000	<u>Preceding year corresponding period</u> 30/11/2019 RM'000
Audit fee				
- for the financial period	22	22	44	44
Depreciation of property, plant and equipment	65	87	144	178
Directors' fees	93	83	186	166
Directors' non-fee emoluments	527	406	1,054	1,367
Inventories written down	-	-	-	-
Impairment losses on:				
- trade receivables	-	-	-	-
- other receivables	-	-	-	-
Loss on foreign exchange - unrealised	114	76	137	31
- realised	4	-	4	-
Property, plant and equipment written off	-	-	-	-
Rental of premises	14	13	27	26
Research and development expenditure	265	262	532	515
<b>and crediting:-</b>				
Gain on foreign exchange - unrealised	-	-	(22)	-
- realised	(26)	(72)	(90)	(89)
Interest income	(117)	(188)	(176)	(291)

**6. Taxation**

	<u>Current quarter</u> 30/11/2020 RM'000	<u>Preceding year corresponding quarter</u> 30/11/2019 RM'000	<u>Current year to date</u> 30/11/2020 RM'000	<u>Preceding year corresponding period</u> 30/11/2019 RM'000
<b>Income taxation in Malaysia</b>				
- Current year	200	266	234	491
- Under/(Over) provision in previous year	-	-	-	-
<b>Foreign tax</b>				
- Current year	20	9	20	21
- Under/(Over) provision in previous year	-	-	-	-
<b>Deferred taxation</b>				
- Current year	(13)	(10)	(1)	(25)
- (Over)/under provision in previous year	-	-	-	-
	<u>207</u>	<u>265</u>	<u>253</u>	<u>487</u>

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

**7. Group borrowings**

As at 30 Nov 2020, the Group has no borrowings.

**8. Material Litigation**

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

**9. Dividend**

No dividend has been declared for the quarter under review.

**10. Disclosure of Nature of Outstanding Derivatives**

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

**11. Rationale for Entering into Derivatives**

The Group did not enter into any derivatives during the period ended 30 Nov 2020 or the previous financial year ended 31 May 2020.

**12. Risks and Policies of Derivatives**

The Group did not enter into any derivatives during the period ended 30 Nov 2020 or the previous financial year ended 31 May 2020.

**13. 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 Nov 2020 or the previous financial year ended 31 May 2020.

**FIBON BERHAD (Registration No. 200801009722 (811010-H))**

**(Incorporated in Malaysia)**

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 30 NOV 2020***

**14. 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 2020 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)	427	601
Weighted average number of ordinary shares in issue ('000)	97,821	97,821
Basic earnings per share (sen)	0.44	0.62

**15. Authorisation for Issue**

The condensed consolidated interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board on 26 January 2021.