

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2021

	Unaudited As at 28.02.2021 RM'000	Audited As at 31.05.2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	12,835	13,032
Intangible assets	877	877
Deferred tax assets	25	23
	<u>13,737</u>	<u>13,932</u>
Current assets		
Inventories	1,275	1,594
Trade receivables	3,922	5,512
Other receivables, deposits and prepayments	52	168
Tax recoverable	605	416
Fixed deposits with licensed bank	28,668	27,646
Cash and bank balances	4,489	3,449
	<u>39,011</u>	<u>38,785</u>
TOTAL ASSETS	<u>52,748</u>	<u>52,717</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	10,507	10,507
Other reserve	(2,600)	(2,600)
Translation reserve	213	100
Treasury shares	(135)	(135)
Retained earnings	42,820	42,312
	<u>50,805</u>	<u>50,184</u>
Total equity	<u>50,805</u>	<u>50,184</u>
Non-current liabilities		
Deferred tax liabilities	468	496
	<u>468</u>	<u>496</u>
Current liabilities		
Trade payables	333	531
Other payables and accruals	1,142	1,492
Tax payable	-	14
	<u>1,475</u>	<u>2,037</u>
Total liabilities	<u>1,943</u>	<u>2,533</u>
TOTAL EQUITY AND LIABILITIES	<u>52,748</u>	<u>52,717</u>
	-	-
Net assets per share (RM)	0.52	0.51

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 THIRD QUARTER ENDED 28 FEBRUARY 2021**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 28.02.2021 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 29.02.2020 RM'000	CURRENT YEAR- TO-DATE 28.02.2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 29.02.2020 RM'000
Revenue	3,337	3,392	9,313	10,637
Cost of sales	(1,396)	(1,140)	(3,710)	(3,544)
Gross Profit	<u>1,941</u>	<u>2,252</u>	<u>5,603</u>	<u>7,093</u>
Other income	348	204	825	673
Selling & distribution costs	(101)	(70)	(351)	(218)
Administrative expenses	(1,513)	(1,917)	(4,548)	(5,568)
Profit / (Loss) Before Taxation	<u>675</u>	<u>469</u>	<u>1,529</u>	<u>1,980</u>
Income tax expense	(240)	(171)	(492)	(658)
Profit / (Loss) After Taxation	<u>435</u>	<u>298</u>	<u>1,037</u>	<u>1,322</u>
Other Comprehensive Income Net of Tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Foreign currency translation	113	(24)	113	(47)
Total Comprehensive Income / (Loss) For The Period	<u>548</u>	<u>274</u>	<u>1,150</u>	<u>1,275</u>
Profit / (Loss) Attributable to:				
Equity holders of the parent	435	298	1,037	1,322
Minority interest	-	-	-	-
	<u>435</u>	<u>298</u>	<u>1,037</u>	<u>1,322</u>
Total Comprehensive Income / (Loss) Attributable To :				
Equity holders of the parent	548	274	1,150	1,275
Minority interest	-	-	-	-
	<u>548</u>	<u>274</u>	<u>1,150</u>	<u>1,275</u>
Earnings per share attributable to equity holders of the Company:				
- Basic (Sen)	0.45	0.30	1.06	1.35
- 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 statements.

FIBON BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2021
(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
<u>9 months period ended 28 Feb 2021</u>							
As at 1 June 2020	10,507	-	(135)	(2,600)	100	42,312	50,184
Total comprehensive income for the period	-	-	-	-	113	1,037	1,150
Dividends paid	-	-	-	-	-	(529)	(529)
As at 28 Feb 2021	10,507	-	(135)	(2,600)	213	42,820	50,805
	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
<u>9 months period ended 29 Feb 2020</u>							
As at 1 June 2019	10,507	-	(83)	(2,600)	102	40,866	48,792
Total comprehensive income for the period	-	-	-	-	(47)	1,322	1,275
Dividend paid	-	-	-	-	-	(705)	(705)
Shares repurchased	-	-	(52)	-	-	-	(52)
As at 28 Feb 2020	10,507	-	(135)	(2,600)	55	41,483	49,310

**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
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 28 FEBRUARY 2021
(The figures have not been audited)

	CURRENT YEAR- TO-DATE 28.02.2021 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 29.02.2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the financial period	1,529	1,980
Adjustments for:		
Depreciation of property, plant and equipment	220	261
Unrealised foreign exchange (gain)/loss	(15)	43
Interest income	(269)	(469)
Operating profit before changes in working capital	1,465	1,815
Changes in working capital:		
Decrease/(increase) in inventories	338	(177)
(Increase)/decrease in receivables	1,714	1,382
(Decrease)/Increase in payables	(547)	1,061
Cash generated from operations	2,970	4,081
Tax refund	8	255
Taxation paid	(732)	(872)
Net cash from operating activities	2,246	3,464
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(40)	(664)
Interest received	269	469
Net cash (used in) / from investing activities	229	(195)
CASH FLOWS FROM FINANCING ACTIVITIES		
Shares repurchased	-	(52)
Dividends paid	(529)	(705)
Net cash used in financing activities	(529)	(757)
Effect of exchange rate changes	116	(35)
Net Change in Cash & Cash Equivalents	2,062	2,477
Cash and Cash Equivalents at beginning of period	31,095	28,822
Cash and Cash Equivalents at end of period	33,157	31,299
Cash and cash equivalents at the end of the financial period comprise the following:	28.02.2021	29.02.2020
	RM'000	RM'000
Fixed deposits with licensed bank	28,668	28,433
Cash and bank balances	4,489	2,866
	33,157	31,299
Less: Deposits with licensed bank (more than 3 months)	-	-
	33,157	31,299

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 28 FEB 2021

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:

Title	Effective date
<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:

Title	Effective date
<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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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 28 Feb 2021.

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	24
Motor vehicle	-
Plant and machinery	5
Land and building	11
	<u>40</u>

10. Inventories

During the 9 months ended 28 Feb 2021, there was no write-down of inventories.

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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 RM529,200 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.

	Investment holding (RM'000)	Sales of Goods (RM'000)	Financing Income (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
Period ended 28.02.2021					
Revenue:					
External customers	1,866	10,195	-	(2,748)	9,313
Results :					
Interest income	6	240	23	-	269
Depreciation and amortisation	-	219	1	-	220
Segment profit/(loss)	1,251	1,497	(40)	(1,179)	1,529
Assets:					
Capital expenditure	-	40	-	-	40
Segment assets	16,657	50,633	2,315	(16,857)	52,748
Segment Liabilities	130	2,613	22	(822)	1,943

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**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 28 FEB 2021**

	Investment holding (RM'000)	Sales of Goods (RM'000)	Financing Income (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
Period ended 29.02.2020					
Revenue:					
External customers	-	10,516	121	-	10,637
Results :					
Interest income	9	428	32	-	469
Depreciation and amortisation	-	260	1	-	261
Segment profit/(loss)	858	2,184	62	(1,124)	1,980
Assets:					
Capital expenditure	-	664	-	-	664
Segment assets	16,065	49,924	2,365	(16,337)	52,017
Segment Liabilities	178	3,411	11	(893)	2,707

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 (3rd Quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	28/02/2021	29/02/2020		28/02/2021	29/02/2020	
	RM'000	RM'000		RM'000	RM'000	
Revenue	3,337	3,392	(2)	9,313	10,637	(12)
Operating profit	1,941	2,252	(14)	5,603	7,093	(21)
Profit/(loss) before tax	675	469	44	1,529	1,980	(23)
Profit/(loss) after tax	435	298	46	1,037	1,322	(22)

In the current quarter ended 28 Feb 2021, the Group registered lower revenue of RM3,337,000 compared to previous corresponding quarter ended 29 Feb 2020 of RM3,392,000 as a result of decrease in manufacturing sales. Profit after tax has increased from profit of RM298,000 to profit of RM435,000 due to decrease in administrative expense in current quarter.

2. Comparison With the Preceding Quarter's Results

	Current Quarter 28/02/2021 (RM'000)	Immediate Preceding Quarter 30/11/2020 (RM'000)	Changes (%)
Revenue	3,337	3,159	6
Operating profit	1,941	2,091	(7)
Profit before tax	675	634	6
Profit after tax	435	427	2

The Group posted higher revenue in the current quarter of RM3,337,000 as compared to the preceding quarter ended 30 Nov 2020 of RM3,159,000 representing increase of RM178,000 due to increase in trading sales. Profit after tax has increased from RM427,000 to RM435,000 mainly due to higher revenue.

3. Commentary on the Prospects

The imposition of Movement Control Order (MCO), Conditional Movement Control Order (CMCO), Recovery Movement Control Order (RMCO), Movement Control Order 2.0 (MCO 2.0) and subsequently Conditional Movement Control Order (CMCO) in different states over Malaysia due to resurgent COVID-19 cases have posed challenging 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> <u>28/02/2021</u> RM'000	<u>Preceding year corresponding quarter</u> <u>29/02/2020</u> RM'000	<u>Current year to date</u> <u>28/02/2021</u> RM'000	<u>Preceding year corresponding period</u> <u>29/02/2020</u> RM'000
Audit fee				
- for the financial period	23	22	67	66
Depreciation of property, plant and equipment	76	83	220	261
Directors' fees	93	78	279	244
Directors' non-fee emoluments	766	699	1,820	2,066
Inventories written down	-	-	-	-
Impairment losses on:				
- trade receivables	-	-	-	-
- other receivables	-	-	-	-
Loss on foreign exchange - unrealised	-	12	132	43
- realised	-	7	4	7
Property, plant and equipment written off	-	-	-	-
Rental of premises	15	13	42	39
Research and development expenditure	18	266	550	781
and crediting:-				
Gain on foreign exchange - unrealised	(125)	-	(147)	-
- realised	(71)	-	(161)	(89)
Interest income	(93)	(178)	(269)	(469)

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6. Taxation

	<u>Current quarter</u> <u>28/02/2021</u> RM'000	<u>Preceding year corresponding quarter</u> <u>29/02/2020</u> RM'000	<u>Current year to date</u> <u>28/02/2021</u> RM'000	<u>Preceding year corresponding period</u> <u>29/02/2020</u> RM'000
Income taxation in Malaysia				
- Current year	262	180	494	671
- Under/(Over) provision in previous year	-	-	-	-
Foreign tax				
- Current year	(11)	(2)	10	19
- Under/(Over) provision in previous year	-	-	-	-
Deferred taxation				
- Current year	(11)	(7)	(12)	(32)
- (Over)/under provision in previous year	-	-	-	-
	<u>240</u>	<u>171</u>	<u>492</u>	<u>658</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 28 Feb 2021, 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 28 Feb 2021 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 28 Feb 2021 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 28 Feb 2021 or the previous financial year ended 31 May 2020.

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14. Earnings per Share (“EPS”)

(i) Basic EPS

The basic EPS is calculated by dividing the net profit for the current financial quarter ended 28 February 2021 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	9 Months Cumulative To Date
Net profit (RM'000)	435	1,037
Weighted average number of ordinary shares in issue ('000)	97,717	97,717
Basic earnings per share (sen)	0.45	1.06

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 27 April 2021.