

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2022

	Unaudited As at 31-08-2022 RM'000	Audited As at 31-05-2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	12,613	12,547
Intangible assets	877	877
Right of use assets	240	242
Deferred tax assets	41	42
	<u>13,771</u>	<u>13,708</u>
Current assets		
Inventories	1,916	1,382
Trade receivables	5,820	5,313
Other receivables, deposits and prepayments	76	829
Tax recoverable	536	576
Fixed deposits with licensed bank	29,137	28,852
Cash and bank balances	7,043	5,957
	<u>44,528</u>	<u>42,909</u>
TOTAL ASSETS	<u>58,299</u>	<u>56,617</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	167	192
Treasury shares	(135)	(135)
Retained earnings	47,761	46,412
	<u>55,700</u>	<u>54,376</u>
Total equity	<u>55,700</u>	<u>54,376</u>
Non-current liabilities		
Deferred tax liabilities	507	442
Lease Liabilities	119	120
	<u>626</u>	<u>562</u>
Current liabilities		
Trade payables	516	411
Other payables and accruals	878	1,005
Lease Liabilities	131	133
Tax payable	448	130
	<u>1,973</u>	<u>1,679</u>
Total liabilities	<u>2,599</u>	<u>2,241</u>
TOTAL EQUITY AND LIABILITIES	<u>58,299</u>	<u>56,617</u>
	-	-
Net assets per share (RM)	<u>0.57</u>	<u>0.55</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 May 2022 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 FIRST QUARTER ENDED 31 AUGUST 2022**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED 31-08-2022 RM'000	PRECEDING YEAR CORRESPONDING QUARTER ENDED 31-08-2021 RM'000	CURRENT YEAR- TO-DATE 31-08-2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-08-2021 RM'000
Revenue	5,044	3,409	5,044	3,409
Cost of sales	(1,811)	(1,347)	(1,811)	(1,347)
Gross Profit	<u>3,233</u>	<u>2,062</u>	<u>3,233</u>	<u>2,062</u>
Other income	328	140	328	140
Selling & distribution costs	(181)	(149)	(181)	(149)
Administrative expenses	(1,469)	(1,472)	(1,469)	(1,472)
Profit / (Loss) Before Taxation	<u>1,911</u>	<u>581</u>	<u>1,911</u>	<u>581</u>
Income tax expense	(562)	(190)	(562)	(190)
Profit / (Loss) After Taxation	<u>1,349</u>	<u>391</u>	<u>1,349</u>	<u>391</u>
Other Comprehensive Income Net of Tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Foreign currency translation	(25)	(57)	(25)	(57)
Total Comprehensive Income / (Loss) For The Period	<u>1,324</u>	<u>334</u>	<u>1,324</u>	<u>334</u>
Profit / (Loss) Attributable to:				
Equity holders of the parent	1,349	391	1,349	391
Minority interest	-	-	-	-
	<u>1,349</u>	<u>391</u>	<u>1,349</u>	<u>391</u>
Total Comprehensive Income / (Loss) Attributable To :				
Equity holders of the parent	1,324	334	1,324	334
Minority interest	-	-	-	-
	<u>1,324</u>	<u>334</u>	<u>1,324</u>	<u>334</u>
Earnings per share attributable to equity holders of the Company:				
- Basic (Sen)	1.38	0.40	1.38	0.40
- 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 2022 and the accompanying explanatory notes attached to the interim financial statements.

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 AUGUST 2022
(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>3 months period ended 31 August 2022</u>							
As at 1 June 2022	10,507	-	(135)	(2,600)	192	46,412	54,376
Total comprehensive income for the period	-	-	-	-	(25)	1,349	1,324
As at 31 August 2022	10,507	-	(135)	(2,600)	167	47,761	55,700
<u>3 months period ended 31 August 2021</u>							
As at 1 June 2021	10,507	-	(135)	(2,600)	221	43,503	51,496
Total comprehensive income for the period	-	-	-	-	(57)	391	334
As at 31 August 2021	10,507	-	(135)	(2,600)	164	43,894	51,830

**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 2022 and the accompanying explanatory notes attached to the interim financial statements.

FIBON BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 AUGUST 2022
(The figures have not been audited)

	CURRENT YEAR- TO-DATE 31-08-2022 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-08-2021 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the financial period	1,911	581
Adjustments for:		
Depreciation of property, plant and equipment		
- property, plant and equipment	33	76
Property, plant & equipment written off	3	-
Unrealised foreign exchange (gain)/loss	(95)	35
Reversal of impairment loss on trade receivables	-	(2)
Interest income	(86)	(41)
Operating profit before changes in working capital	1,766	649
Changes in working capital:		
Decrease/(increase) in inventories	(503)	(16)
(Increase)/decrease in receivables	240	(8)
(Decrease)/Increase in payables	(38)	48
Cash generated from operations	1,465	673
Taxation paid	(139)	(201)
Net cash from operating activities	1,326	472
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments	(102)	(9)
Interest received	86	41
(Placements)/withdrawal of deposits with licensed banks with original maturity of more than three (3) months	764	623
Net cash (used in) / from investing activities	748	655
CASH FLOWS FROM FINANCING ACTIVITIES		
Effect of exchange rate changes	21	(97)
Net Change in Cash & Cash Equivalents	2,095	1,030
Cash and Cash Equivalents at beginning of period	31,318	29,480
Cash and Cash Equivalents at end of period	33,413	30,510
Cash and cash equivalents at the end of the financial period comprise the following:	31-08-2022 RM'000	31-08-2021 RM'000
Fixed deposits with licensed bank	29,137	26,300
Cash and bank balances	7,043	7,504
	36,180	33,804
Less: Deposits with licensed bank (more than 3 months)	(2,767)	(3,294)
	33,413	30,510

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 May 2022 and the accompanying explanatory notes attached to the interim financial statements.

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 2022. 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 2022.

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 2022.

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

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

3.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023

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

Title	Effective Date
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
<i>Initial Application of MFRS 17 and MFRS 9 – Comparative Information</i> (Amendments to MFRS 17 <i>Insurance Contracts</i>)	1 January 2023

3. Summary of significant accounting policies (continued)

3.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2023 (continued)

<i>Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)</i>	1 January 2023
<i>Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)</i>	1 January 2023
<i>Deferred tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112)</i>	1 January 2023
<i>Amendments to MFRS 10 and MFRS 128 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 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 2022 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

In the financial year ending 31 May 2023, the Company conducted review and was of the opinion that there are changes in depreciation rate of factory equipment, motor vehicles, building and plant & machineries as follow:

	Useful life		Depreciation Rate	
	Previously	Revised	Previously	Revised
i) Factory Equipment	10 years	20 years	10%	5%
ii) Motor Vehicles	10 years	12 years	10%	8.5%
iii) Building	33 years	50 years	3%	2%
iv) Plant and Machineries	10 years	20 years	10%	5%

8. Debts and Equity Securities

There were no issuance or repayment of debts and equity securities for the current financial period ended 31 August 2022.

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

(Incorporated in Malaysia)

***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022***

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	30
Motor vehicle	-
Plant and machinery	11
Land and building	61
	<hr/> <hr/> 102

10. Inventories

During the 3 months ended 31 August 2022, 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) 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 31.08.2022					
Revenue:					
External customers	252	5,389	100	(697)	5,044
Results :					
Interest income	3	79	4	-	86
Depreciation and amortisation	-	33	-	-	33
Segment profit/(loss)	118	1,738	77	(22)	1,911
Assets:					
Capital expenditure	-	102	-	-	102
Segment assets	17,307	55,826	2,277	(17,111)	58,299
Segment Liabilities	312	3,344	12	(1,069)	2,599

	Investment holding (RM'000)	Sales of Goods (RM'000)	Financing Income (RM'000)	Eliminations (RM'000)	Consolidated (RM'000)
Period ended 31.08.2021					
Revenue:					
External customers	252	3,789	-	(632)	3,409
Results :					
Interest income	2	37	2	-	41
Depreciation and amortisation	-	76	-	-	76
Segment profit/(loss)	74	505	(24)	26	581
Assets:					
Capital expenditure	-	9	-	-	9
Segment assets	16,755	52,269	2,269	(17,010)	54,283
Segment Liabilities	88	3,426	15	(1,076)	2,453

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 (1st Quarter)		Changes (%)	Cumulative Period		Changes (%)
	Current Quarter	Preceding Year Corresponding Quarter		Current Year To-date	Preceding Year Corresponding Period	
	31/08/2022	31/08/2021		31/08/2022	31/08/2021	
	RM'000	RM'000		RM'000	RM'000	
Revenue	5,044	3,409	48	5,044	3,409	48
Operating profit	3,233	2,062	57	3,233	2,062	57
Profit/(loss) before tax	1,911	581	229	1,911	581	229
Profit/(loss) after tax	1,349	391	245	1,349	391	245

In the current quarter ended 31 August 2022, the Group registered higher revenue of RM5,044,000 compared to previous corresponding quarter ended 31 August 2021 of RM3,409,000 as a result of increase in manufacturing sales. Profit after tax has increased from profit of RM391,000 to profit of RM1,349,000 due to increase in manufacturing sales.

2. Comparison With the Preceding Quarter's Results

	Current Quarter 31/08/2022 (RM'000)	Immediate Preceding 31/05/2022 (RM'000)	Changes (%)
Revenue	5,044	4,742	6
Operating profit	3,233	3,095	4
Profit before tax	1,911	2,587	(26)
Profit after tax	1,349	2,150	(37)

The Group posted higher revenue in the current quarter of RM5,044,000 as compared to the preceding quarter ended 31 May 2022 of RM4,742,000 representing increase of RM302,000 due to increase in manufacturing sales. Profit after tax has decreased from RM2,150,000 to RM1,349,000 mainly due to lower operating income and higher administrative expenses.

3. Commentary on the Prospects

Despite facing highly challenging global economic outlook mainly due to the pandemic, rising 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.

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

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022****4. Profit Forecast and Profit Estimate**

The Group did not issue any profit forecast or profit estimate previously or for the financial period ended 31 August 2022 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> 31/08/2022 RM'000	<u>Preceding year corresponding quarter</u> 31/08/2021 RM'000	<u>Current year to date</u> 31/08/2022 RM'000	<u>Preceding year corresponding period</u> 31/08/2021 RM'000
Audit fee				
- for the financial period	22	24	22	24
Depreciation of property, plant and equipment	33	76	33	76
Directors' fees	93	93	93	93
Directors' non-fee emoluments	766	820	766	820
Inventories written down	-	-	-	-
Loss on foreign exchange				
- unrealised	25	38	25	38
- realised	-	-	-	-
Inventories written off	-	-	-	-
Impairment losses on:				
- trade receivables	-	(2)	-	(2)
Property, plant and equipment written off	3	-	3	-
Rental of premises	42	32	42	32
Research and development expenditure	17	17	17	17
and crediting:-				
Gain on foreign exchange - unrealised	(120)	(3)	(120)	(3)
- realised	(113)	(47)	(113)	(47)
Interest income	(86)	(41)	(86)	(41)

6. Taxation

	<u>Current quarter</u> 31/08/2022 RM'000	<u>Preceding year corresponding quarter</u> 31/08/2021 RM'000	<u>Current year to date</u> 31/08/2022 RM'000	<u>Preceding year corresponding period</u> 31/08/2021 RM'000
Income taxation in Malaysia				
- Current year	492	166	492	166
- Under/(Over) provision in previous year	-	-	-	-
Foreign tax				
- Current year	-	-	-	-
- Under/(Over) provision in previous year	-	-	-	-
Deferred taxation				
- Current year	70	24	70	24
- (Over)/under provision in previous year	-	-	-	-
	562	190	562	190

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

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EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022

7. Group borrowings

As at 31 August 2022, 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 31 August 2022 or the previous financial year ended 31 May 2022.

12. Risks and Policies of Derivatives

The Group did not enter into any derivatives during the period ended 31 August 2022 or the previous financial year ended 31 May 2022.

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 31 August 2022 or the previous financial year ended 31 May 2022.

14. Earnings per Share (“EPS”)

(i) Basic EPS

The basic EPS is calculated by dividing the net profit for the current financial quarter ended 31 August 2022 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	3 Months Cumulative To Date
Net profit (RM'000)	1,349	1,349
Weighted average number of ordinary shares in issue ('000)	97,717	97,717
Basic earnings per share (sen)	1.38	1.38

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***EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2022***

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 October 2022.