

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2016 (unaudited)**

	Individual Period 3 Months Period Ended		Cumulative Period 9 Months Period Ended	
	31/3/16 RM'000	31/3/15 RM'000	31/3/16 RM'000	31/3/15 RM'000
Revenue	1,869	N/A	4,498	N/A
Cost of sales	(1,801)	N/A	(4,138)	N/A
Gross profit	68	N/A	360	N/A
Other income	363	N/A	1,235	N/A
Administrative expenses	9	N/A	-	N/A
Selling and marketing expenses	(2)	N/A	(7)	N/A
Other expenses	(1,062)	N/A	(2,323)	N/A
Operating loss	(624)	N/A	(735)	N/A
Finance costs	-	N/A	(1)	N/A
Loss before tax	(624)	N/A	(736)	N/A
Income tax expense	-	N/A	-	N/A
Loss for the period	(624)	N/A	(736)	N/A

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2016 (unaudited) (CONTD.)**

	Individual Period 3 Months Period Ended		Cumulative Period 9 Months Period Ended	
	31/3/16 RM'000	31/3/15 RM'000	31/3/16 RM'000	31/3/15 RM'000
Other comprehensive income/(loss)				
Foreign currencies translation	548	N/A	(221)	N/A
Other comprehensive income/(loss), net of tax	548	N/A	(221)	N/A
Total comprehensive loss	(76)	N/A	(957)	N/A
(Loss)/profit attributable to:				
equity holders of the parent	(626)	N/A	(732)	N/A
Non-controlling interests	2	N/A	(4)	N/A
	(624)	N/A	(736)	N/A
Total comprehensive (loss)/income attributable to:				
Equity holders of the parent	(195)	N/A	(906)	N/A
Non-controlling interests	119	N/A	(51)	N/A
	(76)	N/A	(957)	N/A
Loss per share attributable to equity holders of the parent: (cent per share)				
- basic	(0.49)	N/A	(0.58)	N/A
- diluted	(0.49)	N/A	(0.58)	N/A

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016 (unaudited)**

	31/3/16	30/6/15
	RM'000	RM'000
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	72	115
Other investments	335	335
	407	450
Current assets		
Inventories	3,200	3,200
Trade and other receivables	15,428	13,159
Other current assets	-	1
Marketable securities	651	626
Tax recoverable	41	33
Cash and bank balances	442	2,061
	19,762	19,080
TOTAL ASSETS	20,169	19,530
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	38,297	38,297
Share premium	759	759
Treasury shares	(712)	(712)
Other reserves	3,886	4,107
Accumulated losses	(32,023)	(31,291)
Shareholders' funds	10,207	11,160
Non-controlling interests	(462)	(458)
Total equity	9,745	10,702

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016 (unaudited) (CONTD.)**

	31/3/16 RM'000 (Unaudited)	30/6/15 RM'000 (Audited)
Current liabilities		
Trade and other payables	10,424	8,828
	10,424	8,828
Total liabilities	10,424	8,828
TOTAL EQUITY AND LIABILITIES	20,169	19,530
Net Assets Per Share (RM/share)	0.08	0.08

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2016 (unaudited)

	----- Attributable to Equity Holders of the Parent Company -----						Equity Attributable to Equity Holders of the Parent Company RM'000	Non- Controlling Interest RM'000	Total Equity RM'000
	----- Non-distributable -----			Distributable					
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Other Reserves RM'000	Accumulated Losses RM'000				
As at 1 July 2015	38,297	759	(712)	4,107	(31,291)	11,160	(458)	10,702	
Total comprehensive loss	-	-	-	(221)	(732)	(953)	(4)	(957)	
As at 31 March 2016	38,297	759	(712)	3,886	(32,023)	10,207	(462)	9,745	
As at 1 January 2014	35,797	-	(712)	5,386	(21,540)	18,931	(372)	18,559	
Total comprehensive loss	-	-	-	(520)	(9,751)	(10,271)	(86)	(10,357)	
Transactions with owner									
Issuance of ordinary shares	2,500	759	-	(759)	-	2,500	-	2,500	
- Conversion of warrants									
As at 30 June 2015	38,297	759	(712)	4,107	(31,291)	11,160	(458)	10,702	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2016**

	31/3/16 RM'000 (Unaudited)	30/6/15 RM'000 (Audited)
Cash flows from operating activities		
Loss before tax	(736)	(9,676)
<u>Adjustments for:</u>		
Depreciation and amortization	42	122
Intangible assets written off	-	2,620
Gain on disposal of property, plant and equipment	(15)	(46)
Property, plant and equipment written off	1	12
Impairment loss on financial assets	-	1,871
Bad debts written off	-	91
Net fair value gain for available-for-sale financial assets	-	(328)
Unrealised gain on foreign exchange	(246)	-
Operating loss before working capital changes	(954)	(5,334)
Changes in working capital		
Net change in trade & other receivables	(2,269)	1,676
Net change in trade & other payables	1,596	2,441
Net change in other current assets	1	7
Cash (used in)/generated from operations	(672)	4,124
Tax paid	(8)	(1)
Net cash used in operating activities	(1,634)	(1,211)
Cash flows from investing activities		
Proceeds from disposal of other investments	-	150
Proceeds from disposal of property, plant and equipment	15	56
Net cash generated from investing activities	15	206
Cash flows from financing activities		
Proceeds from issuance of ordinary shares		
- conversion of warrants	-	2,500
Net cash generated from financing activities	-	2,500

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**

	31/03/16 RM'000 (Unaudited)	30/6/15 RM'000 (Audited)
Net (decrease)/increase in cash and cash equivalents	(1,619)	1,495
Effect of exchange rate changes	-	-
Cash and cash equivalents at beginning of financial period	2,061	566
Cash and cash equivalents at end of financial period	442	2,061
Cash and cash equivalents at end of financial period:		
Cash and bank balances	442	2,061
	442	2,061

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements.

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016**

1. Corporate Information

FSBM Holdings Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad ("BMSB")

These condensed consolidated financial statements were approved by the Board of Directors on 25 May 2016.

2. Basis of Preparation

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MRFS) 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board (IASB).

The condensed consolidated interim financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 30 June 2015 and the explanatory notes attached to the condensed consolidated interim financial statements which provide an explanation on events and transactions that are significant for the understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2015.

3. Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2015, except for the adoption of the following new MFRSs, Amendments to MFRSs and Issues Committee ("IC") Interpretations effective for financial periods beginning on or after 1 August 2015.

MFRSs, Amendments to MFRSs and Interpretations	Effective date
Amendments to MFRS 119 Defined Benefit Plans : Employee Contribution	1 July 2014
Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**

3. Significant Accounting Policies (CONTD.)

The adoption of the above standards and interpretations did not have any effect on these condensed consolidated interim financial statements.

4. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the preceding financial statements for the financial period ended 30 June 2015 was qualified over the recoverability of certain trade receivables.

5. Seasonal or Cyclical Factors

The business operations of the Group during the financial period under review have not been materially affected by any significant seasonal or cyclical factors.

6. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items materially affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial period.

7. Material Changes in Estimates

There were no material changes in estimates that have had any material effect on results of the financial period under review.

8. Issuances and Repayment of Debt and Equity

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period under review.

9. Dividend Paid

There were no dividends paid during the financial period under review.

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**
10. Segment Reporting

Segmental information for the financial period under review is presented in respect of the Group's business segment, as follows:

	Individual Period 3 Months Period Ended		Cumulative Period 9 Months Period Ended	
	31/3/16 RM'000	31/3/15 RM'000	31/3/16 RM'000	31/3/15 RM'000
Segment Revenue				
Solutions	1,783	N/A	4,117	N/A
Communication & Multimedia	64	N/A	247	N/A
Education	-	N/A	-	N/A
Investment Holdings & Others	22	N/A	134	N/A
Total Revenue Including Inter- Segment Sales	1,869	N/A	4,498	N/A
Elimination of Inter- Segment Sales	-	N/A	-	N/A
Total Segment Revenue	1,869	N/A	4,498	N/A
Segment Results				
Solutions	372	N/A	356	N/A
Communication & Multimedia	22	N/A	165	N/A
Education	(4)	N/A	(5)	N/A
Investment Holdings & Others	(1,014)	N/A	(1,251)	N/A
	(624)	N/A	(735)	N/A
Elimination	-	N/A	-	N/A
Operating loss	(624)	N/A	(735)	N/A

**PART A: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**

11. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment during the quarter under review.

12. Subsequent Material Events

There were no material events subsequent to the end of the current reporting quarter other than as disclosed in Part B: Explanatory Notes No. 8 - Changes in Material Litigation below.

13. Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial quarter ended 31 March 2016.

14. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and contingent assets since the financial year ended 30 June 2015.

15. Capital Commitments

There are no material capital commitments as at the date of this report.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**

1. Review of Performance (Q3 2016 v Q5 2015)

The Group's revenue for the third quarter of 2015 was RM1.869 million compared to RM3.502 million in the fifth quarter of 2014, being the corresponding quarter. The Group reported a loss before tax of RM0.624 million compared to a loss before tax of RM0.144 million in the same quarter of the previous year.

The main revenue contribution for the current quarter came from the Solutions segment, similar for the preceding year corresponding quarter. The loss before tax in the current quarter was principally due to a decrease in the unrealized gain on foreign exchange.

2. Comment on Material Change in Loss Before Taxation (Q3 2016 : Q2 2016)

Loss before tax of the Group was RM0.624 million for the quarter ended 31 March 2016 compared to a profit before tax of RM0.406 million for the preceding quarter ended 31 December 2015. The loss before tax for the current quarter was principally due a decrease in the unrealized gain on foreign exchange.

3. Prospects

The Management is hopeful to secure a major project to ensure the future viability of the FSBM Group. We are also hopeful that the outcome from some other projects that we have been pursuing will be favourable to our Group.

4. Profit Forecast

There was no profit forecast issued by the Group.

5. Income Tax Expense

There were no income tax expense during the financial period under review.

6. Corporate Proposal

Proposed Par Value Reduction and Amendments to the Memorandum and Articles of Association ("Proposals")

Reference is made to the announcements dated 30 December 2015, 28 and 29 January, and 22 February 2016 in relation to the Proposals. The Court Order confirming the Proposals has been received and lodged on 22 April 2016, and the Proposal has been completed on that same day.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**

7. Group Borrowings and Debt Securities

There were no group borrowings and debt securities as at 31 March 2016.

8. Changes in Material Litigation

**(i) FSBM Holdings Berhad ("the Company") Vs Technitium Sdn Bhd ("TSB")
Kuala Lumpur High Court Civil Suit No.: D22-NCC-839-2010**

Reference is made to the Company's earlier announcements in relation to the above.

Pursuant to the High Court's decision on 21 November 2011 in allowing the Court Order that all monies claimed by the Company in the arbitration proceeding with TSB, being RM8,563,212.64, be deposited into the Company's solicitor's bank account as stakeholders, dismissing the appeal filed by TSB on 9 February 2012. To date, TSB has not complied with the Court Order.

On 18 June 2012, the Court has ordered that TSB be wound up under the provisions of the Companies Act, 1965.

**(ii) FSBM CTech Sdn Bhd ("CTECH") Vs Technitium Sdn Bhd ("TSB")
Kuala Lumpur High Court Civil Suit No.: D22-NCC-1017-2010**

Reference is made to the Company's earlier announcements in relation to the above.

On 20 January 2012 the Court delivered its Judgement and ordered TSB to pay FSBM CTech the sum of RM32,409,434.77 and interest at 8% commencing from date of filing of Writ until date of judgment including costs of RM200,000.00 to be paid by TSB to FSBM CTech. In addition, the Court dismissed TSB's counter-claim.

On 18 June 2012, the Court has ordered that TSB be wound up under the provisions of the Companies Act, 1965. On 2 July 2012, FSBM CTech received the sealed winding up order on TSB. The Court has also appointed liquidators.

On 30 January 2012, TSB had filed an appeal in the Court of Appeal against the Judgement. At the hearing on 10 September 2012, the Court of Appeal dismissed TSB's claim with cost of RM80,000 to be borne by the directors of TSB in their personal capacity. TSB had subsequently appealed to the Federal Court on the same Judgment.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 30 JUNE 2015 (CONTD.)**

8. Changes in Material Litigation (CONTD.)

(iii) FSBM and FSBM CTech against Individuals and TSB :

In furtherance to the actions brought by FSBM and FSBM CTech against TSB for the recovery of debts amounting to RM32,409,434.77 and RM8,563,212.64 respectively, FSBM and CTech have filed a suit in the High Court on 22 April 2014 against Dr Azman Bin Awang as 1st Defendant, Haliza Binti Bidin as 2nd Defendant, Mariana Binti Ahmad Tahar as 3rd Defendant, and TSB as 4th Defendant.

The hearings were conducted on 5, 9, 19 and 20 November 2015, and 28 Mar 2016. The next hearings are scheduled on 26 and 27 May 2016.

(iv) FSBM CTech against University of Malaya (University Malaya Medical Centre) ("UMMC")

Reference is made to the Company's earlier announcements in relation to the above.

FSBM CTech had on 5 November 2015 served a Writ of Summon to UMMC as first defendant and TSB as second defendant for the recovery of RM 10,370,791.94.

The case managements were held on 23 November 2015, 24 February and 16 May 2016. The next case management has been fixed on 28 June 2016.

9. Dividend

No dividend has been recommended or declared for the current quarter and for the interim financial period under review.

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**
10. Loss Per Share

The basic and diluted loss per share have been calculated based on the consolidated net loss attributable to equity holders of the parent for the interim financial period and the weighted average number of ordinary shares outstanding during the period as follows:

	3 Months Ended		9 Months Ended	
	31/3/16	31/3/15	31/3/16	31/3/15
	RM'000	RM'000	RM'000	RM'000
Loss attributable to equity holders of the Parent Company	(626)	N/A	(732)	N/A
Weighted average number of ordinary shares, excluding treasury shares	126,567,060	N/A	126,567,060	N/A
Basic and diluted loss per share (sen)	(0.49)	N/A	(0.58)	N/A

11. Loss Before Tax

	9 Months Ended	
	31/3/16	31/3/15
	RM'000	RM'000
Depreciation and amortization	79	N/A
Overprovision of depreciation and amortization	(37)	N/A
Gain on disposal of property, plant and equipment	(15)	N/A
Foreign exchange gain – unrealized	(246)	N/A
Property, plant and equipment written off	1	N/A
Operating Lease:		
- Lease payment for buildings	1,217	N/A

**PART B: EXPLANATORY NOTES PURSUANT TO MRFS 134
FOR THE QUARTER ENDED 31 MARCH 2016 (CONTD.)**

12. Disclosure of Realised and Unrealised Accumulated Losses

Pursuant to the directive, the breakdown of the accumulated losses of the Group as at 31 March 2016, into realised and unrealised accumulated losses is as follows: -

	As at 31/3/16 RM'000	As at 31/3/15 RM'000
Total accumulated losses of the Company and its subsidiaries:		
- Realised	(113,900)	N/A
- Unrealised	260	N/A
	<hr/>	<hr/>
	(113,640)	N/A
Consolidation adjustments	81,617	N/A
	<hr/>	<hr/>
Total Group accumulated losses as per consolidated accounts	(32,023)	N/A

13. Comparative figure

There were no comparative figures for this quarter ended 31 March 2016 following the Company's change of financial year end from 31 December to 30 June. The change of financial year end took effect from 1 January 2014 to 30 June 2015.