

**INSAS BERHAD**  
Registration No. 196101000026 (4081-M)  
(Incorporated in Malaysia)

24 FEBRUARY 2021

**BURSA MALAYSIA SECURITIES BERHAD**  
9th Floor, Exchange Square  
Bukit Kewangan  
50200 Kuala Lumpur

**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		FY2021	FY2020	Changes %	FY2021	FY2020	Changes %
		Quarter ended 31-Dec-20 RM'000	Quarter ended 31-Dec-19 RM'000		Period ended 31-Dec-20 RM'000	Period ended 31-Dec-19 RM'000	
Revenue		<b>37,661</b>	46,056	-18%	<b>91,988</b>	85,235	8%
Cost of sales	1	<b>(11,710)</b>	(22,396)	-48%	<b>(22,209)</b>	(38,347)	-42%
Other income	2	<b>94,124</b>	17,696	>100%	<b>140,273</b>	41,042	>100%
Administration expenses	3	<b>(3,051)</b>	(8,470)	-64%	<b>(6,623)</b>	(14,487)	-54%
Other operating expenses	4	<b>(46,716)</b>	(5,693)	>100%	<b>(66,072)</b>	(27,281)	>100%
Finance costs		<b>(3,464)</b>	(5,181)	-33%	<b>(7,162)</b>	(10,632)	-33%
Exceptional item	5	<b>(180)</b>	(2,428)	-93%	<b>(1,053)</b>	(3,153)	-67%
Share of profits less losses of associate companies		<b>19,871</b>	13,932	43%	<b>29,972</b>	22,412	34%
Share of (losses)/profits of jointly controlled entities		<b>(42)</b>	14	>-100%	<b>(84)</b>	24	>-100%
Profit before tax		<b>86,493</b>	33,530	>100%	<b>159,030</b>	54,813	>100%
Tax expense		<b>(4,224)</b>	(2,095)	>100%	<b>(11,417)</b>	(5,485)	>100%
Profit for the quarter/period		<b>82,269</b>	31,435	>100%	<b>147,613</b>	49,328	>100%
Profit attributable to:-							
Owners of the Company		<b>82,225</b>	31,207	>100%	<b>147,540</b>	49,064	>100%
Non-controlling interests		<b>44</b>	228	-81%	<b>73</b>	264	-72%
		<b>82,269</b>	31,435	>100%	<b>147,613</b>	49,328	>100%
Earnings per share (in Sen)							
- Basic		<b>12.40</b>	4.71		<b>22.25</b>	7.40	
- Diluted		<b>n/a</b>	n/a		<b>n/a</b>	n/a	

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**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS (CONT'D)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY2021	FY2020	FY2021	FY2020
	Quarter ended	Quarter ended	Period ended	Period ended
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	RM'000	RM'000	RM'000	RM'000
<b>Note 1</b>				
Included in Cost of sales is the following item:-				
Depreciation	<u>(2,028)</u>	<u>(4,958)</u>	<u>(4,147)</u>	<u>(11,100)</u>
<b>Note 2</b>				
Included in Other income are the following items:-				
Allowance for doubtful debts no longer required due to:				
- bad debts written off * (see Note 4)	2,695	-	3,300	-
- recovery of doubtful debts	356	25	649	58
Excess of fair value of net assets over cost of investment on				
acquisition of additional interest in an associate company	-	952	-	952
Fair value gain on derivative financial instruments	1,175	286	2,486	252
Gain on disposal of property, plant and equipment	385	790	1,533	1,479
Interest income	3,070	3,679	6,023	7,690
Gain on exchange differences				
- unrealised	3,026	-	639	-
- realised	-	615	-	882
Gain on fair value changes of financial assets at				
fair value through profit or loss	2,087	8,287	2,524	3,087
Gain on disposal of financial assets at fair value through				
other comprehensive income	77,599	-	77,599	-
Gain on disposal of subsidiary companies	-	1,626	-	1,626
Gain on disposal of shares in an associate company	-	-	30,761	6,616
Gain on acquisition of subsidiary companies upon				
remeasurement of previously held equity interest				
in associate companies arising from step acquisition	1,463	-	1,463	-
Writeback of impairment on financial assets at				
amortised cost	-	-	26	-
<b>Note 3</b>				
Included in Administration expenses is the following item:-				
Depreciation	<u>(118)</u>	<u>(197)</u>	<u>(238)</u>	<u>(407)</u>
<b>Note 4</b>				
Included in Other operating expenses are the following items:-				
Allowance for doubtful debts	130	1	(167)	(12)
Bad debts written off * (see Note 2)	(2,695)	-	(3,300)	-
Property, plant and equipment written off	(29)	-	(29)	-
Depreciation	(315)	(428)	(652)	(851)
Goodwill written off	(1,444)	-	(1,444)	-
(Loss)/Gain on exchange differences				
- unrealised	-	2,750	-	(429)
- realised	(2,890)	-	(141)	-
<b>Note 5</b>				
Exceptional item represents:-				
Effects of dilution of equity interests in				
associate companies	<u>(180)</u>	<u>(2,428)</u>	<u>(1,053)</u>	<u>(3,153)</u>

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**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	FY2021	FY2020	Changes %	FY2021	FY2020	Changes %
	Quarter ended 31-Dec-20 RM'000	Quarter ended 31-Dec-19 RM'000		Period ended 31-Dec-20 RM'000	Period ended 31-Dec-19 RM'000	
Profit for the quarter/period	82,269	31,435	>100%	147,613	49,328	>100%
<u>Other comprehensive loss may be reclassified to profit or loss subsequently:-</u>						
Share of other comprehensive loss of investments accounted for using equity method, net of tax	(1,940)	(1,346)	44%	(4,186)	(788)	>100%
Foreign currency translation of foreign operations, net of tax	(5,118)	(1,407)	>100%	(8,982)	(1,435)	>100%
Total other comprehensive loss for the quarter/period, net of tax	(7,058)	(2,753)	>100%	(13,168)	(2,223)	>100%
Total comprehensive income for the quarter/period, net of tax	75,211	28,682	>100%	134,445	47,105	>100%
Attributable to:-						
Owners of the Company	75,167	28,438	>100%	134,372	46,872	>100%
Non-controlling interests	44	244	-82%	73	233	-69%
	<b>75,211</b>	<b>28,682</b>	<b>&gt;100%</b>	<b>134,445</b>	<b>47,105</b>	<b>&gt;100%</b>

**Note 6**

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>As at 31/12/2020 RM'000 (Unaudited)</b>	<b>As at 30/06/2020 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	57,140	60,439
Investment properties	194,445	192,227
Financial assets at fair value through other comprehensive income	47,822	31,905
Financial assets at amortised cost	3,030	2,248
Jointly controlled entities	(283)	(200)
Associate companies	401,208	458,458
Other receivables	7,659	7,553
Intangible assets	26,152	26,047
Deferred tax assets	1,224	1,269
<b>Total non-current assets</b>	<b>738,397</b>	<b>779,946</b>
<b>Current assets</b>		
Property development costs	10,885	10,885
Inventories	11,297	12,039
Trade receivables	546,778	497,348
Amount due from associate companies	72,178	68,278
Other receivables, deposits and prepayments	76,040	55,332
Financial assets at amortised cost	5,267	778
Financial assets at fair value through profit or loss	167,670	155,276
Tax recoverable	472	3,339
Deposits with licensed banks and financial institutions	432,910	491,564
Cash and bank balances	354,082	180,088
<b>Total current assets</b>	<b>1,677,579</b>	<b>1,474,927</b>
<b>TOTAL ASSETS</b>	<b>2,415,976</b>	<b>2,254,873</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	873,700	873,700
Treasury shares	(14,499)	(14,499)
Reserves	110,291	126,878
Retained earnings	908,782	766,862
	1,878,274	1,752,941
Non-controlling interests	1,735	1,741
<b>TOTAL EQUITY</b>	<b>1,880,009</b>	<b>1,754,682</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	19,748	15,348
Lease liabilities	15,440	14,097
Deferred tax liabilities	5,551	5,551
<b>Total non-current liabilities</b>	<b>40,739</b>	<b>34,996</b>
<b>Current liabilities</b>		
Derivative financial liabilities	847	3,333
Trade payables	111,868	101,800
Other payables, deposits received and accruals	65,911	20,148
Loans and borrowings	305,661	328,087
Lease liabilities	5,705	9,758
Tax payable	5,236	2,069
<b>Total current liabilities</b>	<b>495,228</b>	<b>465,195</b>
<b>TOTAL LIABILITIES</b>	<b>535,967</b>	<b>500,191</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,415,976</b>	<b>2,254,873</b>
<b>Net assets per share attributable to owners of the Company<sup>(7)</sup> (RM)</b>	<b>2.83</b>	<b>2.64</b>

**Note 7**

Net assets per share attributable to owners of the Company is computed based on Total Shareholders' Funds (excluding Non-controlling interests) divided by the total number of ordinary shares in issue, net of shares bought back.

**Note 8**

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	< ----- Attributable to Owners of the Company ----- >							
	< Non-distributable reserves >			< - Distributable reserves - >				
	Share capital RM'000	Other reserves RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>Period ended 31 December 2020</b>								
As at 1 July 2020	873,700	89,188	37,690	(14,499)	766,862	1,752,941	1,741	1,754,682
<b><u>Transactions with owners:-</u></b>								
Post-acquisition reserves - associate companies	-	(2,673)	-	-	7,640	4,967	-	4,967
Cash dividends payable to owners of the Company	-	-	-	-	(13,260)	(13,260)	-	(13,260)
Acquisition of equity interests in subsidiary companies	-	-	(746)	-	-	(746)	1	(745)
Dividend paid to non-controlling interests of a subsidiary company	-	-	-	-	-	-	(80)	(80)
<b>Total transactions with owners</b>	<b>-</b>	<b>(2,673)</b>	<b>(746)</b>	<b>-</b>	<b>(5,620)</b>	<b>(9,039)</b>	<b>(79)</b>	<b>(9,118)</b>
<b><u>Total comprehensive (loss)/income for the financial period</u></b>								
Profit for the financial period	-	-	-	-	147,540	147,540	73	147,613
Share of other comprehensive loss of investments accounted for using equity method, net of tax	-	-	(4,186)	-	-	(4,186)	-	(4,186)
Foreign currency translation of foreign operations, net of tax	-	-	(8,982)	-	-	(8,982)	-	(8,982)
<b>Total comprehensive (loss)/income for the financial period</b>	<b>-</b>	<b>-</b>	<b>(13,168)</b>	<b>-</b>	<b>147,540</b>	<b>134,372</b>	<b>73</b>	<b>134,445</b>
Balance at 31 December 2020	873,700	86,515	23,776	(14,499)	908,782	1,878,274	1,735	1,880,009

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**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

< ----- Attributable to Owners of the Company ----- >  
< ----- Non-distributable reserves----- > < - Distributable reserves- >

	Share capital RM'000	Warrants reserve RM'000	Other reserves RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>Period ended 31 December 2019</b>									
As at 1 July 2019	741,085	4,622	81,848	33,721	(14,499)	892,581	1,739,358	7,836	1,747,194
Effect of adoption of MFRS 16 by an associate company	-	-	-	-	-	434	434	-	434
Restated total equity as at 1 July 2019	741,085	4,622	81,848	33,721	(14,499)	893,015	1,739,792	7,836	1,747,628
<b>Transactions with owners:-</b>									
Post-acquisition reserves - associate companies	-	-	3,660	-	-	(622)	3,038	-	3,038
Cash dividends payable to owners of the Company	-	-	-	-	-	(13,260)	(13,260)	-	(13,260)
Acquisition of equity interests in a subsidiary company by non-controlling interests	-	-	-	-	-	-	-	18	18
Dividends paid to non-controlling interests of a subsidiary company	-	-	-	-	-	-	-	(701)	(701)
Disposal of equity interests in subsidiary companies	-	-	-	(1,004)	-	-	(1,004)	(842)	(1,846)
Non-controlling interests' changes in ownership interests in subsidiary companies	-	-	7	(13)	-	1,094	1,088	(1,088)	-
<b>Total transactions with owners</b>	-	-	3,667	(1,017)	-	(12,788)	(10,138)	(2,613)	(12,751)
<b>Total comprehensive (loss)/income for the financial period</b>									
Profit for the financial period	-	-	-	-	-	49,064	49,064	264	49,328
Share of other comprehensive loss of investments accounted for using equity method, net of tax	-	-	-	(788)	-	-	(788)	-	(788)
Foreign currency translation of foreign operations, net of tax	-	-	-	(1,404)	-	-	(1,404)	(31)	(1,435)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	(2,192)	-	49,064	46,872	233	47,105
Balance at 31 December 2019	741,085	4,622	85,515	30,512	(14,499)	929,291	1,776,526	5,456	1,781,982

**Note 9**

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Period ended 31/12/2020 RM'000</b>	<b>Period ended 31/12/2019 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	159,030	54,813
Adjustments for:-		
Non-cash items	(141,490)	(23,110)
Finance costs	7,162	10,632
Interest income	(6,023)	(7,690)
Operating profit before working capital changes	<u>18,679</u>	<u>34,645</u>
Changes in working capital:-		
Net changes in current assets	(74,641)	(5,929)
Net changes in current liabilities	42,164	46,520
<b>Cash (used in)/from operations</b>	<u>(13,798)</u>	<u>75,236</u>
Interest paid	(7,151)	(10,290)
Interest received	5,916	7,588
Tax paid	(5,223)	(4,037)
<b>Net cash (used in)/from operating activities</b>	<u>(20,256)</u>	<u>68,497</u>
<b>Cash flows from investing activities</b>		
Subscription/Acquisition of shares in associate companies	(491)	(17,562)
Purchase of property, plant and equipment	(648)	(5,185)
Purchase of financial assets at amortised cost	(16,739)	-
Net proceeds from disposal/(purchase) of financial assets at fair value through other comprehensive income	54,057	(6,820)
Purchase of an investment property	(2,720)	-
Proceeds from disposal of shares in an associate company	86,445	7,750
Proceeds from disposal of property, plant and equipment	2,852	7,592
Proceeds from disposal and redemption of financial assets at amortised cost	11,495	1,512
Proceeds from redemption of preference shares in an associate company	8,555	-
Dividend received	18,840	17,243
Net cash inflow on acquisition of equity interest in subsidiary companies	2,554	-
Net cash inflow on disposal of equity interest in subsidiary companies	-	10,075
<b>Net cash from investing activities</b>	<u>164,200</u>	<u>14,605</u>
<b>Cash flows from financing activities</b>		
Decrease in fixed deposits pledged	142,398	36,548
Increase in cash and bank balances pledged	(125,680)	(4,359)
Net repayment of loans and borrowings	(18,712)	(48,474)
Proceeds from acquisition of equity interests in a subsidiary company by non-controlling interests	-	18
Dividend paid to non-controlling interests of a subsidiary company	(80)	(701)
Repayment of lease liabilities	(5,021)	(14,875)
<b>Net cash used in financing activities</b>	<u>(7,095)</u>	<u>(31,843)</u>
<b>Net increase in cash and cash equivalents</b>	136,849	51,259
<b>Cash and cash equivalents at beginning of the financial period</b>	398,817	388,695
<b>Exchange differences</b>	(3,728)	(454)
<b>Cash and cash equivalents at end of the financial period</b>	<u>531,938</u>	<u>439,500</u>
<b>Cash and cash equivalents comprise of:-</b>		
<b>Bank overdrafts</b>	(604)	(527)
<b>Cash and bank balances</b>	134,483	95,127
<b>Deposits with licensed banks and financial institutions</b>	398,059	344,900
	<u>531,938</u>	<u>439,500</u>

**Note 10**

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 31 DECEMBER 2020 - NOTES TO THE UNAUDITED FINANCIAL REPORT.**

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting**

**A1. Basis of Preparation**

This set of financial report is unaudited and has been prepared in compliance with the reporting requirements outlined in the Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad.

This Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2020, which were prepared under the Malaysian Financial Reporting Standards. The explanatory notes attached to this financial report provide an explanation of 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 30 June 2020.

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation and presentation adopted by the Group in this Quarterly Report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020 except for the adoption of new MFRS, amendments to MFRSs and annual improvements to MFRSs issued by the MASB that became effective and relevant to the Group for the financial year beginning on or after 1 July 2020. The adoption of the new Standard, amendments to Standards and annual improvements to Standards are not expected to have any material financial impact on the financial statements of the Group.

The Group has not early adopted new Standard, amendments to Standards and annual improvements to Standards that have been issued but are not yet effective for the accounting period beginning 1 July 2020.

**A3. Declaration of Audit Qualification**

There was no qualified report issued by the auditors in the audited financial statements of the Group for the financial year ended 30 June 2020.

**A4. Seasonality and Cyclicity of Interim Operations**

The performance of the Group is not significantly affected by seasonal and cyclical fluctuation.



## A5. Exceptional/Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

The following are the exceptional items that occurred during the current financial quarter and financial period under review which affect the assets, liabilities, equity, net income or cash flows of the Group:-

### Recognised in the Statements of Profit or Loss

	Individual Quarter		Cumulative Quarter	
	Quarter ended	Quarter ended	Period ended	Period ended
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
	RM'000	RM'000	RM'000	RM'000
Excess of fair value of net assets over cost of investment on acquisition of additional interest in an associate company	-	952	-	952
Fair value gain on derivative financial instruments	1,175	286	2,486	252
Gain on disposal of subsidiary companies	-	1,626	-	1,626
Gain on disposal of shares in an associate company	-	-	30,761	6,616
Gain on acquisition of subsidiary companies upon remeasurement of previously held equity interest in associate companies arising from step acquisition	1,463	-	1,463	-
Gain on disposal of financial assets at fair value through other comprehensive income	77,599	-	77,599	-
Gain on fair value changes of financial assets at fair value through profit or loss	2,087	8,287	2,524	3,087
Gain/(Loss) on exchange differences				
- realised	(2,890)	615	(141)	882
- unrealised	3,026	2,750	639	(429)
Goodwill written off	(1,444)	-	(1,444)	-
Effects of dilution of equity interests in associate companies	(180)	(2,428)	(1,053)	(3,153)

## A6. Material Changes in Estimates

There are no material changes in accounting estimates used in the preparation of the financial statements in the current financial quarter and financial period as compared to the preceding corresponding financial quarter and financial period.

## A7. Debts and Equity Securities

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting of the Company held on 23 December 2020, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

The Company did not repurchase any of its shares from the open market during the financial period ended 31 December 2020. Of the total 693,348,053 issued and fully paid up ordinary shares, 30,327,291 shares are being held as treasury shares by the Company as at 31 December 2020.

Other than the above, there were no issuance and repayment of equity and debts securities, share cancellations and resale of treasury shares by the Company for the financial period ended 31 December 2020.

## A8. Dividends Paid

No dividend has been paid for the current financial quarter and financial period to-date.

## A9. Segment Information

The segment analysis on the Group's results for the financial period ended 31 December 2020 is as follows:-

	Financial services and credit & leasing	Investment holding and trading	Technology and IT-related manufacturing, trading and services	Retail trading and car rental	Property investment and development	Eliminations	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>							
External revenue	48,448	30,338	3,973	6,838	2,391	-	91,988
Inter-segment revenue	1,001	3,888	13,379	598	385	(19,251)	-
Total segment revenue	49,449	34,226	17,352	7,436	2,776	(19,251)	91,988
<b>Results</b>							
Segment profit from operations	26,098	4,001	99,034	1,371	937	(107)	131,334
Interest income	1,387	4,666	5,135	31	142	(5,338)	6,023
Finance costs	(5,467)	(6,076)	(61)	(879)	(124)	5,445	(7,162)
Exceptional item	-	-	(1,053)	-	-	-	(1,053)
Share of profits less losses of associate companies	-	4,379	25,013	(1,748)	2,328	-	29,972
Share of losses of jointly controlled entities	(82)	-	-	(2)	-	-	(84)
Profit/(Loss) before tax	21,936	6,970	128,068	(1,227)	3,283	-	159,030
Tax expense	(5,633)	(4,520)	(924)	-	(340)	-	(11,417)
Profit/(Loss) for the financial period	16,303	2,450	127,144	(1,227)	2,943	-	147,613
<b>Attributable to:-</b>							
Owners of the Company							147,540
Non-controlling interests							73
Segment assets	772,526	742,278	630,473	74,913	195,786	-	2,415,976
Segment liabilities	143,900	344,027	17,802	26,303	3,935	-	535,967

## A9. Segment Information (Cont'd)

The segment analysis on the Group's results for the financial period ended 30 December 2019 is as follows:-

	Financial services and credit & leasing	Investment holding and trading	Technology and IT-related manufacturing, trading and services	Retail trading and car rental	Property investment and development	Eliminations	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>							
External revenue	36,177	13,890	2,403	32,095	670	-	85,235
Inter-segment revenue	309	10,447	10,701	6,499	327	(28,283)	-
Total segment revenue	36,486	24,337	13,104	38,594	997	(28,283)	85,235
<b>Results</b>							
Segment profit from operations	23,624	7,676	2,923	3,646	855	(252)	38,472
Interest income	1,937	8,378	4,844	14	154	(7,637)	7,690
Finance costs	(6,298)	(9,196)	(31)	(2,546)	(450)	7,889	(10,632)
Exceptional item	-	-	(1,486)	-	(1,667)	-	(3,153)
Share of profits less losses of associate companies	-	1,386	15,394	1,138	4,494	-	22,412
Share of profits of a jointly controlled entity	24	-	-	-	-	-	24
Profit before tax	19,287	8,244	21,644	2,252	3,386	-	54,813
Tax expense	(4,598)	(445)	(393)	(41)	(8)	-	(5,485)
Profit for the financial period	14,689	7,799	21,251	2,211	3,378	-	49,328
<b>Attributable to:-</b>							
Owners of the Company							49,064
Non-controlling interests							264
Segment assets	592,908	827,457	573,519	99,635	194,570	-	2,288,089
Segment liabilities	68,394	388,658	1,742	42,900	4,413	-	506,107

## A10. Valuation of Property, Plant and Equipment

The valuation of land and building held under property, plant and equipment has been brought forward without amendment from the annual financial statements of the Group for the financial year ended 30 June 2020.

## A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current financial quarter and financial period, including business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructuring and discontinuing operations other than as disclosed below:-

- (i) On 24 September 2020, Montego (S) Pte. Ltd., an indirect wholly owned subsidiary of the Company, subscribed for 30,000 ordinary shares representing 33.33% equity interest in Clear Foods Pte. Ltd. ("Clear Foods"), a company incorporated in Singapore.

Clear Foods' principal activities are processing and preserving of meat and meat products. Clear Foods has not commenced operations as at 31 December 2020.

#### A11. Changes in the Composition of the Group (Cont'd)

- (ii) On 27 November 2020, Insas Technology Berhad (“ITB”), a wholly-owned subsidiary of the Company had acquired 34,094,934 ordinary shares, representing 50.36% equity interest in Numoni Pte. Ltd. (“Numoni”) at a purchase price of SGD0.04 per ordinary share for a total consideration of SGD1,363,797.36 from the other shareholders of Numoni.

Arising from this acquisition, ITB’s shareholding in Numoni increased from 49.64% to 100% and became a wholly-owned subsidiary of the Group.

#### A12. Material Subsequent Events

There were no material events subsequent to the financial period ended 31 December 2020 and up to the date of this Report, which affects substantially the results of the operation of the Group.

#### A13. Contingent Assets or Liabilities

As at the date of this Report, the Group and the Company has provided guarantees as follows:-

	Group		Company	
	Limit RM’000	Amount utilised RM’000	Limit RM’000	Amount utilised RM’000
Unsecured: Guarantees to secure banking and credit facilities granted to:-				
- certain subsidiary companies	-	-	114,908	68,399
- an associate company	16	16	-	-

There is no contingent asset as at the date of this Report.

#### A14. Commitments

Contractual commitments not provided for in the financial statements as at 31 December 2020 are as follows:-

	RM'000
To acquire property, plant and equipment	2,341
Investment commitments in relation to financial assets at fair value through other comprehensive income	<u>6,378</u>

#### A15. Related Party Transactions

Related party transactions had been entered into in the ordinary course of business that had been undertaken at arm's length basis on normal commercial terms.

### ADDITIONAL INFORMATION REQUIRED BY PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### B1. Review of Performance

##### Comparison between current financial quarter against preceding year corresponding financial quarter

###### Group's summary

The Group reported revenue of RM37.7 million and a pre-tax profit of RM86.5 million in the current financial quarter (Q2/2021) as compared to revenue of RM46.1 million and a pre-tax profit of RM33.5 million in the preceding year corresponding quarter (Q2/2020). The review of performance by division is as follows:-

###### Financial services and credit & leasing division

The unit reported higher revenue of RM23.4 million in Q2/2021 as compared to RM17.9 million in Q2/2020 mainly due to higher brokerage income generated by the stock broking unit on the back of stronger trading activities on Bursa Malaysia in Q2/2021.

The pre-tax profit for Q2/2021 is slightly higher at RM9.6 million as compared to RM7.8 million in Q2/2020 mainly due to the increase in brokerage income.

###### Investment holding and trading division

The investment unit reported lower revenue of RM5.7 million in Q2/2021 mainly due to lower trading activities as compared to revenue of RM8.8 million in Q2/2020.

The investment unit reported a pre-tax loss of -RM9.0 million in Q2/2021 as compared to a pre-tax profit of RM15.3 million in Q2/2020, mainly due to lower unrealised gain on fair value changes of financial assets at fair value through profit or loss and unrealised loss on foreign exchange in the current financial quarter.

###### Technology and IT-related manufacturing, trading and services division

The Technology unit reported higher revenue of RM3.9 million in Q2/2021 as compared to revenue of RM2.4 million in Q2/2020 mainly due to higher sales of trading products in the current financial quarter.

## B1. Review of Performance (Cont'd)

### Comparison between current financial quarter against preceding year corresponding financial quarter (Cont'd)

#### Technology and IT-related manufacturing, trading and services division (cont'd)

The Technology unit reported higher pre-tax profit of RM85.4 million in Q2/2021 (Q2/2020: RM6.1 million) mainly due to gain on disposal of financial assets at fair value through other comprehensive income of RM77.6 million (Q2/2020: Nil) and higher equity profit contribution from Inari Amertron Berhad of RM15.0 million (Q2/2020: RM6.9 million).

### Current financial period to date against preceding year's corresponding financial period

#### Group's summary

The Group reported revenue of RM92.0 million and a pre-tax profit of RM159.0 million for the six months period ended 31 December 2020 as compared to revenue of RM85.2 million and a pre-tax profit of RM54.8 million reported in the corresponding period in the preceding year. The review of performance by divisions is as follows:-

#### Financial services and credit & leasing division

The unit reported higher revenue and pre-tax profit of RM48.4 million and RM21.9 million for the six months period ended 31 December 2020 as compared to the corresponding period in the preceding year of RM36.2 million and RM19.3 million respectively, mainly due to higher brokerage income generated by the stock broking unit on the back of stronger trading activities on Bursa Malaysia in the current financial period.

#### Investment holding and trading division

The investment unit reported higher revenue of RM30.3 million for the six months period ended 31 December 2020 as compared to the corresponding period in the preceding year of RM13.9 million mainly due to higher trading activities in the current financial period.

The investment unit reported slightly lower pre-tax profit of RM7.0 million for the six months period ended 31 December 2020 (six months period ended 31 December 2019: RM8.2 million) mainly due to lower unrealised gain on fair value changes of financial assets at fair value through profit or loss and unrealised loss on foreign exchange.

#### Technology and IT-related manufacturing, trading and services division

The Technology unit reported higher revenue of RM4.0 million for the six months period ended 31 December 2020 as compared to the corresponding period in the preceding year of RM2.4 million due to higher sales of trading products in the current financial period.

The Technology unit reported higher pre-tax profit of RM128.1 million for the six months period ended 31 December 2020 (six months period ended 31 December 2019: RM21.6 million) mainly due to higher gain on disposal of shares in an associate company, higher profit contribution from Inari Amertron Berhad and gain on disposal of financial assets at fair value through other comprehensive income.

**B2. Comments on material changes in the revenue and profit before tax for the current financial quarter as compared with the immediate preceding financial quarter**

	Current Quarter 31-Dec-2020 RM'000	Immediate Preceding Quarter 30-Sep-2020 RM'000	Changes (%)
Revenue	37,661	54,327	-31%
Profit from operations	67,238	64,096	5%
Profit before tax	86,493	72,537	19%
Profit after tax	82,269	65,344	26%
Profit attributable to owners of the Company	82,225	65,315	26%

The Group reported an improved pre-tax profit of RM86.5 million in the current financial quarter (Q2/2021) as compared to the immediate preceding financial quarter (Q1/2021) of RM72.5 million, mainly due to gain on disposal of financial assets at fair value through other comprehensive income.

**B3. Prospects for financial year ending 30 June 2021**

The Group remains resilient supported by strong financial fundamentals and prudent cash and financial management, and the Board will continue its vigilance to navigate the Group through the continuous uncertainties due to the Covid-19 pandemic.

Financial services and credit & leasing division

The stock broking unit is expected to perform satisfactorily in FY2021 due to current strong retail trading on Bursa Malaysia. The structured finance business remains operational with active management of costs and close monitoring on collections despite recommencement of the Movement Control Order 2.0 since 13 January 2021.

Investment trading division

The investment unit's performance for the financial year ending 30 June 2021 is largely dependent on the global economy and financial markets and the recovery from Covid-19 pandemic.

Technology and IT-related manufacturing, trading and services division

The Board is cautiously optimistic the Technology unit and Inari Amertron Berhad will generate positive contribution to the Group in FY 2021 due to strong demand in the RF business arising from projected growth in new 5G devices over the next few quarters.

**B4. Variance of Actual Profit from Forecast Profit/Profit Guarantee**

This note is not applicable for the financial period under review as the Group did not enter into any scheme that requires it to present forecast results or guarantee any profit.

## B5. Tax Expense

The tax expense for the current financial quarter and financial period ended 31 December 2020 is as follows:-

	Individual Quarter ended 31-Dec-2020 RM'000	Quarter Quarter ended 31-Dec-2019 RM'000	Cumulative Period ended 1-Dec-2020 RM'000	Quarter Period ended 31-Dec-2019 RM'000
<b><u>Income tax:-</u></b>				
Provision for current financial quarter/period				
- Malaysian income tax	3,963	2,054	11,115	5,529
- Overseas income tax	-	55	18	160
Underprovision in preceding financial quarter/period	239	-	239	-
<b><u>Deferred tax:-</u></b>				
Transfer from/(to) deferred taxation	22	(14)	45	(204)
	<u>4,224</u>	<u>2,095</u>	<u>11,417</u>	<u>5,485</u>

The reconciliation between the statutory tax rate and the effective tax rate on the pre-tax profit of the Group are as follows:-

	Individual Quarter ended 31-Dec-2020 RM'000	Quarter Quarter ended 31-Dec-2019 RM'000	Cumulative Period ended 31-Dec-2020 RM'000	Quarter Period ended 31-Dec-2019 RM'000
Profit before tax	<u>86,493</u>	<u>33,530</u>	<u>159,030</u>	<u>54,813</u>
Income tax at Malaysian statutory tax rate of 24%	20,758	8,047	38,167	13,155
<b><u>Tax effects in respect of:-</u></b>				
Non-allowable expenses	10,780	(364)	12,477	1,879
Income not subject to tax	(26,743)	(5,189)	(37,438)	(9,245)
Effect of different tax rates in other countries	(885)	(401)	(1,975)	(380)
Overseas tax paid on dividend income	57	83	134	223
Utilisation of previously unrecognised deferred tax assets	(12)	(80)	(244)	(153)
Deferred tax not recognised in the financial statements	30	(1)	57	6
Tax expenses for the financial quarter/period	<u>3,985</u>	<u>2,095</u>	<u>11,178</u>	<u>5,485</u>
Underprovision in preceding financial quarter/period	239	-	239	-
	<u>4,224</u>	<u>2,095</u>	<u>11,417</u>	<u>5,485</u>



## **B6. Status of Corporate Proposal announced but not completed as at the date of this Report**

There is no corporate proposal that has been announced but has not been completed as at the date of this Report, other than as disclosed below:-

On 9 July 2020, the Company announced to undertake the following proposals:-

- i) Proposed renounceable rights issue of up to 132,604,152 redeemable preference shares ("Rights RPS") together with up to 331,510,380 free detachable warrants ("Warrants") on the basis of 2 Rights RPS and 5 Warrants for every 10 existing ordinary shares at an issue price of RM1.00 per Rights RPS ("Proposed Rights Issue"); and
- ii) Proposed amendments to the Constitution of the Company to facilitate the creation and issuance of the Rights RPS pursuant to the Proposed Rights Issue so as to comply with the provisions of the Companies Act 2016.

On 29 September 2020, the Company proposed to establish an employees' share option scheme ("ESOS") of up to 10% of the total number of issued ordinary shares in the Company (excluding treasury shares) for eligible employees including Executive Directors and Non-Executive Directors of the Company and its operating subsidiaries.

The Proposed Rights Issue and ESOS was approved by Bursa Malaysia Securities Berhad on 13 November 2020 and shareholders at an extraordinary general meeting held on 23 December 2020.

On 5 February 2021, the abridged prospectus together with the notice of provisional allotment and rights subscription form for the Proposed Rights Issue have been despatched to the entitled shareholders. The last date for acceptance, excess application and payment of the Rights RPS was due on 19 February 2021.

The Company is expected to announce the final subscription result of the Proposed Rights Issue on 26 February 2021.

## **B7. Status of Utilisation of Proceeds**

There is no unutilised proceeds from any corporate proposal.

## B8. Group Borrowings and Debt Securities as at 31 December 2020

	As at 31 December 2020					
	Long term		Short term		Total borrowings	
	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000
<b>Secured</b>						
<b>Bank overdrafts</b>						
- RM	-	-	-	604	-	604
<b>Term loans</b>						
- RM	-	16,050	-	973	-	17,023
- SGD	1,217	3,698	16,885	51,296	18,102	54,994
- AUD	-	-	6,755	20,907	6,755	20,907
- USD	-	-	1,433	5,760	1,433	5,760
- GBP	-	-	776	4,249	776	4,249
- EUR	-	-	1,676	8,285	1,676	8,285
<b>Revolving credit facilities</b>	-	-	-	198,600	-	198,600
<b>Margin financing facility</b>	-	-	-	14,987	-	14,987
<b>Total loans and borrowings</b>	-	19,748	-	305,661	-	325,409

	As at 31 December 2019					
	Long term		Short term		Total borrowings	
	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000	Foreign denomination '000	RM denomination RM'000
<b>Secured</b>						
<b>Bank overdrafts</b>						
- RM	-	-	-	527	-	527
<b>Term loans</b>						
- RM	-	11,937	-	737	-	12,674
- SGD	1,272	3,869	18,136	55,152	19,408	59,021
- AUD	-	-	2,965	8,516	2,965	8,516
- USD	-	-	8,083	33,149	8,083	33,149
- GBP	-	-	765	4,117	765	4,117
- EUR	-	-	4,219	19,397	4,219	19,397
<b>Revolving credit facilities</b>	-	-	-	92,550	-	92,550
<b>Margin financing facility</b>	-	-	-	15,177	-	15,177
<b>Total loans and borrowings</b>	-	15,806	-	229,322	-	245,128

The weighted average interest rates per annum were as follows:-

	Floating (%)	
	As at 31.12.2020	As at 31.12.2019
<b>Secured</b>		
Bank overdrafts	6.89%-8.14%	8.14%-11.50%
Term loans	0.78%-6.79%	0.53%-6.79%
Revolving credit facilities	3.52%-4.59%	5.25%-5.89%
Margin financing facility	5.67%-6.67%	6.67%

## B9. Material Litigation

There are no material pending litigation since the last annual reporting date up to the date of this Report. The Group was not engaged in any litigation which is likely to give rise to proceedings which may materially and adversely affect the financial position or the business operations of the Group.

## B10. Dividend

The Board of Directors had on 24 November 2020 declared an interim single tier dividend of 2.0 sen per ordinary share each in the Company in respect of the financial year ending 30 June 2021.

The interim dividend totaling RM13,260,415 was paid on 13 January 2021.

## B11. Earnings per share

### (a) Basic earnings per share

The basic earnings per share for the current financial quarter and financial period have been calculated by dividing the profit attributable to owners of the Company for the financial quarter and financial period by the weighted average number of ordinary shares in issue during the financial quarter and financial period.

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 31-Dec-2020	Quarter ended 31-Dec-2019	Period ended 31-Dec-2020	Period ended 31-Dec-2019
Net profit attributable to owners of the Company for the financial quarter and financial period (RM'000)	82,225	31,207	147,540	49,064
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	663,021	663,007	663,021	663,007
Basic earnings per share (Sen)	12.40	4.71	22.25	7.40

### (b) Diluted earnings per share

The diluted earnings per share is not computed as there are no dilutive potential equity instruments in issue that gave diluted effect to the earnings per share.

## B12. Derivative Financial Liabilities

Details of derivative financial liabilities as at 31 December 2020 are set out below:-

Type of Derivatives	As at 31.12.2020	
	<u>Contract/ Notional value</u> RM'000	<u>Fair value</u> RM'000
<u>Currency Forward Contract and Options</u>		
- Less than 1 year	(21)	(404)
<u>Other equity related contracts</u>		
- Less than 1 year	(7,931)	(443)
	(7,952)	(847)

There is no significant changes in respect of the following since the end of the previous financial year ended 30 June 2020:-

- (a) the cash requirements of the derivative financial instruments;
- (b) the policies that is in place for mitigating or controlling the risks associated with these derivative financial instruments; and
- (c) the related accounting policies.

## B13. Disclosure of Gains/Losses Arising from Fair Value Changes of Financial Liabilities

Financial liabilities of the Group are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivative financial instruments entered into by the Group that do not meet the hedge accounting criteria.

The fair value changes of the derivative financial instruments are derived from quotes obtained from licensed financial institutions. The resulting gain or loss is recognised in the statements of profit or loss. Fair value gain on derivative financial instruments of RM1.2 million in the current financial quarter and RM2.5 million for the financial period ended 31 December 2020 have been recognised in the statements of profit or loss.

### **B13. Disclosure of Gains/Losses Arising from Fair Value Changes of Financial Liabilities (Cont'd)**

#### Other financial liabilities

The Group's other financial liabilities include trade payables, other payables and accruals and loans and borrowings.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

The carrying amounts of other financial liabilities as at the end of the reporting period approximate to their fair values due to their short-term nature, or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

There is no gain or loss arising from fair value changes to other financial liabilities.