

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

27 MAY 2021

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

UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		FY2021 Quarter ended 31-Mar-21 RM'000	FY2020 Quarter ended 31-Mar-20 RM'000	Changes %	FY2021 Period ended 31-Mar-21 RM'000	FY2020 Period ended 31-Mar-20 RM'000	Changes %
Revenue		80,641	62,641	29%	241,404 *	147,876	63%
Cost of sales	1	(35,327)	(44,968)	-21%	(110,952) *	(83,315)	33%
Other income	2	65,287	7,517	>100%	190,201 *	48,559	>100%
Administration expenses	3	(7,917)	(4,769)	66%	(14,540)	(19,256)	-24%
Other operating expenses	4	(39,175)	(56,134)	-30%	(105,247)	(83,415)	26%
Finance costs		(3,831)	(6,739)	-43%	(10,993)	(17,371)	-37%
Exceptional item	5	(1,354)	(1,699)	-20%	(2,407)	(4,852)	-50%
Share of profits less losses of associate companies		15,309	(5,428)	>-100%	45,281	16,984	>100%
Share of losses of jointly controlled entities		(144)	(106)	36%	(228)	(82)	>100%
Profit/(Loss) before tax		73,489	(49,685)	>-100%	232,519	5,128	>100%
Tax expense		(3,821)	(1,808)	>100%	(15,238)	(7,293)	>100%
Profit/(Loss) for the quarter/period		69,668	(51,493)	>-100%	217,281	(2,165)	>-100%
Profit/(Loss) attributable to:-							
Owners of the Company		69,719	(51,484)	>-100%	217,259	(2,420)	>-100%
Non-controlling interests		(51)	(9)	>100%	22	255	-91%
		69,668	(51,493)	>-100%	217,281	(2,165)	>-100%
Earnings/(Loss) per share (in Sen)							
- Basic		10.52	(7.76)		32.77	(0.36)	
- Diluted		n/a	n/a		n/a	n/a	

* Certain figures in the preceding quarters have been reclassified to be consistent with the current quarter's presentation.

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UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

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-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
	RM'000	RM'000	RM'000	RM'000
Note 1				
Included in Cost of sales is the following item:-				
Depreciation	<u>(1,978)</u>	<u>(2,187)</u>	<u>(6,125)</u>	<u>(13,287)</u>
Note 2				
Included in Other income are the following items:-				
Allowance for doubtful debts no longer required due to:				
- bad debts written off * (see Note 4)	-	-	3,300	-
- recovery of doubtful debts	18	4	667	62
Excess of fair value of net assets over cost of investment on acquisition of additional interest in an associate company	-	840	-	1,792
Fair value (loss)/gain on derivative financial instruments	(877)	-	1,609	-
Gain on disposal of property, plant and equipment	1,197	571	2,730	2,050
Interest income	2,869	3,796	8,892	11,486
Gain on exchange differences				
- unrealised	258	-	897	-
- realised	8,306	793	8,165	1,675
Gain on fair value changes of financial assets at fair value through profit or loss	41,889	-	44,413	-
Gain on disposal of financial assets at fair value through other comprehensive income	-	-	77,599	-
Gain on disposal of subsidiary companies	-	2,087	-	3,713
Gain on disposal of shares in an associate company	-	-	15,402	6,616
Gain on acquisition of subsidiary companies upon remeasurement of previously held equity interest in associate companies arising from step acquisition	-	-	1,463	-
Writeback of impairment on financial assets at amortised cost	-	-	26	-
Note 3				
Included in Administration expenses is the following item:-				
Depreciation	<u>(165)</u>	<u>(130)</u>	<u>(403)</u>	<u>(537)</u>
Note 4				
Included in Other operating expenses are the following items:-				
Allowance for doubtful debts	51	(625)	(116)	(637)
Bad debts written off * (see Note 2)	-	-	(3,300)	-
Property, plant and equipment written off	-	-	(29)	-
Depreciation	(299)	(425)	(951)	(1,276)
Fair value loss on derivative financial instruments	-	(4,907)	-	(4,655)
Loss on fair value changes of financial assets at fair value through profit or loss	-	(35,973)	-	(32,886)
Goodwill written off	-	-	(1,444)	-
Loss on exchange differences				
- unrealised	-	(9,454)	-	(9,883)
Note 5				
Exceptional item represents:-				
Effects of dilution of equity interests in associate companies	<u>(1,354)</u>	<u>(1,699)</u>	<u>(2,407)</u>	<u>(4,852)</u>

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UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	FY2021	FY2020	Changes	FY2021	FY2020	Changes
	Quarter ended 31-Mar-21 RM'000	Quarter ended 31-Mar-20 RM'000		Period ended 31-Mar-21 RM'000	Period ended 31-Mar-20 RM'000	
Profit/(Loss) for the quarter/period	69,668	(51,493)	>-100%	217,281	(2,165)	>-100%
<u>Other comprehensive income/(loss) may be reclassified to profit or loss subsequently:-</u>						
Share of other comprehensive income/(loss) of investments accounted for using equity method, net of tax	2,019	3,241	-38%	(2,167)	2,453	>-100%
Foreign currency translation of foreign operations, net of tax	6,697	4,903	37%	(2,285)	3,468	>-100%
Total other comprehensive income/(loss) for the quarter/period, net of tax	8,716	8,144	7%	(4,452)	5,921	>-100%
Total comprehensive income/(loss) for the quarter/period, net of tax	78,384	(43,349)	>-100%	212,829	3,756	>100%
Attributable to:-						
Owners of the Company	78,435	(43,417)	>-100%	212,807	3,455	>100%
Non-controlling interests	(51)	68	>-100%	22	301	-93%
	78,384	(43,349)	>-100%	212,829	3,756	>100%

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 THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31/03/2021 RM'000 (Unaudited)	As at 30/06/2020 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	57,903	60,439
Investment properties	195,061	192,227
Financial assets at fair value through other comprehensive income	48,623	31,905
Financial assets at amortised cost	3,030	2,248
Jointly controlled entities	(428)	(200)
Associate companies	394,856	458,458
Other receivables	7,712	7,553
Intangible assets	26,154	26,047
Deferred tax assets	1,244	1,269
Total non-current assets	734,155	779,946
Current assets		
Property development costs	10,885	10,885
Inventories	11,277	12,039
Trade receivables	570,011	497,348
Amount due from associate companies	73,461	68,278
Other receivables, deposits and prepayments	86,717	55,332
Financial assets at amortised cost	1,207	778
Financial assets at fair value through profit or loss	209,436	155,276
Tax recoverable	524	3,339
Deposits with licensed banks and financial institutions	411,785	491,564
Cash and bank balances	434,973	180,088
Total current assets	1,810,276	1,474,927
TOTAL ASSETS	2,544,431	2,254,873
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the Company		
Share capital	873,700	873,700
Treasury shares	(14,499)	(14,499)
Reserves	123,493	126,878
Retained earnings	978,262	766,862
	1,960,956	1,752,941
Non-controlling interests	1,684	1,741
TOTAL EQUITY	1,962,640	1,754,682
LIABILITIES		
Non-current liabilities		
Loans and borrowings	21,021	15,348
Lease liabilities	16,436	14,097
Deferred tax liabilities	7,056	5,551
Preference shares	126,392	-
Total non-current liabilities	170,905	34,996
Current liabilities		
Derivative financial liabilities	1,723	3,333
Trade payables	124,001	101,800
Other payables, deposits received and accruals	57,918	20,148
Loans and borrowings	216,424	328,087
Lease liabilities	5,433	9,758
Tax payable	5,387	2,069
Total current liabilities	410,886	465,195
TOTAL LIABILITIES	581,791	500,191
TOTAL EQUITY AND LIABILITIES	2,544,431	2,254,873
Net assets per share attributable to owners of the Company⁽⁷⁾ (RM)	2.96	2.64

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 THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	< ----- Attributable to Owners of the Company ----- >						Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	<-----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			
Period ended 31 March 2021									
As at 1 July 2020	873,700	-	89,188	37,690	(14,499)	766,862	1,752,941	1,741	1,754,682
<u>Transactions with owners:-</u>									
Post-acquisition reserves - associate companies	-	-	(3,363)	-	-	7,639	4,276	-	4,276
Cash dividends paid 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)
Arising from rights issue of redeemable preference shares	-	4,938	-	-	-	-	4,938	-	4,938
Total transactions with owners	-	4,938	(3,363)	(746)	-	(5,621)	(4,792)	(79)	(4,871)
<u>Total comprehensive (loss)/income for the financial period</u>									
Profit for the financial period	-	-	-	-	-	217,259	217,259	22	217,281
Share of other comprehensive loss of investments accounted for using equity method, net of tax	-	-	-	(1,929)	-	(238)	(2,167)	-	(2,167)
Foreign currency translation of foreign operations, net of tax	-	-	-	(2,285)	-	-	(2,285)	-	(2,285)
Total comprehensive (loss)/income for the financial period	-	-	-	(4,214)	-	217,021	212,807	22	212,829
Balance at 31 March 2021	873,700	4,938	85,825	32,730	(14,499)	978,262	1,960,956	1,684	1,962,640

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	< ----- Attributable to Owners of the Company ----- >								Total equity RM'000
	< ----- 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	
Period ended 31 March 2020									
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
Transactions with owners:-									
Post-acquisition reserves - associate companies	-	-	6,448	(767)	-	(654)	5,027	-	5,027
Cash dividends paid 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	-	-	-	-	-	-	-	(699)	(699)
Disposal of equity interests in subsidiary companies	-	-	-	(1,012)	-	-	(1,012)	(963)	(1,975)
Repayment of capital to non-controlling interests	-	-	-	-	-	-	-	(3,581)	(3,581)
Non-controlling interests' changes in ownership interests in subsidiary companies	-	-	7	(13)	-	1,094	1,088	(1,088)	-
Redemption of redeemable preference shares, out of profits of the Company	132,601	-	-	-	-	(132,601)	-	-	-
Arising from derecognition of warrants reserve on expiry	-	(4,622)	-	-	-	4,622	-	-	-
Issuance of ordinary shares pursuant to exercise of warrants	14	-	-	-	-	-	14	-	14
Total transactions with owners	132,615	(4,622)	6,455	(1,792)	-	(140,799)	(8,143)	(6,313)	(14,456)
Total comprehensive income/(loss) for the financial period									
Loss for the financial period	-	-	-	-	-	(2,420)	(2,420)	255	(2,165)
Share of other comprehensive income of investments accounted for using equity method, net of tax	-	-	-	2,430	-	23	2,453	-	2,453
Foreign currency translation of foreign operations, net of tax	-	-	-	3,422	-	-	3,422	46	3,468
Total comprehensive income/(loss) for the financial period	-	-	-	5,852	-	(2,397)	3,455	301	3,756
Balance at 31 March 2020	873,700	-	88,303	37,781	(14,499)	749,819	1,735,104	1,824	1,736,928

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 THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Period ended 31/03/2021 RM'000	Period ended 31/03/2020 RM'000
Cash flows from operating activities		
Profit before tax	232,519	5,128
Adjustments for:-		
Non-cash items	(180,725)	33,159
Finance costs	10,993	17,371
Interest income	(8,892)	(11,486)
Operating profit before working capital changes	<u>53,895</u>	<u>44,172</u>
Changes in working capital:-		
Net changes in current assets	(37,448)	56,863
Net changes in current liabilities	59,694	51,386
Cash from operations	<u>76,141</u>	<u>152,421</u>
Interest paid	(10,687)	(14,846)
Interest received	8,731	11,332
Tax paid	(9,019)	(7,694)
Net cash from operating activities	<u>65,166</u>	<u>141,213</u>
Cash flows from investing activities		
Subscription/Acquisition of shares in associate companies	(7,774)	(26,696)
Purchase of property, plant and equipment	(1,682)	(6,304)
Purchase of financial assets at amortised cost	(17,169)	-
Net proceeds from disposal/(purchase) of financial assets at fair value through other comprehensive income	53,009	(8,934)
Purchase of an investment property	(2,730)	(6,328)
Proceeds from disposal of shares in an associate company	17,670	7,750
Proceeds from disposal of property, plant and equipment	4,332	8,607
Proceeds from disposal and redemption of financial assets at amortised cost	15,984	1,512
Proceeds from redemption of preference shares in an associate company	8,555	-
Dividend received	33,162	24,473
Net cash inflow on acquisition of equity interest in subsidiary companies	2,553	-
Net cash inflow on disposal of equity interest in subsidiary companies	-	6,082
Net cash from investing activities	<u>105,910</u>	<u>162</u>
Cash flows from financing activities		
Decrease in fixed deposits pledged	141,783	54,554
Increase in cash and bank balances pledged	(141,620)	(130,342)
Net (repayment)/drawdown of loans and borrowings	(107,831)	104,447
Proceeds from acquisition of equity interests in a subsidiary company by non-controlling interests	-	18
Proceeds from issue of ordinary shares	-	14
Proceeds from issue of redeemable preference shares	132,604	-
Repayment of capital to non-controlling interests	-	(3,581)
Dividend paid to non-controlling interests of a subsidiary company	(80)	(699)
Cash dividends paid to owners of the Company	(13,260)	(13,260)
Repayment of lease liabilities	(7,062)	(17,147)
Redemption of redeemable preference shares	-	(132,601)
Net cash from/(used in) financing activities	<u>4,534</u>	<u>(138,597)</u>
Net increase in cash and cash equivalents	175,610	2,778
Cash and cash equivalents at beginning of the financial period	398,817	388,695
Exchange differences	(844)	587
Cash and cash equivalents at end of the financial period	<u>573,583</u>	<u>392,060</u>
Cash and cash equivalents comprise of:-		
Bank overdrafts	(554)	(535)
Cash and bank balances	434,973	228,153
Deposits with licensed banks and financial institutions	411,785	493,049
	<u>846,204</u>	<u>720,667</u>
Less:		
Cash and bank balances pledged	(237,155)	(146,781)
Fixed deposits pledged	(35,466)	(181,826)
	<u>573,583</u>	<u>392,060</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 THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2021 - 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-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
	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	-	840	-	1,792
Fair value (loss)/gain on derivative financial instruments	(877)	(4,907)	1,609	(4,655)
Gain on disposal of subsidiary companies	-	2,087	-	3,713
Gain on disposal of shares in an associate company	-	-	15,402	6,616
Gain on acquisition of subsidiary companies upon remeasurement of previously held equity interest in associate companies arising from step acquisition	-	-	1,463	-
Gain on disposal of financial assets at fair value through other comprehensive income	-	-	77,599	-
Gain/(Loss) on fair value changes of financial assets at fair value through profit or loss	41,889	(35,973)	44,413	(32,886)
Gain/(Loss) on exchange differences				
- realised	8,306	793	8,165	1,675
- unrealised	258	(9,454)	897	(9,883)
Goodwill written off	-	-	(1,444)	-
Effects of dilution of equity interests in associate companies	(1,354)	(1,699)	(2,407)	(4,852)

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

(i) Share buyback

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 March 2021. 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 March 2021.

(ii) Redeemable Preference Shares

On 1 March 2021, the Company issued 132,604,152 redeemable preference shares ("RPS") at an issue price of RM1.00 per RPS together with 331,510,380 free detachable warrants on the basis of five (5) free warrants for every two (2) RPS subscribed. The RPS is redeemable at RM1.00 any time within five (5) years from the date of issue of the RPS and carries a dividend rate of 3.8% per annum on the issue price of the RPS.

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 March 2021.

A8. Dividends Paid

The Company paid an interim single tier cash dividend of 2.0 sen per ordinary share amounting to RM13,260,415 on 13 January 2021 in respect of the financial year ending 30 June 2021.

A9. Segment Information

The segment analysis on the Group's results for the financial period ended 31 March 2021 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
Revenue							
External revenue	71,855	49,895	106,022	10,405	3,227	-	241,404
Inter-segment revenue	1,427	12,452	24,104	699	573	(39,255)	-
Total segment revenue	73,282	62,347	130,126	11,104	3,800	(39,255)	241,404
Results							
Segment profit from operations	36,987	38,311	113,095	2,346	1,375	(140)	191,974
Interest income	2,121	6,591	7,976	44	196	(8,036)	8,892
Finance costs	(8,157)	(9,317)	(132)	(1,343)	(220)	8,176	(10,993)
Exceptional item	-	-	(4,061)	-	1,654	-	(2,407)
Share of profits less losses of associate companies	-	7,753	36,880	(2,723)	3,371	-	45,281
Share of losses of jointly controlled entities	(226)	-	-	(2)	-	-	(228)
Profit/(Loss) before tax	30,725	43,338	153,758	(1,678)	6,376	-	232,519
Tax expense	(9,384)	(4,654)	(924)	(11)	(265)	-	(15,238)
Profit/(Loss) for the financial period	21,341	38,684	152,834	(1,689)	6,111	-	217,281
Attributable to:-							
Owners of the Company							217,259
Non-controlling interests							22
Segment assets	816,038	852,808	606,357	74,742	194,486	-	2,544,431
Segment liabilities	173,040	369,804	6,899	26,525	5,523	-	581,791

A9. Segment Information (Cont'd)

The segment analysis on the Group's results for the financial period ended 31 March 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
Revenue							
External revenue	49,557	58,472	2,608	36,155	1,084	-	147,876
Inter-segment revenue	452	146,504	15,154	6,563	525	(169,198)	-
Total segment revenue	50,009	204,976	17,762	42,718	1,609	(169,198)	147,876
Results							
Segment profit/(loss) from operations	29,491	(40,321)	2,342	6,081	1,715	(345)	(1,037)
Interest income	2,872	11,797	7,315	26	223	(10,747)	11,486
Finance costs	(9,198)	(15,583)	(42)	(3,069)	(571)	11,092	(17,371)
Exceptional item	-	-	(3,050)	-	(1,802)	-	(4,852)
Share of profits less losses of associate companies	-	(12,399)	22,331	135	6,917	-	16,984
Share of losses of a jointly controlled entity	(82)	-	-	-	-	-	(82)
Profit/(Loss) before tax	23,083	(56,506)	28,896	3,173	6,482	-	5,128
Tax expense	(5,552)	(673)	(1,014)	(42)	(12)	-	(7,293)
Profit/(Loss) for the financial period	17,531	(57,179)	27,882	3,131	6,470	-	(2,165)
Attributable to:-							
Owners of the Company							(2,420)
Non-controlling interests							255
Segment assets	584,459	799,630	586,987	82,287	199,237	-	2,252,600
Segment liabilities	75,021	405,537	1,871	29,093	4,150	-	515,672

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 March 2021.

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 Numoni became a wholly-owned subsidiary of the Group.

- (iii) On 26 October 2020, ITB had subscribed for 400 ordinary shares representing 40% equity interest in Paragon Spectrum Sdn. Bhd. (“PSSB”) for a total consideration of RM400. The issued and paid up share capital of PSSB is RM1,000 comprising 1,000 ordinary shares.

PSSB is a private limited company incorporated in Malaysia on 12 October 2020 and its principal activity is investment holding.

A12. Material Subsequent Events

There were no material events subsequent to the financial period ended 31 March 2021 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	Amount	Limit	Amount
	RM’000	utilised	RM’000	utilised
		RM’000		RM’000
Unsecured:				
Guarantees to secure banking and credit facilities granted to:-				
- certain subsidiary companies	-	-	117,070	78,487
- 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 March 2021 are as follows:-

	RM'000
To acquire property, plant and equipment	1,962
Investment commitments in relation to financial assets at fair value through other comprehensive income	<u>5,849</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 RM80.6 million and a pre-tax profit of RM73.5 million in the current financial quarter (Q3/2021) as compared to revenue of RM62.6 million and a pre-tax loss of -RM49.7 million in the preceding year corresponding quarter (Q3/2020). The review of performance by division is as follows:-

Financial services and credit & leasing division

The unit reported higher revenue and pre-tax profit of RM23.4 million and RM8.8 million respectively in Q3/2021 as compared to revenue of RM13.4 million and pre-tax profit of RM3.8 million in Q3/2020, mainly due to higher brokerage and corporate advisory fee income generated by the stock broking and corporate advisory unit on the back of stronger market sentiment and higher trading activities on Bursa Malaysia in Q3/2021.

Investment holding and trading division

The investment unit reported lower revenue of RM19.6 million in Q3/2021 mainly due to lower trading activities as compared to revenue of RM44.6 million in Q3/2020.

The investment unit reported a pre-tax profit of RM36.4 million in Q3/2021 as compared to a pre-tax loss of -RM64.8 million in Q3/2020, mainly due to higher unrealised gain on fair value changes of financial assets at fair value through profit or loss, and higher unrealised gain on foreign exchange in the current financial quarter.

Technology and IT-related manufacturing, trading and services division

The Technology unit reported higher revenue of RM33.3 million in Q3/2021 as compared to revenue of RM0.2 million in Q3/2020 mainly due to disposal of some shares in a listed associate company 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 RM25.7 million in Q3/2021 (Q3/2020: RM7.3 million) mainly due to gain on disposal of some shares in a listed associate company of RM17.9 million (Q3/2020: Nil) and higher equity profit contribution from Inari Amertron Berhad of RM12.6 million (Q3/2020: RM6.9 million).

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

Group's summary

The Group reported revenue of RM241.4 million and a pre-tax profit of RM232.5 million for the nine months period ended 31 March 2021 as compared to revenue of RM147.9 million and a pre-tax profit of RM5.1 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 RM71.9 million and RM30.7 million for the nine months period ended 31 March 2021 as compared to the corresponding period in the preceding year of RM49.6 million and RM23.1 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 lower revenue of RM49.9 million for the nine months period ended 31 March 2021 as compared to the corresponding period in the preceding year of RM58.5 million mainly due to lower trading activities in the current financial period.

The investment unit reported a pre-tax profit of RM43.3 million for the nine months period ended 31 March 2021 as compared to pre-tax loss of -RM56.5 million in the preceding corresponding period mainly due to higher unrealised gain on fair value changes of financial assets at fair value through profit or loss and unrealised gain on foreign exchange.

Technology and IT-related manufacturing, trading and services division

The Technology unit reported higher revenue of RM106.0 million for the nine months period ended 31 March 2021 as compared to the corresponding period in the preceding year of RM2.6 million due to higher sales of trading products and disposal of some shares in a listed associate company in the current financial period.

The Technology unit reported higher pre-tax profit of RM153.8 million for the nine months period ended 31 March 2021 as compared to pre-tax profit of RM28.9 million in the preceding corresponding period mainly due to higher gain on disposal of some shares in a listed 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-Mar-2021 RM'000	Immediate Preceding Quarter 31-Dec-2020 RM'000	Changes (%)
Revenue	80,641	37,661	>100%
Profit from operations	60,640	67,238	-10%
Profit before tax	73,489	86,493	-15%
Profit after tax	69,668	82,269	-15%
Profit attributable to owners of the Company	69,719	82,225	-15%

The Group reported higher revenue of RM80.6 million in the current financial quarter as compared to the immediate preceding financial quarter of RM37.7 million mainly due to disposal of some shares in a listed associate company in the current financial quarter.

The Group reported slightly lower pre-tax profit of RM73.5 million in the current financial quarter as compared to RM86.5 million in the immediate preceding financial quarter.

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 3.0 since 12 May 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 March 2021 is as follows:-

	Individual Quarter ended 31-Mar-2021 RM'000	Quarter Quarter ended 31-Mar-2020 RM'000	Cumulative Period ended 31-Mar-2021 RM'000	Quarter Period ended 31-Mar-2020 RM'000
<u>Income tax:-</u>				
Provision for current financial quarter/period				
- Malaysian income tax	4,129	2,151	15,244	7,680
- Overseas income tax	3	32	21	192
(Over)/Underprovision in preceding financial quarter/period	(237)	121	2	121
<u>Deferred tax:-</u>				
Transfer to deferred taxation	(74)	(496)	(29)	(700)
	<u>3,821</u>	<u>1,808</u>	<u>15,238</u>	<u>7,293</u>

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

	Individual Quarter ended 31-Mar-2021 RM'000	Quarter Quarter ended 31-Mar-2020 RM'000	Cumulative Period ended 31-Mar-2021 RM'000	Quarter Period ended 31-Mar-2020 RM'000
Profit/(Loss) before tax	<u>73,489</u>	<u>(49,685)</u>	<u>232,519</u>	<u>5,128</u>
Income tax at Malaysian statutory tax rate of 24%	17,638	(11,924)	55,805	1,231
<u>Tax effects in respect of:-</u>				
Non-allowable expenses	(4,374)	11,004	8,103	12,883
Income not subject to tax	(7,944)	2,317	(45,382)	(6,928)
Effect of different tax rates in other countries	(1,201)	(49)	(3,176)	(429)
Overseas tax paid on dividend income	42	84	176	307
Utilisation of previously unrecognised deferred tax assets	(176)	5	(420)	(148)
Deferred tax not recognised in the financial statements	73	250	130	256
Tax expenses for the financial quarter/period	<u>4,058</u>	<u>1,687</u>	<u>15,236</u>	<u>7,172</u>
(Over)/Underprovision in preceding financial quarter/period	<u>(237)</u>	<u>121</u>	<u>2</u>	<u>121</u>
	<u>3,821</u>	<u>1,808</u>	<u>15,238</u>	<u>7,293</u>

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

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 (“Rights Issue with Warrants”); and
- ii) Proposed amendments to the Constitution of the Company to facilitate the creation and issuance of the Rights RPS pursuant to the Rights Issue with Warrants 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 Rights Issue with Warrants 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 3 February 2021, the abridged prospectus together with the notice of provisional allotment and rights subscription form for the Rights Issue with Warrants 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 Rights Issue with Warrants was completed on 5 March 2021 following the listing and quotation of 132,604,152 RPS and 331,510,380 Warrants on the Main Market of Bursa Malaysia Securities Berhad on the same day.

There is no other corporate proposal that has been announced but has not been completed as at the date of this Report.

B7. Status of Utilisation of Proceeds

The Company received proceeds amounting to RM132.6 million from the issuance of 132,604,152 RPS at an issue price of RM1.00 per RPS. The proceeds have been utilised in the following manner as at 31 March 2021:-

Purpose	Approved utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000
Repayment of bridging loans	130,854	130,854	-
Defrayed expenses relating to the Rights Issue with Warrants (“Expenses”)	1,750	1,550	200*
Total	132,604	132,404	200

*In line with the approval obtained from Bursa Malaysia Securities Berhad and the shareholders of the Company on utilisation of proceeds, any surplus funds following payment of Expenses will be utilised to repay the Group’s remaining outstanding bridging loans.

B8. Group Borrowings and Debt Securities as at 31 March 2021

	As at 31 March 2021					
	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
Secured						
Bank overdrafts						
- RM	-	-	-	554	-	554
Term loans						
- RM	-	17,311	-	1,087	-	18,398
- SGD	1,204	3,710	16,931	52,173	18,135	55,883
- AUD	-	-	6,212	19,640	6,212	19,640
- USD	-	-	1,578	6,551	1,578	6,551
- GBP	-	-	778	4,443	778	4,443
- EUR	-	-	1,497	7,286	1,497	7,286
Revolving credit facilities	-	-	-	114,726	-	114,726
Margin financing facility	-	-	-	9,964	-	9,964
Total loans and borrowings	-	21,021	-	216,424	-	237,445

	As at 31 March 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
Secured						
Bank overdrafts						
- RM	-	-	-	535	-	535
Term loans						
- RM	-	11,732	-	739	-	12,471
- SGD	1,263	3,840	16,773	51,483	18,036	55,323
- AUD	-	-	24,942	70,699	24,942	70,699
- USD	-	-	3,873	16,789	3,873	16,789
- GBP	-	-	791	4,270	791	4,270
- EUR	-	-	924	4,347	924	4,347
Revolving credit facilities	-	-	-	225,150	-	225,150
Margin financing facility	-	-	-	14,997	-	14,997
Total loans and borrowings	-	15,572	-	389,009	-	404,581

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

	Floating (%)	
	As at 31.03.2021	As at 31.03.2020
Secured		
Bank overdrafts	6.89%-8.14%	7.64%-11.50%
Term loans	0.78%-6.79%	0.53%-6.79%
Revolving credit facilities	3.52%-4.59%	4.70%-5.89%
Margin financing facility	5.67%-6.67%	6.67%

B8. Group Borrowings and Debts Securities as at 31 March 2021 (Cont'd)

Debt securities

	RM'000
<u>Redeemable preference shares ("RPS")</u>	
132,604,152 RPS at RM1.00 per RPS	132,604
- Fair value of 331,510,380 free Warrants recognised in equity under warrants reserve	(4,938)
- Effects of deferred tax liability	(1,559)
Accumulated RPS dividends charged to statements of profit or loss	706
Accumulated RPS dividends payable	<u>(421)</u>
RPS issued by the Company – liability component, disclosed as per MFRS requirements	<u>126,392</u>

In accordance with MFRS 132 Financial Instruments: Disclosure and Presentation, MFRS 112: Income Taxes and FRSIC Consensus 9/2008: Accounting for Rights Issue with Free Warrants, the Group has disclosed the RPS as a long term liability, net of fair value for the free Warrants issued and the effects of deferred tax liability. As of the date of this Report, none of the Warrants issued were converted into ordinary shares.

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/(loss) 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-Mar-2021	Quarter ended 31-Mar-2020	Period ended 31-Mar-2021	Period ended 31-Mar-2020
Net profit/(loss) attributable to owners of the Company for the financial quarter and financial period (RM'000)	69,719	(51,484)	217,259	(2,420)
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	663,021	663,013	663,021	663,013
Basic earnings/(loss) per share (Sen)	10.52	(7.76)	32.77	(0.36)

(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 March 2021 are set out below:-

Type of Derivatives	As at 31.03.2021	
	Contract/ Notional value RM'000	Fair value RM'000
<u>Currency Forward Contract and Options</u>		
- Less than 1 year	133	(605)
<u>Other equity related contracts</u>		
- Less than 1 year	(65,189)	(1,118)
	(65,056)	(1,723)

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

- the cash requirements of the derivative financial instruments;
- the policies that is in place for mitigating or controlling the risks associated with these derivative financial instruments; and
- 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 loss on derivative financial instruments of -RM0.9 million in the current financial quarter and fair value gain of RM1.6 million for the financial period ended 31 March 2021 have been recognised in the statements of profit or loss.

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.