

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

23 NOVEMBER 2021

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		FY2022 Quarter ended 30-Sep-21 RM'000	FY2021 Quarter ended 30-Sep-20 RM'000	Changes %	FY2022 Period ended 30-Sep-21 RM'000	FY2021 Period ended 30-Sep-20 RM'000	Changes %
Revenue		<b>64,063</b>	123,102 *	-48%	<b>64,063</b>	123,102 *	-48%
Cost of sales	1	<b>(30,063)</b>	(63,915) *	-53%	<b>(30,063)</b>	(63,915) *	-53%
Other income	2	<b>17,194</b>	30,790 *	-44%	<b>17,194</b>	30,790 *	-44%
Administration expenses	3	<b>(3,119)</b>	(3,572)	-13%	<b>(3,119)</b>	(3,572)	-13%
Other operating expenses	4	<b>(29,729)</b>	(19,356)	54%	<b>(29,729)</b>	(19,356)	54%
Finance costs		<b>(3,842)</b>	(3,698)	4%	<b>(3,842)</b>	(3,698)	4%
Exceptional item	5	-	(873)	-100%	-	(873)	-100%
Share of profits less losses of associate companies		<b>16,189</b>	10,101	60%	<b>16,189</b>	10,101	60%
Share of losses of jointly controlled entities		<b>(60)</b>	(42)	43%	<b>(60)</b>	(42)	43%
Profit before tax		<b>30,633</b>	72,537	-58%	<b>30,633</b>	72,537	-58%
Tax expense		<b>(3,966)</b>	(7,193)	-45%	<b>(3,966)</b>	(7,193)	-45%
Profit for the quarter/period		<b>26,667</b>	65,344	-59%	<b>26,667</b>	65,344	-59%
Profit attributable to:-							
Owners of the Company		<b>26,710</b>	65,315	-59%	<b>26,710</b>	65,315	-59%
Non-controlling interests		<b>(43)</b>	29	>-100%	<b>(43)</b>	29	>-100%
		<b>26,667</b>	65,344	-59%	<b>26,667</b>	65,344	-59%
Earnings per share (in Sen)							
- Basic		<b>4.03</b>	9.85		<b>4.03</b>	9.85	
- Diluted		<b>3.48</b>	n/a		<b>3.48</b>	n/a	

\* Certain figures in the preceding financial period have been reclassified to be consistent with the current financial period's presentation.

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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY2022 Quarter ended 30-Sep-21 RM'000	FY2021 Quarter ended 30-Sep-20 RM'000	FY2022 Period ended 30-Sep-21 RM'000	FY2021 Period ended 30-Sep-20 RM'000
<b>Note 1</b>				
Included in Cost of sales is the following item:-				
Depreciation	<u>(1,865)</u>	<u>(2,119)</u>	<u>(1,865)</u>	<u>(2,119)</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)	-	605	-	605
- recovery of doubtful debts	289	293	289	293
Bad debts recovered	5	-	5	-
Fair value gain on derivative financial instruments	-	1,311	-	1,311
Gain on disposal of property, plant and equipment	546	1,148	546	1,148
Interest income	2,901	2,953	2,901	2,953
Gain on exchange differences				
- realised	-	2,749	-	2,749
Gain on fair value changes of financial assets at fair value through profit or loss	-	437	-	437
Gain on disposal of shares in an associate company	-	15,402	-	15,402
Writeback of impairment on financial assets at amortised cost	-	26	-	26
	<u>-</u>	<u>26</u>	<u>-</u>	<u>26</u>
<b>Note 3</b>				
Included in Administration expenses is the following item:-				
Depreciation	<u>(147)</u>	<u>(120)</u>	<u>(147)</u>	<u>(120)</u>
<b>Note 4</b>				
Included in Other operating expenses are the following items:-				
Allowance for doubtful debts	-	(297)	-	(297)
Bad debts written off relating to:				
- doubtful debts previously provided for * (see Note 2)	-	(605)	-	(605)
Depreciation	(325)	(337)	(325)	(337)
Fair value loss on derivative financial instruments	(1,766)	-	(1,766)	-
Loss on fair value changes of financial assets at fair value through profit or loss	(40)	-	(40)	-
Loss on exchange differences				
- unrealised	(2,105)	(2,387)	(2,105)	(2,387)
- realised	(1,807)	-	(1,807)	-
	<u>(1,807)</u>	<u>-</u>	<u>(1,807)</u>	<u>-</u>
<b>Note 5</b>				
Exceptional item represents:-				
Effects of dilution of equity interests in an associate company	<u>-</u>	<u>(873)</u>	<u>-</u>	<u>(873)</u>

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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	FY2022	FY2021	Changes %	FY2022	FY2021	Changes %
	Quarter ended 30-Sep-21 RM'000	Quarter ended 30-Sep-20 RM'000		Period ended 30-Sep-21 RM'000	Period ended 30-Sep-20 RM'000	
Profit for the quarter/period	26,667	65,344	-59%	26,667	65,344	-59%
<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	301	(2,246)	>-100%	301	(2,246)	>-100%
Foreign currency translation of foreign operations, net of tax	1,345	(3,864)	>-100%	1,345	(3,864)	>-100%
Total other comprehensive income/(loss) for the quarter/period, net of tax	1,646	(6,110)	>-100%	1,646	(6,110)	>-100%
Total comprehensive income for the quarter/period, net of tax	28,313	59,234	-52%	28,313	59,234	-52%
Attributable to:-						
Owners of the Company	28,356	59,205	-52%	28,356	59,205	-52%
Non-controlling interests	(43)	29	>-100%	(43)	29	>-100%
	<b>28,313</b>	<b>59,234</b>	<b>-52%</b>	<b>28,313</b>	<b>59,234</b>	<b>-52%</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 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>As at 30/09/2021 RM'000 (Unaudited)</b>	<b>As at 30/06/2021 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	74,894	77,359
Investment properties	183,113	180,986
Financial assets at fair value through other comprehensive income	44,972	44,014
Financial assets at amortised cost	2,284	2,284
Jointly controlled entities	(614)	(554)
Associate companies	519,340	391,690
Other receivables	7,397	7,345
Intangible assets	26,047	26,047
Deferred tax assets	2,995	3,147
<b>Total non-current assets</b>	<b>860,428</b>	<b>732,318</b>
<b>Current assets</b>		
Property development costs	11,078	11,078
Inventories	11,157	11,188
Trade receivables	451,399	443,423
Amount due from associate companies	82,501	82,577
Other receivables, deposits and prepayments	68,335	70,934
Financial assets at amortised cost	1,210	1,208
Financial assets at fair value through profit or loss	227,653	220,198
Tax recoverable	5,458	4,146
Deposits with licensed banks and financial institutions	520,566	489,106
Cash and bank balances	428,119	413,692
<b>Total current assets</b>	<b>1,807,476</b>	<b>1,747,550</b>
<b>TOTAL ASSETS</b>	<b>2,667,904</b>	<b>2,479,868</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	264,183	122,644
Retained earnings	1,015,678	997,602
	2,139,062	1,979,447
Non-controlling interests	1,500	1,543
<b>TOTAL EQUITY</b>	<b>2,140,562</b>	<b>1,980,990</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	18,558	20,145
Lease liabilities	13,060	13,983
Deferred tax liabilities	5,857	6,035
Redeemable preference shares	127,405	127,250
<b>Total non-current liabilities</b>	<b>164,880</b>	<b>167,413</b>
<b>Current liabilities</b>		
Derivative financial liabilities	4,672	2,907
Trade payables	55,420	55,982
Other payables, deposits received and accruals	56,411	45,162
Loans and borrowings	235,431	216,411
Lease liabilities	6,522	7,635
Tax payable	4,006	3,368
<b>Total current liabilities</b>	<b>362,462</b>	<b>331,465</b>
<b>TOTAL LIABILITIES</b>	<b>527,342</b>	<b>498,878</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,667,904</b>	<b>2,479,868</b>
<b>Net assets per share attributable to owners of the Company<sup>(7)</sup> (RM)</b>	<b>3.23</b>	<b>2.99</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 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	< ----- Attributable to Owners of the Company ----- >								
	<-----Non-distributable reserves----->			< - Distributable reserves- >					Non- controlling interests RM'000
	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		
<b>Period ended 30 September 2021</b>									
As at 1 July 2021	873,700	4,936	87,055	30,653	(14,499)	997,602	1,979,447	1,543	1,980,990
<b><u>Transaction with owners:-</u></b>									
Post-acquisition reserves - associate companies	-	-	139,893	-	-	(8,634)	131,259	-	131,259
<b>Total transaction with owners</b>	-	-	139,893	-	-	(8,634)	131,259	-	131,259
<b><u>Total comprehensive income for the financial period</u></b>									
Profit for the financial period	-	-	-	-	-	26,710	26,710	(43)	26,667
Share of other comprehensive income of investments accounted for using equity method, net of tax	-	-	-	301	-	-	301	-	301
Foreign currency translation of foreign operations, net of tax	-	-	-	1,345	-	-	1,345	-	1,345
<b>Total comprehensive income for the financial period</b>	-	-	-	1,646	-	26,710	28,356	(43)	28,313
Balance at 30 September 2021	873,700	4,936	226,948	32,299	(14,499)	1,015,678	2,139,062	1,500	2,140,562

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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D)**

< ----- 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 30 September 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>Transactions with owners:-</b>								
Post-acquisition reserves - associate companies	-	(738)	-	-	-	(738)	-	(738)
Dividends paid to non-controlling interests of a subsidiary company	-	-	-	-	-	-	(80)	(80)
<b>Total transactions with owners</b>	-	(738)	-	-	-	(738)	(80)	(818)
<b>Total comprehensive (loss)/income for the financial period</b>								
Profit for the financial period	-	-	-	-	65,315	65,315	29	65,344
Share of other comprehensive loss of investments accounted for using equity method, net of tax	-	-	(2,246)	-	-	(2,246)	-	(2,246)
Foreign currency translation of foreign operations, net of tax	-	-	(3,864)	-	-	(3,864)	-	(3,864)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	(6,110)	-	65,315	59,205	29	59,234
Balance at 30 September 2020	873,700	88,450	31,580	(14,499)	832,177	1,811,408	1,690	1,813,098

**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 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2021**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Period ended 30/09/2021 RM'000	Period ended 30/09/2020 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	30,633	72,537
Adjustments for:-		
Non-cash items	(12,566)	(23,659)
Finance costs	3,842	3,698
Interest income	(2,901)	(2,953)
Operating profit before working capital changes	<u>19,008</u>	<u>49,623</u>
Changes in working capital:-		
Net changes in current assets	(6,130)	37,744
Net changes in current liabilities	10,898	(19,761)
<b>Cash from operations</b>	<u>23,776</u>	<u>67,606</u>
Interest paid	(4,084)	(3,693)
Interest received	2,850	2,746
Tax paid	(4,591)	(2,336)
<b>Net cash from operating activities</b>	<u>17,951</u>	<u>64,323</u>
<b>Cash flows from investing activities</b>		
Subscription of shares in an associate company	-	(91)
Purchase of property, plant and equipment	(146)	(1,864)
Purchase of financial assets at amortised cost	(423)	(9,476)
Purchase of financial assets at fair value through other comprehensive income	(958)	(705)
Purchase of an investment property	(5,900)	-
Proceeds from disposal of investment properties	3,627	-
Proceeds from disposal of shares in an associate company	-	17,670
Proceeds from disposal of property, plant and equipment	1,063	2,296
Proceeds from disposal and redemption of financial assets at amortised cost	421	762
Proceeds from redemption of preference shares in an associate company	-	8,555
Dividend received	15,359	6,863
<b>Net cash from investing activities</b>	<u>13,043</u>	<u>24,010</u>
<b>Cash flows from financing activities</b>		
(Increase)/Decrease in fixed deposits pledged	(65)	124,093
Decrease/(Increase) in cash and bank balances pledged	3,164	(113,721)
Net drawdown of loans and borrowings	18,175	18,225
Dividend paid to non-controlling interests of a subsidiary company	-	(80)
Repayment of lease liabilities	(2,118)	(2,542)
<b>Net cash from financing activities</b>	<u>19,156</u>	<u>25,975</u>
<b>Net increase in cash and cash equivalents</b>	50,150	114,308
<b>Cash and cash equivalents at beginning of the financial period</b>	642,458	398,817
<b>Exchange differences</b>	316	(797)
<b>Cash and cash equivalents at end of the financial period</b>	<u>692,924</u>	<u>512,328</u>
<b>Cash and cash equivalents comprise of:-</b>		
<b>Bank overdrafts</b>	(570)	(494)
<b>Cash and bank balances</b>	428,119	300,191
<b>Deposits with licensed banks and financial institutions</b>	<u>520,566</u>	<u>470,652</u>
	948,115	770,349
<b>Less:</b>		
<b>Cash and bank balances pledged</b>	(221,912)	(205,100)
<b>Fixed deposits pledged</b>	(33,279)	(52,921)
	<u>692,924</u>	<u>512,328</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 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.

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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 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 2021, 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 2021.

**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 2021 except for the adoption of certain new Standard, amendments to Standards and annual improvements to Standards issued by the MASB that became effective and relevant to the Group for the financial year beginning on or after 1 July 2021. The adoption of these relevant new Standard, amendments to Standards and annual improvements to Standards did not 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 2021.

**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 2021.

**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
	30-Sep-2021	30-Sep-2020	30-Sep-2021	30-Sep-2020
	RM'000	RM'000	RM'000	RM'000
Fair value (loss)/gain on derivative financial instruments	(1,766)	1,311	(1,766)	1,311
Gain on disposal of shares in an associate company	-	15,402	-	15,402
(Loss)/Gain on fair value changes of financial assets at fair value through profit or loss	(40)	437	(40)	437
(Loss)/Gain on exchange differences				
- realised	(1,807)	2,749	(1,807)	2,749
- unrealised	(2,105)	(2,387)	(2,105)	(2,387)
Effects of dilution of equity interests in associate company	-	(873)	-	(873)

#### 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 30 September 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 30 September 2021.

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 30 September 2021.

## A8. Dividends Paid

During the current financial quarter and financial period-to-date, the Company paid a preferential cash dividend of 3.8 sen per annum per redeemable preference share amounting to RM1,684,253 pro-rated in respect of the period from 1 March 2021 (date of issue) to 30 June 2021, paid on 16 July 2021.

## A9. Segment Information

The segment analysis on the Group's results for the financial period ended 30 September 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
<b>Revenue</b>							
External revenue	18,307	25,020	17,323	3,058	355	-	64,063
Inter-segment revenue	123	2,028	10,729	150	225	(13,255)	-
Total segment revenue	18,430	27,048	28,052	3,208	580	(13,255)	64,063
<b>Results</b>							
Segment profit from operations	14,777	(1,118)	1,397	434	63	(108)	15,445
Interest income	1,161	2,126	2,440	7	64	(2,897)	2,901
Finance costs	(3,094)	(3,163)	(53)	(462)	(75)	3,005	(3,842)
Share of profits less losses of associate companies	-	2,253	15,302	(1,357)	(9)	-	16,189
Share of losses of jointly controlled entities	(60)	-	-	-	-	-	(60)
Profit/(Loss) before tax	12,784	98	19,086	(1,378)	43	-	30,633
Tax expense	(3,736)	(207)	(1)	(19)	(3)	-	(3,966)
Profit/(Loss) for the financial period	9,048	(109)	19,085	(1,397)	40	-	26,667
<b>Attributable to:-</b>							
Owners of the Company							26,710
Non-controlling interests							(43)
Segment assets	839,169	812,535	757,008	66,668	192,524	-	2,667,904
Segment liabilities	108,393	372,428	18,394	22,716	5,411	-	527,342

## A9. Segment Information (Cont'd)

The segment analysis on the Group's results for the financial period ended 30 September 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	25,048	24,604	68,850	3,364	1,236	-	123,102
Inter-segment revenue	764	1,934	4,778	422	194	(8,092)	-
Total segment revenue	25,812	26,538	73,628	3,786	1,430	(8,092)	123,102
<b>Results</b>							
Segment profit from operations	14,551	17,998	30,200	850	595	(98)	64,096
Interest income	699	2,385	2,458	16	68	(2,673)	2,953
Finance costs	(2,832)	(3,151)	(10)	(414)	(62)	2,771	(3,698)
Exceptional item	-	-	(873)	-	-	-	(873)
Share of profits less losses of associate companies	-	(1,247)	10,898	(917)	1,367	-	10,101
Share of losses of jointly controlled entities	(41)	-	-	(1)	-	-	(42)
Profit/(Loss) before tax	12,377	15,985	42,673	(466)	1,968	-	72,537
Tax expense	(2,525)	(4,156)	(481)	-	(31)	-	(7,193)
Profit/(Loss) for the financial period	9,852	11,829	42,192	(466)	1,937	-	65,344
<b>Attributable to:-</b>							
Owners of the Company							63,315
Non-controlling interests							29
Segment assets	731,825	753,516	552,338	75,946	194,788	-	2,308,413
Segment liabilities	118,741	338,968	6,773	26,839	3,994	-	495,315

## 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 2021.

## 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.

## A12. Material Subsequent Events

There were no material events subsequent to the financial period ended 30 September 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 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	-	-	111,146	67,616
- an associate company	3	3	-	-

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 30 September 2021 are as follows:-

	RM'000
To acquire property, plant and equipment	1,985
Investment commitments in relation to financial assets at fair value through other comprehensive income	<u>3,750</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 RM64.1 million and a pre-tax profit of RM30.6 million in the current financial quarter (Q1/2022) as compared to revenue of RM123.1 million and a pre-tax profit of RM72.5 million in the preceding year corresponding quarter (Q1/2021). The review of performance by division is as follows:-

Financial services and credit & leasing division

The unit reported lower revenue of RM18.3 million in current financial quarter as compared to preceding year corresponding quarter of RM25.0 million mainly due to lower brokerage income generated by the stock broking unit. Despite lower revenue reported, the unit reported slightly higher pre-tax profit of RM12.8 million in Q1/2022 as compared RM12.4 million in Q1/2021.

Investment holding and trading division

There is no significant variance on revenue reported in Q1/2022 as compared to Q1/2021.

The investment unit reported lower pre-tax profit of RM0.1 million in Q1/2022 as compared to RM16.0 million in Q1/2021 mainly due to higher unrealised loss on fair value changes of financial assets at fair value through profit or loss, unrealised fair value loss on derivative financial instrument and loss on foreign exchange.

Technology and IT-related manufacturing, trading and services division

The Technology unit reported lower revenue of RM17.3 million and pre-tax profit of RM19.1 million in Q1/2022 (Q1/2021: revenue of RM68.9 million and pre-tax profit of RM42.7 million respectively) mainly due to reduced disposal of shares in a listed associate company.

**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 30-Sep-2021 RM'000	Immediate Preceding Quarter 30-June-2021 RM'000	Changes (%)
Revenue	64,063	44,245	45%
Profit from operations	15,445	15,063	3%
Profit before tax	30,633	25,381	21%
Profit after tax	26,667	24,816	7%
Profit attributable to owners of the Company	26,710	24,950	7%

The Group reported higher revenue of RM64.1 million and pre-tax profit of RM30.6 million in the current financial quarter as compared to the immediate preceding financial quarter of RM44.2 million and RM25.4 million respectively mainly due to lower unrealised loss on fair value changes of financial assets at fair value through profit or loss in the current financial quarter.

### B3. Prospects for financial year ending 30 June 2022

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 outlook for the stock broking unit is expected to remain positive in FY2022 through projected strong performance from the corporate advisory division, offset against lower performance from the stock broking division from anticipated slowdown in retail trading in the current financial year.

#### Investment trading division

The investment unit's performance for the financial year ending 30 June 2022 is largely dependent on the global economy and financial markets and recovery from Covid-19 pandemic.

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

The outlook for the Technology unit remains positive in FY 2022 and Inari Amertron Berhad is projected to generate positive contribution to the Group due to continual strong performance by Inari's RF segment arising from growth in demand for 5G devices and tight supply from semiconductor producers.

### 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 30 September 2021 is as follows:-

	Individual Quarter ended 30-Sep-2021 RM'000	Quarter Quarter ended 30-Sep-2020 RM'000	Cumulative Period ended 30-Sep-2021 RM'000	Quarter Period ended 30-Sep-2020 RM'000
<b><u>Income tax:-</u></b>				
Provision for current financial quarter/period				
- Malaysian income tax	3,958	7,152	3,958	7,152
- Overseas income tax	22	18	22	18
Underprovision in preceding financial quarter/period	1	-	1	-
<b><u>Deferred tax:-</u></b>				
Transfer to deferred taxation	(15)	23	(15)	23
	<u>3,966</u>	<u>7,193</u>	<u>3,966</u>	<u>7,193</u>

## B5. Tax Expense (Cont'd)

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 30-Sep-2021 RM'000	Quarter Quarter ended 30-Sep-2020 RM'000	Cumulative Period ended 30-Sep-2021 RM'000	Quarter Period ended 30-Sep-2020 RM'000
Profit before tax	30,633	72,537	30,633	72,537
Income tax at Malaysian statutory tax rate of 24%	7,352	17,409	7,352	17,409
<u>Tax effects in respect of:-</u>				
Non-allowable expenses	3,857	1,697	3,857	1,697
Income not subject to tax	(6,360)	(10,695)	(6,360)	(10,695)
Effect of different tax rates in other countries	(673)	(1,090)	(673)	(1,090)
Overseas tax paid on dividend income	93	77	93	77
Utilisation of previously unrecognised deferred tax assets	(312)	(232)	(312)	(232)
Deferred tax not recognised in the financial statements	8	27	8	27
Tax expenses for the financial quarter/period	3,965	7,193	3,965	7,193
Underprovision for tax expense in preceding financial quarter/period	1	-	1	-
	3,966	7,193	3,966	7,193

## 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 6 October 2021, the Company entered into a share sale and purchase agreement ("SSPA") with SYF Resources Berhad ("SYF"):

- i) For the proposed disposal of 100,000,000 ordinary shares and 60,000,000 redeemable convertible preference shares ("RCPS") in M & A Securities Sdn Bhd ("M&A") representing 100% equity interest and 100% of RCPS in M&A to SYF for a total consideration of RM222.0 million, to be satisfied via the issuance of 1,585,714,286 new ordinary shares in SYF ("SYF Shares") at an issue price of RM0.14 each ("Proposed M&A Disposal"); and

**B6. Status of Corporate Proposal announced but not completed as at the date of this Report (cont'd)**

- ii) Proposed exemption from the obligation to undertake a mandatory offer for all the remaining SYF Shares not held by Insas Group and parties acting in concert upon completion of the Proposed M&A Disposal ("Proposed Exemption")

The Proposed M&A Disposal and Proposed Exemption are conditional upon the approval from the relevant authorities.

**B7. Status of Utilisation of Proceeds**

There is no unutilised proceeds from any corporate proposal.



## B8. Group Borrowings and Debt Securities as at 30 September 2021

	As at 30 September 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
<b>Secured</b>						
Bank overdrafts						
- RM	-	-	-	570	-	570
Term loans						
- RM	-	14,937	-	967	-	15,904
- SGD	1,178	3,621	17,025	52,351	18,203	55,972
- AUD	-	-	6,028	18,384	6,028	18,384
- USD	-	-	434	1,818	434	1,818
- GBP	-	-	783	4,405	783	4,405
- EUR	-	-	1,247	6,058	1,247	6,058
Revolving credit facilities	-	-	-	145,880	-	145,880
Margin financing facility	-	-	-	4,998	-	4,998
Total loans and borrowings	-	18,558	-	235,431	-	253,989

	As at 30 September 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>						
Bank overdrafts						
- RM	-	-	-	494	-	494
Term loans						
- RM	-	16,251	-	972	-	17,223
- SGD	1,239	3,760	16,833	51,088	18,072	54,848
- AUD	-	-	6,756	20,060	6,756	20,060
- USD	-	-	549	2,279	549	2,279
- GBP	-	-	773	4,132	773	4,132
- EUR	-	-	1,944	9,484	1,944	9,484
Revolving credit facilities	-	-	-	237,550	-	237,550
Margin financing facility	-	-	-	14,984	-	14,984
Total loans and borrowings	-	20,011	-	341,043	-	361,054

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

	Interest Rate (%)	
	As at 30.09.2021	As at 30.09.2020
<b>Secured</b>		
Bank overdrafts	6.89%-7.65%	6.89%-8.14%
Term loans	0.78%-5.90%	0.40%-6.79%
Revolving credit facilities	3.64%-4.27%	3.54%-4.60%
Margin financing facility	5.42%	5.67%-6.67%

## B8. Group Borrowings and Debts Securities as at 30 September 2021 (Cont'd)

### Debt securities

	<b>RM'000</b>
<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	(4,936)
- Effects of deferred tax liability	(1,559)
Accumulated RPS dividends charged to statements of profit or loss	4,250
Accumulated RPS dividends payable	<u>(2,954)</u>
<b>RPS issued by the Company – liability component, disclosed as per MFRS requirements</b>	<b><u>127,405</u></b>

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 is pleased to declared an interim single tier dividend of 2.5 sen per ordinary share each in the Company in respect of the financial year ending 30 June 2022.

## 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 30-Sep-2021	Quarter ended 30-Sep-2020	Period ended 30-Sep-2021	Period ended 30-Sep-2020
Net profit attributable to owners of the Company for the financial quarter and financial period (RM'000)	26,710	65,315	26,710	65,315
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	663,021	663,021	663,021	663,021
Basic earnings per share (Sen)	4.03	9.85	4.03	9.85

### (b) Diluted earnings per share

The diluted earnings per share for the current financial quarter and financial period is calculated by dividing the net profit attributable to owners of the Company (after taking into consideration the after-tax effect of interest savings on proceeds received upon the assumed conversion of 331,510,380 Warrants) for the financial quarter and financial period by the weighted average number of ordinary shares in issue at the end of the financial quarter and financial period to-date adjusted for the assumed conversion of Warrants into ordinary shares at the beginning of the financial period.

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-Sep-2021	Quarter ended 30-Sep-2020	Period ended 30-Sep-2021	Period ended 30-Sep-2020
Net profit attributable to owners of the Company for the financial quarter and financial period (RM'000)	26,710	65,315	26,710	65,315
Adjust for interest savings on proceeds received upon the assumed conversion of Warrants into ordinary shares (RM'000)	7,852	-	7,852	-
Adjusted net profit attributable to owners of the Company (RM'000)	34,562	65,315	34,562	65,315
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	663,021	663,021	663,021	663,021

## B11. Earnings per share (cont'd)

(b) Diluted earnings per share (cont'd)

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-Sep-2021	Quarter ended 30-Sep-2020	Period ended 30-Sep-2021	Period ended 30-Sep-2020
Adjusted for the assumed conversion of Warrants into ordinary shares ('000)	331,510	-	331,510	-
Adjusted weighted average number of ordinary shares ('000)	994,531	663,021	994,531	663,021
Diluted earnings per share (Sen)	3.48	n/a	3.48	n/a

## B12. Derivative Financial Liabilities

Details of derivative financial liabilities as at 30 September 2021 are set out below:-

Type of Derivatives	As at 30.09.2021	
	Contract/ Notional value RM'000	Fair value RM'000
<u>Currency Forward Contract and Options</u>		
- Less than 1 year	1,371	(376)
<u>Other equity related contracts</u>		
- Less than 1 year	(56,666)	(4,296)
	(55,295)	(4,672)

There is no significant changes in respect of the following since the end of the preceding financial year ended 30 June 2021:-

- 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.

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

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 -RM1.8 million in the current financial quarter and for the financial period ended 30 September 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.