

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

25 AUGUST 2022

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

UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2022

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		FY2022 Quarter ended 30-Jun-22 RM'000	FY2021 Quarter ended 30-Jun-21 RM'000 (Restated)	Changes %	FY2022 Year ended 30-Jun-22 RM'000	FY2021 Year ended 30-Jun-21 RM'000 (Restated)	Changes %
Revenue		49,391	44,245	12%	216,392	285,649	-24%
Cost of sales	1	(25,447)	(19,269)	32%	(98,297)	(130,221)	-25%
Other income	2	30,568	14,435	>100%	100,937	204,636	-51%
Administration expenses	3	(6,133)	(4,378)	40%	(19,267)	(18,918)	2%
Other operating expenses	4	(48,682)	(18,172)	>100%	(136,790)	(123,419)	11%
Finance costs		(4,312)	(4,224)	2%	(16,188)	(15,217)	6%
Exceptional item	5	131,292	17,368	>100%	131,292	14,961	>100%
Share of profits less losses of associate companies		8,905	10,854	-18%	51,696	56,135	-8%
Share of losses of jointly controlled entities		33	(126)	>-100%	(106)	(354)	-70%
Profit before tax		135,615	40,733	>100%	229,669	273,252	-16%
Tax expense		(5,726)	(565)	>100%	(13,137)	(15,803)	-17%
Profit for the quarter/year		129,889	40,168	>100%	216,532	257,449	-16%
Profit attributable to:-							
Owners of the Company		127,737	40,302	>100%	215,055	257,561	-17%
Non-controlling interests		2,152	(134)	>-100%	1,477	(112)	>-100%
		129,889	40,168	>100%	216,532	257,449	-16%
Earnings per share (in Sen)							
- Basic		19.27	6.08		32.44	38.85	
- Diluted		13.04	n/a		22.41	n/a	

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UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2022

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY2022	FY2021	FY2022	FY2021
	Quarter ended 30-Jun-22 RM'000	Quarter ended 30-Jun-21 RM'000 (Restated)	Year ended 30-Jun-22 RM'000	Year ended 30-Jun-21 RM'000 (Restated)
Note 1				
Included in Cost of sales are the following items:-				
Allowance for diminution in value of inventories:	(1)	(31)	(1)	(31)
Depreciation	<u>(1,927)</u>	<u>(1,901)</u>	<u>(7,431)</u>	<u>(8,026)</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)	-	132	-	3,432
- recovery of doubtful debts	175	-	524	667
Bad debts recovered	14	-	20	-
Excess of fair value of net assets over cost of investment on acquisition of additional equity interest in an associate company	-	2,239	-	2,239
Fair value (loss)/gain on derivative financial instruments	-	(1,183)	-	426
Fair value gain on investment properties	15,945	-	15,945	-
Gain on disposal of property, plant and equipment	73	1,294	1,814	4,024
Interest income	2,665	1,798	11,514	10,690
Gain on exchange differences				
- realised	6,064	5,796	3,411	13,961
(Loss)/Gain on fair value changes of financial assets at fair value through profit or loss	-	(2,001)	-	42,412
Gain on disposal of unquoted investments	-	-	-	77,599
Gain on disposal of an investment property	-	30	-	30
Gain on disposal of shares in an associate company	-	-	27,885	15,402
Gain on acquisition of subsidiary companies upon remeasurement of previously held equity interest in associate companies arising from step acquisition	-	-	-	1,463
Reversal of provision for impairment loss on investment in an associate company	332	-	332	-
Writeback of impairment on financial assets at amortised cost	-	43	-	69
Note 3				
Included in Administration expenses are the following items:-				
Amortisation of intangible asset	(2)	-	(2)	-
Depreciation	<u>(158)</u>	<u>(140)</u>	<u>(603)</u>	<u>(543)</u>
Note 4				
Included in Other operating expenses are the following items:-				
Allowance for doubtful debts	(20)	(153)	(3,205)	(269)
Amortisation of intangible assets	(5)	(18)	(5)	(18)
Bad debts written off relating to:				
- doubtful debts previously provided for * (see Note 2)	-	(132)	-	(3,432)
- doubtful debts not previously provided for	(44)	(41)	(545)	(41)
Inventories written off	(126)	-	(126)	-
Property, plant and equipment written off	(1)	(15)	(4)	(44)
Depreciation	(311)	(404)	(1,271)	(1,355)
Fair value loss on derivative financial instruments	(1,162)	-	(760)	-
Fair value loss on investment properties	-	(6,772)	-	(6,772)
Intangible asset written off	-	(89)	-	(89)
Loss on other receivables carried at amortised cost	(202)	(409)	(202)	(409)
Loss on derecognition of subsidiary companies	(89)	-	(89)	-
Provision for impairment loss on investment in associate companies	(39,369)	(3,033)	(41,293)	(3,033)
Goodwill written off	-	-	-	(1,444)
Loss on disposal of investment properties	-	-	(300)	-
Gain/(Loss) on fair value changes of financial assets at fair value through profit or loss	573	-	(25,815)	-
Loss on exchange differences				
- unrealised	<u>(9,229)</u>	<u>(4,251)</u>	<u>(3,693)</u>	<u>(3,354)</u>
Note 5				
Exceptional item represents:-				
Net gain on deemed disposal of equity interests in associate companies	<u>131,292</u>	<u>17,368</u>	<u>131,292</u>	<u>14,961</u>

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UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2022

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	FY2022 Quarter ended 30-Jun-22 RM'000	FY2021 Quarter ended 30-Jun-21 RM'000 (Restated)	Changes %	FY2022 Year ended 30-Jun-22 RM'000	FY2021 Year ended 30-Jun-21 RM'000 (Restated)	Changes %
Profit for the quarter/year	129,889	40,168	>100%	216,532	257,449	-16%
<u>Other comprehensive loss may not be reclassified to profit or loss subsequently:-</u>						
Unrealised loss on fair value changes of financial assets at fair value through other comprehensive income, net of tax	-	(5,690)	>-100%	-	(5,690)	>-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	3,646	(54)	>-100%	4,488	(2,221)	>-100%
Foreign currency translation of foreign operations, net of tax	7,132	(2,046)	>-100%	7,316	(4,331)	>-100%
Total other comprehensive income/(loss) for the quarter/year, net of tax	10,778	(7,790)	>-100%	11,804	(12,242)	>-100%
Total comprehensive income for the quarter/year, net of tax	140,667	32,378	>100%	228,336	245,207	-7%
Attributable to:-						
Owners of the Company	138,515	32,512	>100%	226,859	245,319	-8%
Non-controlling interests	2,152	(134)	>-100%	1,477	(112)	>-100%
	140,667	32,378	>100%	228,336	245,207	-7%

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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2022

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 30/06/2022 RM'000 (Unaudited)	As at 30/06/2021 RM'000 (Restated)	As at 01/07/2020 RM'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	87,836	77,359	60,439
Investment properties	189,387	180,986	192,227
Financial assets at fair value through other comprehensive income	33,192	44,014	31,905
Financial assets at amortised cost	767	2,284	2,248
Jointly controlled entities	(660)	(554)	(200)
Associate companies	530,660	391,690	458,458
Other receivables	7,345	7,345	7,553
Intangible assets	30,379	26,047	26,047
Deferred tax assets	2,872	3,147	1,269
Total non-current assets	881,778	732,318	779,946
Current assets			
Property development costs	11,250	11,078	10,885
Inventories	12,067	11,188	12,039
Trade receivables	498,428	443,423	497,348
Amount due from associate companies	74,495	82,577	68,278
Other receivables, deposits and prepayments	51,820	70,934	55,332
Financial assets at amortised cost	-	1,208	778
Financial assets at fair value through profit or loss	249,370	220,198	155,276
Tax recoverable	7,185	4,146	3,339
Deposits with licensed banks and financial institutions	602,424	489,106	491,564
Cash and bank balances	311,912	413,692	180,088
Total current assets	1,818,951	1,747,550	1,474,927
TOTAL ASSETS	2,700,729	2,479,868	2,254,873
EQUITY AND LIABILITIES			
EQUITY			
Equity attributable to owners of the Company			
Share capital	873,700	873,700	873,700
Treasury shares	(14,499)	(14,499)	(14,499)
Reserves	40,031	28,430	40,377
Retained earnings	1,294,767	1,091,816	853,363
	2,193,999	1,979,447	1,752,941
Non-controlling interests	(839)	1,543	1,741
TOTAL EQUITY	2,193,160	1,980,990	1,754,682
LIABILITIES			
Non-current liabilities			
Loans and borrowings	20,675	20,145	15,348
Lease liabilities	13,174	13,983	14,097
Deferred tax liabilities	6,647	6,035	5,551
Redeemable preference shares	127,921	127,250	-
Total non-current liabilities	168,417	167,413	34,996
Current liabilities			
Derivative financial liabilities	3,667	2,907	3,333
Trade payables	45,458	55,982	101,800
Other payables, deposits received and accruals	40,890	45,162	20,148
Loans and borrowings	241,038	216,411	328,087
Lease liabilities	7,001	7,635	9,758
Tax payable	1,098	3,368	2,069
Total current liabilities	339,152	331,465	465,195
TOTAL LIABILITIES	507,569	498,878	500,191
TOTAL EQUITY AND LIABILITIES	2,700,729	2,479,868	2,254,873
Net assets per share attributable to owners of the Company⁽⁷⁾ (RM)	3.31	2.99	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 2021 and the accompanying explanatory notes attached to the Interim Financial Statements.

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UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2022

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	< ----- Attributable to Owners of the Company ----- >							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	Total RM'000		
Financial year ended 30 June 2022									
As at 1 July 2021 (as previously stated)	873,700	4,936	87,055	30,653	(14,499)	997,602	1,979,447	1,543	1,980,990
Prior year adjustments - Effect of changes in accounting policies (Note A2)	-	-	(94,214)	-	-	94,214	-	-	-
As at 1 July 2021 (as restated)	873,700	4,936	(7,159)	30,653	(14,499)	1,091,816	1,979,447	1,543	1,980,990
Transactions with owners:-									
Cash dividends paid to owners of the Company	-	-	-	-	-	(16,575)	(16,575)	-	(16,575)
Non-controlling interests' changes in ownership interests in subsidiary companies	-	-	-	-	-	4,249	4,249	(4,249)	-
Acquisition of equity interests via allotment of shares in a subsidiary company to non-controlling interests	-	-	-	-	-	-	-	300	300
Acquisition of equity interests in subsidiary companies	-	-	-	-	-	-	-	90	90
Total transactions with owners	-	-	-	-	-	(12,326)	(12,326)	(3,859)	(16,185)
Total comprehensive income for the financial year									
Profit for the financial year	-	-	-	-	-	215,055	215,055	1,477	216,532
Share of other comprehensive income of investments accounted for using equity method, net of tax	-	-	-	4,266	-	222	4,488	-	4,488
Foreign currency translation of foreign operations, net of tax	-	-	-	7,316	-	-	7,316	-	7,316
Total comprehensive income for the financial year	-	-	-	11,582	-	215,277	226,859	1,477	228,336
Post-acquisition reserves - associate companies	-	-	19	-	-	-	19	-	19
	-	-	19	-	-	-	19	-	19
Balance at 30 June 2022	873,700	4,936	(7,140)	42,235	(14,499)	1,294,767	2,193,999	(839)	2,193,160

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UNAUDITED FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2022

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

	<----- Attributable to Owners of the Company ----->									
	Share capital RM'000	<----- Non-distributable reserves----->			<-Distributable reserves->			Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Fair value through other comprehensive income reserve RM'000		Warrants reserve RM'000	Other reserves RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000				
Financial year ended 30 June 2021										
As at 1 July 2020 (as previously stated)	873,700	-	-	89,188	37,690	(14,499)	766,862	1,752,941	1,741	1,754,682
Prior year adjustments - Effect of changes in accounting policies (Note A2)	-	-	-	(86,501)	-	-	86,501	-	-	-
As at 1 July 2020 (as restated)	873,700	-	-	2,687	37,690	(14,499)	853,363	1,752,941	1,741	1,754,682
Transactions with owners:-										
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)
Dividends paid to non-controlling interests of a subsidiary company	-	-	-	-	-	-	-	-	(87)	(87)
Arising from rights issue of redeemable preference shares	-	-	4,936	-	-	-	-	4,936	-	4,936
Transfer of fair value through other comprehensive income reserve to retained earnings arising from financial assets at fair value through other comprehensive income written off	-	5,690	-	-	-	-	(5,690)	-	-	-
Total transactions with owners	-	5,690	4,936	-	(746)	-	(18,950)	(9,070)	(86)	(9,156)
Total comprehensive (loss)/income for the financial year										
Profit for the financial year	-	-	-	-	-	-	257,561	257,561	(112)	257,449
Unrealised loss on fair value changes of financial assets at fair value through other comprehensive income, net of tax	-	(5,690)	-	-	-	-	-	(5,690)	-	(5,690)
Share of other comprehensive loss of investments accounted for using equity method, net of tax	-	-	-	-	(1,960)	-	(261)	(2,221)	-	(2,221)
Foreign currency translation of foreign operations, net of tax	-	-	-	-	(4,331)	-	-	(4,331)	-	(4,331)
Total comprehensive (loss)/income for the financial year	-	(5,690)	-	-	(6,291)	-	257,300	245,319	(112)	245,207
Post-acquisition reserves - associate companies	-	-	-	(9,846)	-	-	103	(9,743)	-	(9,743)
	-	-	-	(9,846)	-	-	103	(9,743)	-	(9,743)
Balance at 30 June 2021	873,700	-	4,936	(7,159)	30,653	(14,499)	1,091,816	1,979,447	1,543	1,980,990

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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2021

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 30/06/2022 RM'000	Year ended 30/06/2021 RM'000 (Restated)
Cash flows from operating activities		
Profit before tax	229,669	273,252
Adjustments for:-		
Non-cash items	(151,248)	(194,508)
Finance costs	16,188	15,217
Interest income	(11,514)	(10,690)
Operating profit before working capital changes	<u>83,095</u>	<u>83,271</u>
Changes in working capital:-		
Net changes in current assets	(70,009)	76,451
Net changes in current liabilities	(23,785)	(22,764)
Cash (used in)/from operations	<u>(10,699)</u>	<u>136,958</u>
Interest paid	(14,645)	(12,349)
Interest received	11,312	10,487
Tax paid	(17,203)	(18,050)
Net cash (used in)/from operating activities	<u>(31,235)</u>	<u>117,046</u>
Cash flows from investing activities		
Subscription/Acquisition of shares in associate companies	(44,413)	(10,356)
Purchase of property, plant and equipment	(3,364)	(16,303)
Purchase of financial assets at amortised cost	(423)	(17,590)
Purchase of intangible assets	(398)	-
Net (purchase)/proceeds from disposal of unquoted investments	(4,179)	51,928
Purchase of an investment property	(6,139)	(2,730)
Proceeds from disposal of investment properties	7,357	980
Proceeds from disposal of shares in an associate company	30,000	17,670
Proceeds from disposal of property, plant and equipment	3,574	6,362
Proceeds from disposal and redemption of financial assets at amortised cost	3,149	17,192
Proceeds from redemption of preference shares in associate companies	-	9,859
Dividend received	62,339	57,394
Net cash (outflow)/inflow on acquisition of equity interest in subsidiary companies	(3,425)	2,553
Net cash from investing activities	<u>44,078</u>	<u>116,959</u>
Cash flows from financing activities		
(Increase)/Decrease in fixed deposits pledged	(33,520)	144,035
Decrease/(Increase) in cash and bank balances pledged	55,260	(135,697)
Net drawdown/(repayment) of loans and borrowings	24,866	(108,313)
Proceeds from acquisition of equity interests in a subsidiary company by non-controlling interests	300	-
Proceeds from issuance of redeemable preference shares	-	132,604
Dividend paid to non-controlling interests of a subsidiary company	-	(87)
Cash dividends paid to owners of the Company	(16,575)	(13,260)
Repayment of lease liabilities	(8,458)	(8,947)
Net cash from financing activities	<u>21,873</u>	<u>10,335</u>
Net increase in cash and cash equivalents	<u>34,716</u>	<u>244,340</u>
Cash and cash equivalents at beginning of the financial year	<u>642,458</u>	<u>398,817</u>
Exchange differences	<u>4,755</u>	<u>(699)</u>
Cash and cash equivalents at end of the financial year	<u>681,929</u>	<u>642,458</u>
Cash and cash equivalents comprise of:-		
Bank overdrafts	(78)	(545)
Cash and bank balances	311,912	413,692
Deposits with licensed banks and financial institutions	602,424	489,106
	<u>914,258</u>	<u>902,253</u>
Less:		
Cash and bank balances pledged	(166,616)	(226,581)
Fixed deposits pledged	(65,713)	(33,214)
	<u>681,929</u>	<u>642,458</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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2022 - 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 following:-

Change in Accounting Policy

Gains arising from the reduction of the Group’s effective interest in an associate company are reported in Statements of Profit or Loss

The Group’s effective interest in its associate company, Inari Amertron Berhad (“IAB”) had reduced over time due to the issuance of ordinary shares by IAB pursuant to IAB’s Employees’ Share Option Scheme and Private Placement exercise which was completed in July 2021.

Such reduction in effective interest is taken as deemed disposals under MFRS 128. The issuance of ordinary shares by the associate company are equity transactions that increase the associate company’s net assets due to the associate company receiving cash inflows from other shareholders, thereby resulting in dilution gains upon the deemed disposals to the Group.

A2. Changes in Accounting Policies (cont'd)

Gains arising from the reduction of the Group's effective interest in an associate company are reported in Statements of Profit or Loss (cont'd)

MFRS 128 Investment in Associates and Joint Ventures does not prescribe where the dilution gains from equity transactions of an associate company should be recognised. The recognition, presentation and disclosure by the Group on such reduction in effective interest are:-

i) Prior to 1 July 2021

In the previous financial years, in the absence of further guidance, the Group has reported the dilution gains from deemed disposals as follows:

- a) reduction in the share of IAB's post-acquisition retained earnings as dilution loss in the Statements of Profit and Loss; and
- b) increase in the share of IAB's share capital and other reserves as share of post-acquisition reserves in the Statements of Changes in Equity.

ii) Current financial year

During the financial year, the Group has applied a change in accounting policy to recognise the dilution gains in the Statements of Profit or Loss retrospectively and the change also resulted in a reclassification of dilution gains from other reserves account to retained earnings for prior years balances. The change in accounting treatment is intended to bring the Group's reporting to be in line with the common and best practice adopted by other companies and to adhere to the views of the relevant accounting bodies to enhance the comparability of the Group's financial statements for the benefit of the users of the financial statements. The dilution gains from deemed disposals for equity transactions by an associate company that increase the associate company's net assets shall be recognised in the Statements of Profit or Loss.

The impact on the financial statements for the financial year ended 30 June 2020 and 30 June 2021 arising from the change in accounting policy are disclosed below:-

	As previously stated	Adjustments	As restated
	RM'000	RM'000	RM'000
Consolidated statements of profit or loss for the financial year ended 30 June 2021			
Exceptional item	(391)	15,352	14,961
Profit before tax	257,900	15,352	273,252
Profit for the year	242,097	15,352	257,449
Profit attributable to:			
Owners of the Company	242,209	15,352	257,561
Non-controlling interests	(112)	-	(112)
	242,097	15,352	257,449

A2. Changes in Accounting Policies (cont'd)

Gains arising from the reduction of the Group's effective interest in an associate company are reported in Statements of Profit or Loss (cont'd)

The impact on the financial statements for the financial year ended 30 June 2020 and 30 June 2021 arising from the change in accounting policy are disclosed below (cont'd):-

	As previously stated	Adjustments	As restated
	RM'000	RM'000	RM'000
Consolidated statements of financial position			
EQUITY			
Equity attributable to owners of the Company			
As at 30 June 2021			
Reserves	122,644	(94,214)	28,430
Retained earnings	997,602	94,214	1,091,816
As at 30 June 2020			
Reserves	126,878	(86,501)	40,377
Retained earnings	766,862	86,501	853,363
Consolidated statements of changes in equity			
As at 30 June 2021			
Post-acquisition reserves of associate companies			
- Other reserves	(2,133)	(7,713)	(9,846)
- Retained earnings	7,742	(7,639)	103
Other Reserves	87,055	(94,214)	(7,159)
As at 30 June 2020			
Other Reserves	89,188	(86,501)	2,687

Adoption of new and revised Standards that has been issued and are effective

Other than the above change in accounting policy adopted by the Group during the financial year, the Group has also adopted 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.

New and revised Standards that have been issued but are not yet effective

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 year 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	Year ended	Year ended
	30-June-2022	30-June-2021	30-June-2022	30-June-2021
	RM'000	RM'000	RM'000	RM'000
Excess of fair value of net assets over cost of investment on acquisition of additional equity interest in an associate company	-	2,239	-	2,239
Fair value (loss)/gain on derivative financial instruments	(1,162)	(1,183)	(760)	426
Fair value gain/(loss) on Investment properties	15,945	(6,772)	15,945	(6,772)
Gain on disposal of shares in an associate company	-	-	27,885	15,402
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 unquoted investments	-	-	-	77,599
Gain/(Loss) on disposal of investment properties	-	30	(300)	30
Gain/(Loss) on fair value changes of financial assets at fair value through profit or loss	573	(2,001)	(25,815)	42,412
Gain/(Loss) on exchange differences				
- realised	6,064	5,796	3,411	13,961
- unrealised	(9,229)	(4,251)	(3,693)	(3,354)

A5. Exceptional/Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows (Cont'd)

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

Recognised in the Statements of Profit or Loss (Cont'd)

	Individual Quarter		Cumulative Quarter	
	Quarter ended	Quarter ended	Year ended	Year ended
	30-June-2022	30-June-2021	30-June-2022	30-June-2021
	RM'000	RM'000	RM'000	RM'000
Goodwill written off	-	-	-	(1,444)
Provision for impairment loss on investment in associate companies	(39,369)	(3,033)	(41,293)	(3,003)
Reversal of provision for impairment loss on investment in an associate company	332	-	332	-
Net gain on deemed disposal of equity interests in associate companies	131,292	17,368	131,292	14,961

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 year as compared to the preceding corresponding financial quarter and financial year.

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 2 December 2021, 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 year ended 30 June 2022. 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 June 2022.

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 year ended 30 June 2022.

A8. Dividends Paid

During the financial year ended 30 June 2022, the Company paid the following dividends:-

- (a) the first 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;
- (b) the second preferential cash dividend of 3.8 sen per annum per redeemable preference share amounting to RM2,540,186 pro-rated in respect of the period from 1 July 2021 to 31 December 2021, paid on 19 January 2022; and
- (c) an interim single tier cash dividend of 2.5 sen per ordinary share amounting to RM16,575,489 in respect of the financial year ending 30 June 2022, paid on 19 January 2022.

A9. Segment Information

The segment analysis on the Group's results for the financial year ended 30 June 2022 is as follows:-

	Financial services and credit & leasing	Investment holding and trading	Technology and IT-related manufacturing, trading and services	Manufacturing & distribution of consumer products & 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	79,421	81,008	38,245	14,420	3,298	-	216,392
Inter-segment revenue	531	27,186	44,952	414	923	(74,006)	-
Total segment revenue	79,952	108,194	83,197	14,834	4,221	(74,006)	216,392
Results							
Segment profit/(loss) from operations	53,368	(52,758)	49,821	2,019	(522)	(467)	51,461
Interest income	4,463	8,786	11,100	40	255	(13,130)	11,514
Finance costs	(13,016)	(14,110)	(307)	(2,055)	(297)	13,597	(16,188)
Exceptional item	-	-	131,292	-	-	-	131,292
Share of profits less losses of associate companies	-	519	57,775	(302)	(6,296)	-	51,696
Share of losses of jointly controlled entities	(103)	-	-	(3)	-	-	(106)
Profit/(Loss) before tax	44,712	(57,563)	249,681	(301)	(6,860)	-	229,669
Tax expense	(9,958)	(1,548)	(1,088)	(339)	(204)	-	(13,137)
Profit/(Loss) for the financial year	34,754	(59,111)	248,593	(640)	(7,064)	-	216,532
Attributable to:-							
Owners of the Company							215,055
Non-controlling interests							1,477
Segment assets	737,889	819,316	906,691	92,578	144,255	-	2,700,729
Segment liabilities	72,982	391,999	13,734	23,350	5,504	-	507,569

A9. Segment Information (Cont'd)

The segment analysis on the Group's results for the financial year ended 30 June 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	93,809	67,644	106,524	13,796	3,876	-	285,649
Inter-segment revenue	1,580	24,078	41,202	877	840	(68,577)	-
Total segment revenue	95,389	91,722	147,726	14,673	4,716	(68,577)	285,649
Results							
Segment profit from operations	50,360	48,724	103,884	2,944	1,510	(385)	207,037
Interest income	3,122	7,580	10,612	51	253	(10,928)	10,690
Finance costs	(11,244)	(12,994)	(181)	(1,801)	(310)	11,313	(15,217)
Exceptional item	-	-	19,069	-	(4,108)	-	14,961
Share of profits less losses of associate companies	-	10,478	48,023	(5,073)	2,707	-	56,135
Share of losses of jointly controlled entities	(351)	-	-	(3)	-	-	(354)
Profit/(Loss) before tax	41,887	53,788	181,407	(3,882)	52	-	273,252
Tax expense	(10,390)	(3,848)	(1,144)	(285)	(136)	-	(15,803)
Profit/(Loss) for the financial year	31,497	49,940	180,263	(4,167)	(84)	-	257,449
Attributable to:-							
Owners of the Company							257,561
Non-controlling interests							(112)
Segment assets	786,980	810,348	618,771	69,646	194,123	-	2,479,868
Segment liabilities	104,179	353,511	11,206	24,375	5,607	-	498,878

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 year, including business combinations, acquisition or disposal of subsidiary companies and long-term investments, restructuring and discontinuing operations other than as disclosed below:-

- (i) On 11 August 2021, Insas Technology Bhd. ("ITB"), a wholly-owned subsidiary of the Company, had entered into a subscription agreement to subscribe for 1,928,623 new ordinary shares in Duramitt Sdn. Bhd. ("Duramitt"), representing 30% of the enlarged share capital in Duramitt for a total subscription price of RM10.7 million.

The subscription of shares was completed on 26 October 2021. Arising thereon, Duramitt became an associate company of the Group.

The principal activities of Duramitt are the manufacturing, trading and sale of specialised industrial gloves and medical examination gloves.

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

- (ii) On 5 October 2021, M&A Securities Sdn. Bhd., a wholly-owned subsidiary of the Company had acquired 1 ordinary share in Venturescape Sdn. Bhd. (“Venturescape”) for a total consideration of RM1. Arising from this acquisition, Venturescape became a wholly-owned subsidiary of the Group.

Venturescape was incorporated in Malaysia on 23 September 2021 and its issued and paid-up share capital is RM1. The principal activity of Venturescape is property investment.

- (iii) On 4 January 2022, ITB had entered into a Share Sale and Purchase Agreement (“SSPA”) with Diversified Gateway Solutions Berhad (“DGSB”) wherein DGSB agrees to sell to ITB and ITB agrees to acquire:-

- (a) 70% of the issued shares comprising 233,330 ordinary shares in QBI Packaging Sdn. Bhd. (“QBI”) for a consideration of RM3,430,000; and
- (b) 70% of the issued shares comprising 70,000 ordinary shares in Makan Channel Sdn. Bhd. (“MCSB”) for a consideration of RM70,000.

upon such terms and conditions as stated in the SSPA (“Proposed Acquisition”).

QBI was incorporated in Malaysia and is principally engaged in the business of food packaging and contract manufacturing.

MCSB was incorporated in Malaysia and is principally engaged in the business of sales and distribution of consumer food and related products.

The Proposed Acquisition was completed on 14 April 2022. Arising thereon, QBI and MCSB became indirect subsidiary companies of the Group.

- (iv) On 30 June 2022, the Company announced that Insas Logistics (S) Pte. Ltd. (“ILSPL”), a dormant indirect wholly-owned subsidiary company, has applied to the Accounting and Corporate Regulatory Authority (“ACRA”) for the striking off of ILSPL pursuant to Section 344A of the Singapore Companies Act (“Proposed Striking Off”).

ILSPL had ceased operations and the Proposed Striking Off will reduce the administrative resources and costs for maintaining this dormant subsidiary company.

A12. Material Subsequent Events

There were no material events subsequent to the financial year ended 30 June 2022 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	-	-	113,997	68,780
- 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 June 2022 are as follows:-

	RM'000
To acquire property, plant and equipment	9,032
Investment commitments in relation to financial assets at fair value through other comprehensive income	<u>480</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 RM49.4 million and a pre-tax profit of RM135.6 million in the current financial quarter (Q4/2022) as compared to revenue of RM44.2 million and a pre-tax profit of RM40.7 million in the preceding year corresponding quarter (Q4/2021). The review of performance by division is as follows:-

Financial services and credit & leasing division

The unit reported lower revenue of RM20.8 million in the current financial quarter as compared to the preceding year corresponding quarter of RM22.0 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 RM12.7 million in Q4/2022 as compared RM11.2 million in Q4/2021.

Investment holding and trading division

The investment unit reported higher revenue of RM23.4 million in Q4/2022 mainly due to higher trading activities as compared to RM17.7 million in Q4/2021.

The investment unit reported a pre-tax loss of -RM33.2 million in Q4/2022 as compared to a pre-tax profit RM10.5 million in Q4/2021 mainly due to higher unrealised loss on foreign exchange and provision for impairment loss on investment in an associate company reported in Q4/2022.

Technology and IT-related manufacturing, trading and services division

There is no significant variance on revenue reported in Q4/2022 as compared to Q4/2021.

The Technology unit reported higher pre-tax profit of RM159.2 million in Q4/2022 as compared to RM27.6 million in Q4/2021 mainly due to one-off exceptional gain on deemed disposal of equity interests in associate companies of RM131.3 million (Q4/2021: RM23.1 million).

Current financial year against preceding financial year

Group's summary

The Group reported lower revenue of RM216.4 million and a pre-tax profit of RM229.7 million for the financial year ended 30 June 2022 as compared to revenue of RM285.6 million and a pre-tax profit of RM273.3 million in the preceding year. The review of performance by division is as follows:-

Financial services and credit & leasing division

The unit reported lower revenue of RM79.4 million for the financial year ended 30 June 2022 as compared to RM93.8 million in the preceding year. The higher revenue in the preceding year was contributed by the stock broking unit which reported exceptionally higher brokerage income due to the strong retail trading volumes on the local exchange during the preceding financial year.

B1. Review of Performance (Cont'd)

Current financial year against preceding financial year (cont'd)

Financial services and credit & leasing division (cont'd)

Despite lower revenue reported in the current financial year, the unit reported slightly higher pre-tax profit of RM44.7 million for the financial year ended 30 June 2022 as compared to the preceding year of RM41.9 million due to higher placement fee income from the corporate advisory division in the current financial year under review.

Investment holding and trading division

The investment unit reported higher revenue of RM81.0 million for the financial year ended 30 June 2022 as compared to the preceding year of RM67.6 million mainly due to higher trading activities.

The investment unit reported a pre-tax loss of -RM57.6 million for the financial year ended 30 June 2022 (financial year ended 30 June 2021: a pre-tax profit RM53.8 million) mainly due to unrealised loss on fair value changes of financial assets at fair value through profit or loss, provision for impairment loss on investment in associate companies and loss on foreign exchange.

Technology and IT-related manufacturing, trading and services division

The Technology unit reported revenue of RM38.2 million and pre-tax profits of RM249.7 million for the financial year ended 30 June 2022 (financial year ended 30 June 2021: revenue of RM106.5 million and pre-tax profit of RM181.4 million respectively). The higher pre-tax profits is mainly due to a one-off exceptional gain on deemed disposal of equity interests in associate companies of RM131.3 million (financial year ended 30 June 2021: RM19.1 million).

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-June-2022 RM'000	Immediate Preceding Quarter 31-Mar-2022 RM'000	Changes (%)
Revenue	49,391	41,812	18%
(Loss)/Profit from operations	(2,968)	26,290	-111%
Profit before tax	135,615	35,130	286%
Profit after tax	129,889	33,853	284%
Profit attributable to owners of the Company	127,737	34,537	270%

The Group reported higher revenue of RM49.4 million in the current financial quarter as compared to RM41.8 million reported in the immediate preceding quarter, mainly due to higher trading activities from the investment units. The Group reported higher pre-tax profit of RM135.6 million in the current financial quarter as compared to the immediate preceding financial quarter of RM35.1 million mainly due to fair value gain on investment properties of RM15.9 million (Q3/2022: Nil) and a one-off exceptional gain on deemed disposal of equity interests in associate companies of RM131.3 million (Q3/2022: Nil) set off against the provision for impairment loss on investment in an associate company of RM39.4 million (Q3/2022: RM1.9 million).

B3. Prospects for financial year ending 30 June 2023

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 ongoing challenging and competitive environment amid the war in Ukraine and the disruptions in global supply chains, increase in interest rates and global inflation which dampen economic growth and affected the investors' confidence in the global financial markets.

Financial services and credit & leasing division

The outlook for the stock broking unit is cautious but is expected to remain positive in FY2023 due to projected strong performance from the corporate advisory division whereas the stock broking division is likely to be impacted by the continual global bearish outlooks in the financial markets. The structured finance unit is expected to perform satisfactorily in FY 2023.

Investment trading division

The investment unit's performance for the financial year ending 30 June 2023 is largely dependent on the global financial markets which are expected to remain uncertain and volatile in FY 2023 due to the war in Ukraine, continual interest rate increases and global inflationary pressures.

Technology and IT-related manufacturing, trading and services division

Barring any negative development of the Covid lockdown situation in China and the war in Ukraine, the Board expects the Technology unit to generate positive contribution to the Group in FY 2023 in line with continual strong demand for 5G devices and tight supply from semiconductor manufacturers.

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

This note is not applicable for the financial year 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 year ended 30 June 2022 is as follows:-

	Individual Quarter ended 30-June-2022 RM'000	Quarter Quarter ended 30-June-2021 RM'000	Cumulative Year ended 30-June-2022 RM'000	Quarter Year ended 30-June-2021 RM'000
<u>Income tax:-</u>				
Provision for current financial quarter/year				
- Malaysian income tax	4,665	3,275	12,843	18,519
- Overseas income tax	191	146	213	167
(Over)/Underprovision in preceding financial quarter/year				
- Malaysian income tax	(35)	112	(806)	114
- Real Property Gains Tax	-	(44)	-	(44)
<u>Deferred tax:-</u>				
Transfer to deferred taxation	(120)	(2,389)	(166)	(2,418)
Underprovision in preceding financial quarter/year	227	20	227	20
Deferred Real Property Gains Tax	798	(555)	826	(555)
	<hr/>	<hr/>	<hr/>	<hr/>
	5,726	565	13,137	15,803
	<hr/>	<hr/>	<hr/>	<hr/>

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-June-2022 RM'000	Quarter Quarter ended 30-June-2021 RM'000	Cumulative Year ended 30-June-2022 RM'000	Quarter Year ended 30-June-2021 RM'000
Profit before tax	135,615	40,733	229,669	273,252
Income tax at Malaysian statutory tax rate of 24%	32,548	9,775	55,121	65,580
<u>Tax effects in respect of:-</u>				
Non-allowable expenses	11,373	5,636	23,788	13,739
Income not subject to tax	(38,835)	(15,799)	(63,794)	(61,181)
Deferred Real Property Gains				
Tax on fair value adjustment of investment properties	828	(555)	856	(555)
Effect of different tax rates in other countries	(544)	42	(2,285)	(3,134)
Overseas tax paid on dividend income	120	68	306	244
Utilisation of previously unrecognised deferred tax assets	(17)	(569)	(439)	(989)
Deferred tax not recognised in the financial statements	61	1,879	163	2,009
Tax expenses for the financial quarter/year	5,534	477	13,716	15,713
(Over)/Underprovision for tax expense in preceding financial quarter/year	(35)	112	(806)	114
Underprovision for deferred taxation in preceding financial quarter/year	227	20	227	20
Overprovision for Real Property Gains Tax in preceding financial quarter/year	-	(44)	-	(44)
	5,726	565	13,137	15,803

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
- 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”)

On 2 December 2021, the Company entered into a supplemental agreement (“Supplemental SSPA”) with SYF to vary certain terms of the SSPA.

The Proposed M&A Disposal and Proposed Exemption are conditional upon the approval from the relevant authorities and the shareholders of the Company at an extraordinary general meeting to be convened.

On 1 July 2022, the Company and SYF agreed to extend the conditional period of the SSPA to 4 January 2023.

B7. Status of Utilisation of Proceeds

There are no unutilised proceeds from any corporate proposal.

B8. Group Borrowings and Debt Securities as at 30 June 2022

	As at 30 June 2022					
	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	-	-	-	78	-	78
Term loans						
- RM	-	17,075	-	995	-	18,070
- SGD	1,140	3,600	17,381	54,898	18,521	58,498
- AUD	-	-	5,884	17,793	5,884	17,793
- USD	-	-	2,220	9,770	2,220	9,770
- GBP	-	-	792	4,229	792	4,229
- EUR	-	-	868	3,990	868	3,990
Revolving credit facilities	-	-	-	130,480	-	130,480
Margin financing facility	-	-	-	18,805	-	18,805
Total loans and borrowings	-	20,675	-	241,038	-	261,713

B8. Group Borrowings and Debt Securities as at 30 June 2022 (Cont'd)

	As at 30 June 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	-	-	-	545	-	545
Term loans						
- RM	-	16,473	-	1,010	-	17,483
- SGD	1,190	3,672	16,980	52,390	18,170	56,062
- AUD	-	-	5,692	17,767	5,692	17,767
- USD	-	-	672	2,791	672	2,791
- GBP	-	-	781	4,490	781	4,490
- EUR	-	-	1,315	6,496	1,315	6,496
Revolving credit facilities	-	-	-	125,980	-	125,980
Margin financing facility	-	-	-	4,941	-	4,941
Total loans and borrowings	-	20,145	-	216,411	-	236,556

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

	Interest Rate (%)	
	As at 30.06.2022	As at 30.06.2021
Secured		
Bank overdrafts	6.89%-7.65%	6.89%-7.72%
Term loans	0.78%-5.08%	0.78%-5.90%
Revolving credit facilities	3.64%-4.62%	3.52%-4.60%
Margin financing facility	5.67%	5.42%

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	(4,936)
- Effects of deferred tax liability	(1,559)
Accumulated RPS dividends charged to statements of profit or loss	8,534
Accumulated RPS dividends payable	<u>(6,722)</u>
RPS issued by the Company – liability component, disclosed as per MFRS requirements	<u>127,921</u>

B8. Group Borrowings and Debts Securities as at 30 June 2022 (Cont'd)

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 23 November 2021 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. The interim dividend totalling RM16,575,489 was paid on 19 January 2022.

The Board of Directors do not recommend any final dividend for the financial year ended 30 June 2022.

B11. Earnings per share

(a) Basic earnings per share

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

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-June-2022	Quarter ended 30-June-2021	Year ended 30-June-2022	Year ended 30-June-2021
Net profit attributable to owners of the Company for the financial quarter and financial year (RM'000)	127,737	40,302	215,055	257,561
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)	19.27	6.08	32.44	38.85

B11. Earnings per share (Cont'd)

(b) Diluted earnings per share

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

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-June-2022	Quarter ended 30-June-2021	Year ended 30-June-2022	Year ended 30-June-2021
Net profit attributable to owners of the Company for the financial quarter and financial year (RM'000)	127,737	40,302	215,055	257,561
Adjust for finance costs savings on proceeds received upon the assumed conversion of Warrants into ordinary shares (RM'000)	1,943	-	7,811	-
Adjusted net profit attributable to owners of the Company (RM'000)	129,680	40,302	222,866	257,561
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
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)	13.04	n/a	22.41	n/a

B12. Derivative Financial Liabilities

Details of derivative financial liabilities as at 30 June 2022 are set out below:-

Type of Derivatives	<u>Contract/ Notional value</u> RM'000	<u>Fair value</u> RM'000
<u>Currency Forward Contract and Options</u>		
- Less than 1 year	1,527	(849)
<u>Other equity related contracts</u>		
- Less than 1 year	26,969	(2,818)
	28,496	(3,667)

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

- (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 loss on derivative financial instruments of -RM1.2 million in the current financial quarter and -RM0.8 million for the financial year ended 30 June 2022 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.

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

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.