

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

27 NOVEMBER 2024

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 2024

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Note	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
		FY2025 Quarter ended 30-Sep-24 RM'000	FY2024 Quarter ended 30-Sep-23 RM'000	Changes %	FY2025 Period ended 30-Sep-24 RM'000	FY2024 Period ended 30-Sep-23 RM'000	Changes %
Revenue		45,373	47,803	-5%	45,373	47,803	-5%
Cost of sales	1	(25,219)	(25,702)	-2%	(25,219)	(25,702)	-2%
Other income	2	63,076	20,305	>100%	63,076	20,305	>100%
Administration expenses	3	(4,672)	(3,806)	23%	(4,672)	(3,806)	23%
Other operating expenses	4	(47,443)	(17,650)	>100%	(47,443)	(17,650)	>100%
Finance costs		(4,943)	(5,155)	-4%	(4,943)	(5,155)	-4%
Exceptional item	5	4,321	3,018	43%	4,321	3,018	43%
Share of profits less losses of associate companies		384	6,634	-94%	384	6,634	-94%
Share of profits/(losses) of jointly controlled entities		59	(48)	>-100%	59	(48)	>-100%
Profit before tax		30,936	25,399	22%	30,936	25,399	22%
Tax expense		(4,163)	(3,838)	8%	(4,163)	(3,838)	8%
Profit for the quarter/period		26,773	21,561	24%	26,773	21,561	24%
Profit attributable to:-							
Owners of the Company		25,531	19,773	29%	25,531	19,773	29%
Non-controlling interests		1,242	1,788	-31%	1,242	1,788	-31%
		26,773	21,561	24%	26,773	21,561	24%
Earnings per share (in Sen)							
- Basic		3.85	2.98		3.85	2.98	
- Diluted		3.58	2.98		3.58	2.98	

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UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY2025 Quarter ended 30-Sep-24 RM'000	FY2024 Quarter ended 30-Sep-23 RM'000	FY2025 Period ended 30-Sep-24 RM'000	FY2024 Period ended 30-Sep-23 RM'000
Note 1				
Included in Cost of sales is the following item:-				
Depreciation	<u>(2,019)</u>	<u>(2,188)</u>	<u>(2,019)</u>	<u>(2,188)</u>
Note 2				
Included in Other income are the following items:-				
Allowance for doubtful debts no longer required	498	8	498	8
Fair value gain on derivative financial instruments	-	1,332	-	1,332
Gain on disposal of property, plant and equipment	325	93	325	93
Interest income	10,450	9,416	10,450	9,416
Gain on exchange differences				
- realised	369	24	369	24
Gain on fair value changes of financial assets at fair value through profit or loss	18,922	-	18,922	-
Gain on disposal of an investment property	1,602	-	1,602	-
Gain on disposal of shares in an associate company	<u>20,389</u>	<u>-</u>	<u>20,389</u>	<u>-</u>
Note 3				
Included in Administration expenses are the following items:-				
Amortisation of intangible assets	(2)	(2)	(2)	(2)
Depreciation	<u>(268)</u>	<u>(160)</u>	<u>(268)</u>	<u>(160)</u>
Note 4				
Included in Other operating expenses are the following items:-				
Allowance for doubtful debts	(431)	(2)	(431)	(2)
Amortisation of intangible asset	(15)	(15)	(15)	(15)
Bad debts written off	(336)	-	(336)	-
Depreciation	(451)	(417)	(451)	(417)
Fair value loss on derivative financial instruments	(1,576)	-	(1,576)	-
Loss on fair value changes of financial assets at fair value through profit or loss	-	(1,249)	-	(1,249)
Loss on exchange differences				
- unrealised	(29,364)	(1,260)	(29,364)	(1,260)
Property, plant and equipment written off	<u>(3)</u>	<u>-</u>	<u>(3)</u>	<u>-</u>
Note 5				
Exceptional item represents:-				
Net gain on deemed disposal of equity interests in an associate company	<u>4,321</u>	<u>3,018</u>	<u>4,321</u>	<u>3,018</u>

INSAS BERHAD
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UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	FY2025	FY2024	Changes %	FY2025	FY2024	Changes %
	Quarter ended 30-Sep-24 RM'000	Quarter ended 30-Sep-23 RM'000		Period ended 30-Sep-24 RM'000	Period ended 30-Sep-23 RM'000	
Profit for the quarter/period	26,773	21,561	24%	26,773	21,561	24%
<u>Other comprehensive loss may be reclassified to profit or loss subsequently:-</u>						
Share of other comprehensive loss of investments accounted for using equity method, net of tax	(15,869)	(192)	>100%	(15,869)	(192)	>100%
Foreign currency translation of foreign operations, net of tax	(30,575)	(393)	>100%	(30,575)	(393)	>100%
Total other comprehensive loss for the quarter/period, net of tax	(46,444)	(585)	>100%	(46,444)	(585)	>100%
Total comprehensive (loss)/income for the quarter/period, net of tax	(19,671)	20,976	>-100%	(19,671)	20,976	>-100%
Attributable to:-						
Owners of the Company	(20,913)	19,188	>-100%	(20,913)	19,188	>-100%
Non-controlling interests	1,242	1,788	-31%	1,242	1,788	-31%
	(19,671)	20,976	>-100%	(19,671)	20,976	>-100%

Note 6

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.

INSAS BERHAD
Registration No. 196101000026 (4081-M)
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UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 30/09/2024 RM'000 (Unaudited)	As at 30/06/2024 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	83,160	83,541
Investment properties	219,970	233,762
Financial assets at fair value through other comprehensive income	53,404	53,593
Jointly controlled entity	(613)	(672)
Associate companies	544,277	543,466
Other receivables	7,345	7,345
Intangible assets	43,963	43,980
Deferred tax assets	2,831	2,837
Land and property development costs	68,000	68,000
Total non-current assets	1,022,337	1,035,852
Current assets		
Land and property development costs	11,575	11,567
Inventories	20,068	20,150
Trade receivables	543,509	479,251
Amount due from associate companies	61,422	60,440
Amount due from a jointly controlled entity	679	674
Other receivables, deposits and prepayments	64,433	64,867
Financial assets at fair value through profit or loss	230,677	236,685
Tax recoverable	9,785	6,971
Deposits with licensed banks and financial institutions	1,040,365	1,030,990
Cash and bank balances	171,456	182,697
Total current assets	2,153,969	2,094,292
TOTAL ASSETS	3,176,306	3,130,144
EQUITY AND LIABILITIES		
EQUITY		
Share capital	873,792	873,780
Treasury shares	(14,499)	(14,499)
Reserves	22,764	69,597
Retained earnings	1,529,469	1,503,938
Equity attributable to owners of the Company	2,411,526	2,432,816
Non-controlling interests	184,733	182,991
TOTAL EQUITY	2,596,259	2,615,807
LIABILITIES		
Non-current liabilities		
Loans and borrowings	29,420	30,300
Lease liabilities	16,343	16,127
Deferred tax liabilities	15,082	15,373
Redeemable preference shares	129,532	129,353
Total non-current liabilities	190,377	191,153
Current liabilities		
Derivative financial liabilities	3,559	1,983
Trade payables	156,238	69,739
Other payables, deposits received and accruals	42,892	45,900
Loans and borrowings	179,261	198,525
Lease liabilities	7,149	6,623
Tax payable	571	414
Total current liabilities	389,670	323,184
TOTAL LIABILITIES	580,047	514,337
TOTAL EQUITY AND LIABILITIES	3,176,306	3,130,144
Net assets per share attributable to owners of the Company⁽⁷⁾ (RM)	3.64	3.67

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 2024 and the accompanying explanatory notes attached to the Interim Financial Statements.

INSAS BERHAD
Registration No. 196101000026 (4081-M)
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UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

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 period ended 30 September 2024									
As at 1 July 2024	873,780	4,935	(7,807)	72,469	(14,499)	1,503,938	2,432,816	182,991	2,615,807
Transactions with owners:-									
Subscription of shares in a subsidiary company by non-controlling interests	-	-	-	-	-	-	-	500	500
Issuance of ordinary shares pursuant to exercise of warrants	12	-	-	-	-	-	12	-	12
Total transactions with owners	12	-	-	-	-	-	12	500	512
Total comprehensive (loss)/income for the financial period									
Profit for the financial period	-	-	-	-	-	25,531	25,531	1,242	26,773
Share of other comprehensive loss of investments accounted for using equity method, net of tax	-	-	-	(15,869)	-	-	(15,869)	-	(15,869)
Foreign currency translation of foreign operations, net of tax	-	-	-	(30,575)	-	-	(30,575)	-	(30,575)
Total comprehensive (loss)/income for the financial period	-	-	-	(46,444)	-	25,531	(20,913)	1,242	(19,671)
Post-acquisition reserves - associate companies	-	-	(389)	-	-	-	(389)	-	(389)
Balance at 30 September 2024	873,792	4,935	(8,196)	26,025	(14,499)	1,529,469	2,411,526	184,733	2,596,259

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(Incorporated in Malaysia)

UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

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

	< ----- Attributable to Owners of the Company ----- >								
	<----- Non-distributable reserves ----->				<--- Distributable reserves --->				
	Share capital RM'000	Warrants reserve RM'000	Other reserves RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Financial period ended 30 September 2023									
As at 1 July 2023	873,700	4,936	(8,511)	66,800	(14,499)	1,419,807	2,342,233	157,976	2,500,209
Transaction with owners:-									
Dividend paid to non-controlling interests of a subsidiary company	-	-	-	-	-	-	-	(2,800)	(2,800)
Total transaction with owners	-	-	-	-	-	-	-	(2,800)	(2,800)
Total comprehensive (loss)/income for the financial period									
Profit for the financial period	-	-	-	-	-	19,773	19,773	1,788	21,561
Share of other comprehensive loss of investments accounted for using equity method, net of tax	-	-	-	(192)	-	-	(192)	-	(192)
Foreign currency translation of foreign operations, net of tax	-	-	-	(393)	-	-	(393)	-	(393)
Total comprehensive (loss)/income for the financial period	-	-	-	(585)	-	19,773	19,188	1,788	20,976
Post-acquisition reserves - associate companies	-	-	(328)	-	-	-	(328)	-	(328)
Balance at 30 September 2023	873,700	4,936	(8,839)	66,215	(14,499)	1,439,580	2,361,093	156,964	2,518,057

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 2024 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 2024

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Period ended 30/09/2024 RM'000	Period ended 30/09/2023 RM'000
Cash flows from operating activities		
Profit before tax	30,936	25,399
Adjustments for:-		
Non-cash items	(15,480)	(8,890)
Finance costs	4,943	5,155
Interest income	(10,450)	(9,416)
Operating profit before working capital changes	9,949	12,248
Changes in working capital:-		
Net changes in current assets	(91,998)	30,580
Net changes in current liabilities	82,634	3,119
Cash from operations	585	45,947
Interest paid	(4,735)	(6,205)
Interest received	10,450	9,416
Tax paid	(6,952)	(3,309)
Net cash (used in)/from operating activities	(652)	45,849
Cash flows from investing activities		
Subscription of shares in a jointly controlled entity	-	(100)
Purchase of property, plant and equipment	(1,848)	(310)
Purchase of intangible assets	-	(10)
Addition to an investment property	-	(680)
Proceeds from disposal of an investment property	13,800	-
Proceeds from disposal of shares in an associate company	27,600	-
Proceeds from disposal of property, plant and equipment	487	149
Dividend received	10,496	13,751
Net cash from investing activities	50,535	12,800
Cash flows from financing activities		
(Increase)/Decrease in fixed deposits pledged	(26,581)	1,440
Decrease in cash and bank balances pledged	29,070	148
Net repayment of loans and borrowings	(15,858)	(8,244)
Proceeds from subscription of shares in a subsidiary company by non-controlling interests	500	-
Proceeds from issuance of ordinary shares	12	-
Dividend paid to non-controlling interests of a subsidiary company	-	(2,800)
Repayment of lease liabilities	(1,939)	(2,056)
Net cash used in financing activities	(14,796)	(11,512)
Net increase in cash and cash equivalents	35,087	47,137
Cash and cash equivalents at beginning of the financial period	968,505	812,075
Exchange differences	(15,106)	(626)
Cash and cash equivalents at end of the financial period	988,486	858,586
Cash and cash equivalents comprise of:-		
Bank overdrafts	-	(1)
Cash and bank balances	171,456	154,302
Deposits with licensed banks and financial institutions	1,040,365	938,066
	1,211,821	1,092,367
Less:		
Cash and bank balances pledged	(1,200)	(2,205)
Fixed deposits pledged	(222,135)	(231,576)
	988,486	858,586

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 2024 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 2024 - 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 2024, 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 2024.

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 2024 except for the adoption of the following amendments to Standards issued by the MASB that became effective and relevant to the Group for the financial year beginning on or after 1 July 2024:-

Effective for financial period beginning on or after 1 January 2024

Amendments to MFRS 16	Leases - Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements - Non-Current Liabilities with Covenants
Amendments to MFRS 101	Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current
Amendments to MFRS 107 and MFRS 7	Statement of Cash Flows and Financial Instruments: Disclosures - Supplier Finance Arrangements

The adoption of these relevant amendments to Standards did not have any material financial impact to the financial statements of the Group.

A2. Changes in Accounting Policies (Cont'd)

The Group has not early adopted new Standards, amendments to Standards and annual improvements to Standards that have been issued but are not yet effective for the accounting period beginning 1 July 2024, as follows:-

Effective for financial period beginning on or after 1 January 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Effective for financial period beginning on or after 1 January 2026

Amendments to MFRS 9 Financial Instruments and Financial Instruments: Disclosures
and MFRS 7 – Amendments to the Classification and Measurement of
Financial Instruments

Annual Improvements to MFRS Accounting Standards – Volume 11

Effective for financial period beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncements.

The initial applications of the relevant new Standards, amendments to Standards and annual improvements to Standards are not expected to have any material financial impact to the financial statements of the Group.

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 2024.

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:-

i) Recognised in the Statements of Profit or Loss

	Individual Quarter		Cumulative Quarter	
	Quarter ended	Quarter ended	Period ended	Period ended
	30-Sep-2024	30-Sep-2023	30-Sep-2024	30-Sep-2023
	RM'000	RM'000	RM'000	RM'000
Bad debts written off	(336)	-	(336)	-
Fair value (loss)/gain on derivative financial instruments	(1,576)	1,332	(1,576)	1,332
Gain on disposal of an investment property	1,602	-	1,602	-
Gain/(Loss) on fair value changes of financial assets at fair value through profit or loss	18,922	(1,249)	18,922	(1,249)
Gain/(Loss) on exchange differences				
- realised	369	24	369	24
- unrealised	(29,364)	(1,260)	(29,364)	(1,260)
Gain on disposal of shares in an associate company	20,389	-	20,389	-
Net gain on deemed disposal of equity interests in an associate company	4,321	3,018	4,321	3,018

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 27 November 2023, 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 2024. Of the total 693,449,143 issued and fully paid-up ordinary shares, 30,327,291 shares are being held as treasury shares by the Company as at 30 September 2024.

During the current financial quarter and financial period ended 30 September 2024, the Company increased its issued and paid-up ordinary share capital by way of issuance of 13,500 ordinary shares pursuant to the exercise of warrant into ordinary shares by certain warrant holders of the Company.

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 2024.

A8. Dividends Paid

During the current financial quarter and financial period-to-date, the Company paid preferential cash dividend of 3.8% per annum per redeemable preference share amounting to RM2,498,759 for the period from 1 January 2024 to 30 June 2024, paid on 19 July 2024.

A9. Segment Information

The segment analysis on the Group's results for the financial period ended 30 September 2024 is as follows:-

	Financial services and credit & leasing RM'000	Investment holding and trading RM'000	Technology and IT-related manufacturing, trading and services RM'000	Manufacturing and distribution of consumer products and services, retail trading and car rental RM'000	Property investment and development RM'000	Elimination RM'000	Consolidated Total RM'000
Revenue							
External revenue	14,383	26,190	354	4,203	243	-	45,373
Inter-segment revenue	93	736	5,798	86	16	(6,729)	-
Total segment revenue	14,476	26,926	6,152	4,289	259	(6,729)	45,373
Results							
Segment profit/(loss) from operations	6,352	(6,286)	19,618	(31)	974	38	20,665
Interest income	2,074	5,320	5,068	205	256	(2,473)	10,450
Finance costs	(2,115)	(4,082)	(114)	(698)	(369)	2,435	(4,943)
Exceptional item	-	-	4,321	-	-	-	4,321
Share of profits less losses of associate companies	-	(1,069)	3,709	19	(2,275)	-	384
Share of profits of jointly controlled entities	59	-	-	-	-	-	59
Profit/(Loss) before tax	6,370	(6,117)	32,602	(505)	(1,414)	-	30,936
Tax expense	(2,378)	(963)	(761)	(9)	(52)	-	(4,163)
Profit/(Loss) for the financial period	3,992	(7,080)	31,841	(514)	(1,466)	-	26,773
Attributable to:-							
Owners of the Company							25,531
Non-controlling interests							1,242
Segment assets	846,714	830,817	1,152,873	71,258	274,644	-	3,176,306
Segment liabilities	184,935	323,921	11,145	25,781	34,265	-	580,047

A9. Segment Information (Cont'd)

The segment analysis on the Group's results for the financial period ended 30 September 2023 is as follows:-

	Financial services and credit & leasing RM'000	Investment holding and trading RM'000	Technology and IT-related manufacturing, trading and services RM'000	Manufacturing and distribution of consumer products and services, retail trading and car rental RM'000	Property investment and development RM'000	Eliminations RM'000	Consolidated Total RM'000
Revenue							
External revenue	19,390	18,205	350	4,485	5,373	-	47,803
Inter-segment revenue	107	544	8,518	(178)	74	(9,065)	-
Total segment revenue	19,497	18,749	8,868	4,307	5,447	(9,065)	47,803
Results							
Segment profit/(loss) from operations	12,109	965	(1,097)	(138)	(257)	(48)	11,534
Interest income	1,863	5,397	4,840	189	115	(2,988)	9,416
Finance costs	(2,679)	(4,184)	(119)	(693)	(516)	3,036	(5,155)
Exceptional item	-	-	3,018	-	-	-	3,018
Share of profits less losses of associate companies	-	(1,243)	10,844	(410)	(2,557)	-	6,634
Share of losses of jointly controlled entities	(48)	-	-	-	-	-	(48)
Profit/(Loss) before tax	11,245	935	17,486	(1,052)	(3,215)	-	25,399
Tax expense	(2,661)	(419)	(754)	(3)	(1)	-	(3,838)
Profit/(Loss) for the financial period	8,584	516	16,732	(1,055)	(3,216)	-	21,561
Attributable to:-							
Owners of the Company							19,773
Non-controlling interests							1,788
Segment assets	741,743	878,574	1,043,477	98,735	277,201	-	3,039,730
Segment liabilities	97,282	342,783	13,426	28,762	39,420	-	521,673

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 2024.

A11. Changes in the Composition of the Group

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

On 9 August 2024, Nuri Meriah Sdn. Bhd. ("NMSB"), an indirect subsidiary of the Group, had been officially struck off from the register of Companies Commission of Malaysia, upon publication in the Gazette by the Registrar of Companies on 26 July 2024, pursuant to Section 551(3) of the Companies Act 2016.

NMSB is a dormant company and the struck off of NMSB has no material financial effect on the earnings and net assets of the Group for the financial year ending 30 June 2025.

A12. Material Subsequent Events

There were no material events subsequent to the financial period ended 30 September 2024 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 Company has provided guarantees as follows:-

	Company	
	Limit	Amount
	RM'000	Utilised RM'000
<u>Unsecured:-</u>		
Corporate guarantees extended to licensed banks and financial institutions for credit facilities granted to certain subsidiary companies	94,866	43,666

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

A14. Commitments

Material contractual commitments not provided for in the financial statements as at 30 September 2024 are as follows:-

	RM'000
To acquire property, plant and equipment	1,708
Investment commitments in relation to financial assets at fair value through other comprehensive income	494

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 RM45.4 million and a pre-tax profit of RM30.9 million in the current financial quarter (Q1/2025) as compared to revenue of RM47.8 million and a pre-tax profit of RM25.4 million in the preceding year corresponding financial quarter (Q1/2024). The review of performance by divisions are as follows:-

B1. Review of Performance (Cont'd)

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

Financial services and credit & leasing division

The unit reported lower revenue of RM14.4 million and pre-tax profit of RM6.4 million in the current financial quarter as compared to the preceding year corresponding quarter of RM19.4 million and RM11.2 million respectively mainly due to lower corporate advisory fee income generated by stock broking unit and lower revenue generated by structured finance unit.

Investment holding and trading division

The investment unit reported higher revenue of RM26.2 million in Q1/2025 mainly due to higher trading activities as compared to revenue of RM18.2 million in Q1/2024.

The unit reported a pre-tax loss of -RM6.1 million in Q1/2025 as compared to a pre-tax profit of RM0.9 million in Q1/2024 mainly due to unrealised foreign exchange loss of -RM25.9 million in Q1/2025 (Q1/2024: -RM1.1 million) and partially set off against unrealised gain on fair value changes of financial assets at fair value through profit or loss ("FAFVTPL") of RM18.9 million in Q1/2025 (Q1/2024: unrealised loss on fair value changes of FAFVTPL of -RM1.2 million).

Technology and IT-related manufacturing, trading and services division

There is no significant variance on revenue reported in Q1/2025 as compared to Q1/2024.

The Technology unit reported higher pre-tax profit of RM32.6 million in Q1/2025 as compared to RM17.5 million in Q1/2024 mainly due to gain on disposal of shares in an associate company of RM20.4 million (Q1/2024: Nil) set off against lower equity accounting share of profit from Inari Amertron Berhad.

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-2024 RM'000	Immediate Preceding Quarter 30-June-2024 RM'000	Changes (%)
Revenue	45,373	94,048	-52%
Profit from operations	20,665	28,777	-28%
Profit before tax	30,936	36,300	-15%
Profit after tax	26,773	31,619	-15%
Profit attributable to owners of the Company	25,531	29,058	-12%

The Group reported lower revenue of RM45.4 million in the current financial quarter as compared to RM94.0 million reported in the immediate preceding financial quarter mainly due to lower trading activities by the investment and Technology unit in Q1/2025 as compared to Q4/2024. The Group reported lower pre-tax profit of RM30.9 million in the current financial quarter as compared to RM36.3 million in Q4/2024 mainly due to higher unrealised foreign exchange loss partially set off against higher gain on disposal of shares in an associate company and higher unrealised gain on fair value changes of financial assets at fair value through profit or loss in Q1/2025.

B3. Prospects for financial year ending 30 June 2025

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 continuing difficult and challenging economic landscape amid the unabating geopolitical tensions and the Russia-Ukraine crisis which may affect investors' confidence in the global financial markets.

Financial services and credit & leasing division

The outlook for the stock broking and corporate advisory division is cautious but is expected to remain positive in FY 2025. The structured finance units are expected to contribute positively towards the Group's results for FY 2025.

Investment trading division

The investment unit's performance for FY 2025 will be dependent on the global financial markets which are expected to remain volatile due to the ongoing geopolitical tensions and global economic uncertainties.

Technology and IT-related manufacturing, trading and services division

Barring any negative development on the semiconductor market, the Board expects the Technology unit to generate positive contribution to the Group in FY 2025 on the back of projected growth in businesses of Inari Amertron Group in FY 2025 from the anticipated introduction of AI-capable smart phones and growth of high bandwidth optoelectronic devices in the networks and data centers.

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 2024 is as follows:-

	Individual Quarter ended 30-Sep-2024 RM'000	Quarter Quarter ended 30-Sep-2023 RM'000	Cumulative Period ended 30-Sep-2024 RM'000	Quarter Period ended 30-Sep-2023 RM'000
<u>Income tax:-</u>				
Provision for current financial quarter/period				
- Malaysian income tax	4,304	3,705	4,304	3,705
- Overseas income tax	145	158	145	158
<u>Deferred tax:-</u>				
Transfer to deferred taxation	(286)	(25)	(286)	(25)
	<u>4,163</u>	<u>3,838</u>	<u>4,163</u>	<u>3,838</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-2024 RM'000	Quarter Quarter ended 30-Sep-2023 RM'000	Cumulative Period ended 30-Sep-2024 RM'000	Quarter Period ended 30-Sep-2023 RM'000
Profit before tax	30,936	25,399	30,936	25,399
Income tax at Malaysian statutory tax rate of 24%	7,424	6,096	7,424	6,096
<u>Tax effects in respect of:-</u>				
Non-allowable expenses	10,303	1,884	10,303	1,884
Income not subject to tax	(12,861)	(4,401)	(12,861)	(4,401)
Effect of different tax rates in other countries	(894)	21	(894)	21
Overseas tax paid on dividend income	178	158	178	158
Utilisation of previously unrecognised deferred tax assets	(179)	(1)	(179)	(1)
Deferred tax not recognised in the financial statements	192	81	192	81
	<u>4,163</u>	<u>3,838</u>	<u>4,163</u>	<u>3,838</u>

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

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

B7. Status of Utilisation of Proceeds

There are no unutilised proceeds from any corporate proposal.

B8. Group Borrowings and Debt Securities as at 30 September 2024

	As at 30 September 2024					
	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
<u>Secured</u>						
Term loans						
- RM	-	29,420	-	3,601	-	33,021
- SGD	-	-	10,496	33,645	10,496	33,645
- GBP	-	-	890	4,894	890	4,894
- EUR	-	-	2,321	10,634	2,321	10,634
Revolving credit facilities	-	-	-	126,487	-	126,487
Total loans and borrowings	-	29,420	-	179,261	-	208,681

	As at 30 September 2023					
	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
<u>Secured</u>						
Bank overdrafts						
- RM	-	-	-	1	-	1
Term loans						
- RM	-	32,928	-	3,567	-	36,495
- SGD	-	-	15,167	52,145	15,167	52,145
- GBP	-	-	837	4,796	837	4,796
- EUR	-	-	2,527	12,535	2,527	12,535
Revolving credit facilities	-	-	-	128,030	-	128,030
Margin financing facility	-	-	-	220	-	220
Total loans and borrowings	-	32,928	-	201,294	-	234,222

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

	Interest Rate (%)	
	As at 30.09.2024	As at 30.09.2023
<u>Secured</u>		
Bank overdrafts	7.47%-8.72%	7.39%-8.14%
Term loans	4.18%-6.84%	4.18%-6.84%
Revolving credit facilities	4.70%-5.91%	4.62%-5.81%
Margin financing facility	6.67%	5.67%-6.67%

B8. Group Borrowings and Debt Securities as at 30 September 2024 (Cont'd)

Debt securities

	RM'000
<u>Redeemable preference shares ("RPS")</u>	
RPS issued by the Company - 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	21,495
Accumulated RPS dividends paid/payable	(18,071)
Accumulated RPS surrendered	(1)
	<hr/>
132,603,516 RPS – liability component, disclosed as per MFRS requirements	129,532

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, 636 RPS was surrendered by a RPS holder arising from the conversion of Warrants where settlement is by way of surrendering 636 RPS to the Company. The difference between the exercise price of 636 Warrants and the issued price of the RPS was repaid to the RPS holder.

As of the date of this Report, a total of 101,090 units of Warrants were converted into ordinary shares in the Company.

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 declare 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 2025.

The entitlement date and payment date are on 12 December 2024 and 31 December 2024 respectively.

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-2024	Quarter ended 30-Sep-2023	Period ended 30-Sep-2024	Period ended 30-Sep-2023
Net profit attributable to owners of the Company for the financial quarter and financial period (RM'000)	25,531	19,773	25,531	19,773
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	663,122	663,021	663,122	663,021
Basic earnings per share (Sen)	3.85	2.98	3.85	2.98

(b) Diluted earnings per share

The diluted earnings per share for the current quarter and current financial period are calculated by dividing the net profit attributable to owners of the Company for the financial quarter and financial period to the weighted average number of ordinary shares in issue during the financial quarter and financial period adjusted for the assumed conversion of dilutive Warrants into ordinary shares at the beginning of the financial period.

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-Sep-2024	Quarter ended 30-Sep-2023	Period ended 30-Sep-2024	Period ended 30-Sep-2023
Net profit attributable to owners of the Company for the financial quarter and financial period (RM'000)	25,531	19,773	25,531	19,773
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	663,122	663,021	663,122	663,021
Adjusted for the assumed conversion of dilutive Warrants into ordinary shares ('000)	50,024	-	50,024	-
Adjusted weighted average number of ordinary shares ('000)	713,146	663,021	713,146	663,021
Diluted earnings per share (Sen)	3.58	2.98	3.58	2.98

For the preceding year corresponding financial quarter and financial period, there was no potential conversion of the outstanding Warrants of the Company into ordinary shares and this has an anti-dilutive effect on the basic earnings per ordinary share. As such, the diluted earnings per ordinary share is equivalent to the basic earnings per ordinary share which is in accordance to MFRS 133 Earnings per Share.

B12. Derivative Financial Liabilities

Details of derivative financial liabilities as at 30 September 2024 are set out below:-

Type of Derivatives	<u>Contract/ Notional value</u> RM'000	<u>Fair value</u> RM'000
<u>Other equity related contracts</u>		
- Less than 1 year	18,436	(3,559)
	18,436	(3,559)

There is no significant changes in respect of the following since the end of the preceding financial year ended 30 June 2024:-

- (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 -RM1.6 million in the current financial quarter and for the financial period ended 30 September 2024 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.