

Quarterly rpt on consolidated results for the financial period ended 30 Sep 2016

INSAS BERHAD

Financial Year End 30 Jun 2017  
 Quarter 1 Qtr  
 Quarterly report for the financial period ended 30 Sep 2016  
 The figures have not been audited

Attachments

IB Q12017.pdf  
 127.9 kB

Remarks :

1) The basic earnings per share for the 3 months period ended 30 September 2016 has been calculated based on the profit/(loss) attributable to the owners of the Company of RM58,586,000 (2016: -RM29,021,000) and the weighted average number of ordinary shares in issue during the period of 663,007,000 shares (2016: 663,007,000 shares) net of shares bought back by the Company.

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

3) The 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.

Default Currency Other Currency

Currency: Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION  
 30 Sep 2016

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30 Sep 2016	30 Sep 2015	30 Sep 2016	30 Sep 2015
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	51,871	47,306	51,871	47,306
2 Profit/(loss) before tax	61,699	-25,726	61,699	-25,726
3 Profit/(loss) for the period	58,480	-28,279	58,480	-28,279
4 Profit/(loss) attributable to ordinary equity holders of the parent	58,586	-29,021	58,586	-29,021
5 Basic earnings/(loss) per share (Subunit)	8.84	-4.38	8.84	-4.38
6 Proposed/Declared dividend per share (Subunit)	1.00	1.00	1.00	1.00
	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END		
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)		2.1300		2.0400

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name INSAS BERHAD

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

23 November 2016

**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 2016.**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2017 Current financial quarter ended 30-Sep-16 RM'000	FY 2016 Preceding year corresponding financial quarter ended 30-Sep-15 RM'000	FY 2017 Financial period ended 30-Sep-16 RM'000	FY 2016 Preceding year financial period ended 30-Sep-15 RM'000
Revenue		51,871	47,306	51,871	47,306
Cost of sales	1	(37,093)	(23,381)	(37,093)	(23,381)
Other income	2	52,735	7,225	52,735	7,225
Administration expenses	3	(6,830)	(5,620)	(6,830)	(5,620)
Other operating expenses	4	(10,957)	(47,620)	(10,957)	(47,620)
Finance costs		(4,518)	(4,414)	(4,518)	(4,414)
Exceptional item	5	(176)	(550)	(176)	(550)
Share of profits less losses of associate companies		16,667	1,328	16,667	1,328
<b>Profit/(Loss) before tax</b>		<b>61,689</b>	<b>(25,726)</b>	<b>61,689</b>	<b>(25,726)</b>
Tax expense		(3,219)	(2,553)	(3,219)	(2,553)
<b>Profit/(Loss) for the quarter/period</b>		<b>58,480</b>	<b>(28,279)</b>	<b>58,480</b>	<b>(28,279)</b>
Profit/(Loss) attributable to:-					
Owners of the Company		58,586	(29,021)	58,586	(29,021)
Non-controlling interests		(106)	742	(106)	742
		<b>58,480</b>	<b>(28,279)</b>	<b>58,480</b>	<b>(28,279)</b>
<b>Earnings/(Loss) per share (In Sen)</b>					
- Basic		8.84	(4.38)	8.84	(4.38)
- Diluted		n/a	n/a	n/a	n/a
		<b>Financial quarter ended 30-Sep-16 RM'000</b>	<b>Financial quarter ended 30-Sep-15 RM'000</b>	<b>Financial period ended 30-Sep-16 RM'000</b>	<b>Financial period ended 30-Sep-15 RM'000</b>

**Note 1**

Included in Cost of sales is the following item:-

Depreciation	(8,356)	(5,906)	(8,356)	(5,906)
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**Note 2**

Included in Other income are the following items:-

Allowance for doubtful debts no longer required	21	80	21	80
Fair value gain on derivative financial instruments	4,989	-	4,989	-
Gain on disposal of property, plant and equipment	69	-	69	-
Interest income	3,002	3,065	3,002	3,065
Gain on exchange differences - unrealised	5,990	-	5,990	-
Gain on fair value changes of financial assets at fair value through profit or loss	6,530	-	6,530	-
Gain on disposal of shares in an associate company	24,653	-	24,653	-

**Note 3**

Included in Administration expenses is the following item:-

Depreciation	(167)	(101)	(167)	(101)
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23 November 2016

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50200 Kuala Lumpur

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016.**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY 2017 Current financial quarter ended 30-Sep-16 RM'000	FY 2016 Preceding year corresponding financial quarter ended 30-Sep-15 RM'000	FY 2017 Financial period ended 30-Sep-16 RM'000	FY 2016 Preceding year financial period ended 30-Sep-15 RM'000
<b>Note 4</b>				
Included in Other operating expenses are the following items:-				
Allowance for doubtful debts	(7)	(37)	(7)	(37)
Depreciation	(500)	(478)	(500)	(478)
Fair value loss on derivative financial instruments	-	(1,880)	-	(1,880)
Loss on disposal of property, plant and equipment	-	(12)	-	(12)
Loss on fair value changes of financial assets at fair value through profit or loss	-	(26,898)	-	(26,898)
Loss on exchange differences				
- realised	(717)	(7,775)	(717)	(7,775)
- unrealised	-	(2,297)	-	(2,297)
<b>Note 5</b>				
Exceptional item represents:-				
Effects of dilution of equity interests in associate companies	(176)	(550)	(176)	(550)

**INSAS BERHAD**  
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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016.**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016**

Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY 2017 Current financial quarter ended 30-Sep-16 RM'000	FY 2016 Preceding year corresponding financial quarter ended 30-Sep-15 RM'000	FY 2017 Financial period ended 30-Sep-16 RM'000	FY 2016 Preceding year financial period ended 30-Sep-15 RM'000
Profit/(Loss) for the quarter/period	58,480	(28,279)	58,480	(28,279)
<u>Other comprehensive income/(loss) may be reclassified to profit or loss subsequently:-</u> Unrealised gain/(loss) on fair value changes on available for sale investments, net of tax	116	(1,841)	116	(1,841)
Share of other comprehensive income of investments accounted for using equity method, net of tax	1,011	6,795	1,011	6,795
Foreign currency translation of foreign operations, net of tax	5,248	16,433	5,248	16,433
Total other comprehensive income for the quarter/period, net of tax	<u>6,375</u>	<u>21,387</u>	<u>6,375</u>	<u>21,387</u>
Total comprehensive income/(loss) for the quarter/period, net of tax	<u>64,855</u>	<u>(6,892)</u>	<u>64,855</u>	<u>(6,892)</u>
Attributable to:-				
Owners of the Company	64,862	(8,009)	64,862	(8,009)
Non-controlling interests	(7)	1,117	(7)	1,117
	<u>64,855</u>	<u>(6,892)</u>	<u>64,855</u>	<u>(6,892)</u>

**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 2016 and the accompanying explanatory notes attached to the Interim Financial Statements.

INSAS BERHAD  
Company No. 4081-M  
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UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 30/09/2016 RM'000	As at preceding financial year ended 30/06/2016 RM'000 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	175,960	161,424
Investment properties	182,108	179,644
Available for sale investments	35,276	35,154
Held to maturity investments	4,569	3,095
Associate companies	260,816	276,524
Intangible assets	26,047	26,047
Deferred tax assets	1,903	1,763
<b>Total non-current assets</b>	<b>686,679</b>	<b>683,651</b>
<b>Current assets</b>		
Property development costs	9,969	9,969
Inventories	14,247	11,251
Trade receivables	347,815	290,833
Amount due from associate companies	96,690	92,519
Other receivables, deposits and prepayments	41,682	30,519
Held to maturity investments	5,548	8,878
Financial assets at fair value through profit or loss	323,756	312,594
Tax recoverable	933	800
Deposits with licensed banks and financial institutions	389,815	382,963
Cash and bank balances	82,383	75,625
<b>Total current assets</b>	<b>1,312,838</b>	<b>1,215,951</b>
<b>TOTAL ASSETS</b>	<b>1,999,517</b>	<b>1,899,602</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	693,334	693,334
Treasury shares	(14,499)	(14,499)
Reserves	117,563	111,289
Retained earnings	618,126	559,540
	1,414,524	1,349,664
Non-controlling interests	7,863	7,558
<b>TOTAL EQUITY</b>	<b>1,422,387</b>	<b>1,357,222</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	19,623	14,437
Hire purchase payables	68,234	60,546
Deferred tax liabilities	6,751	6,745
Preference shares	129,957	129,818
<b>Total non-current liabilities</b>	<b>224,565</b>	<b>211,546</b>
<b>Current liabilities</b>		
Derivative financial liabilities	2,299	7,288
Trade payables	44,347	34,226
Other payables and accruals	29,591	30,116
Hire purchase payables	34,067	32,221
Loans and borrowings	239,676	225,958
Tax payable	2,585	1,025
<b>Total current liabilities</b>	<b>352,565</b>	<b>330,834</b>
<b>TOTAL LIABILITIES</b>	<b>577,130</b>	<b>542,380</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,999,517</b>	<b>1,899,602</b>
<b>Net assets per share attributable to owners of the Company<sup>(7)</sup> (RM)</b>	<b>2.13</b>	<b>2.04</b>

**Note 7**

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

**Note 8**

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2016 and the accompanying explanatory notes attached to the Interim Financial Statements.

**INSAS BERHAD**  
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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016.**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016.**

	All attributable to Owners of the Company										Total RM'000	Non- controlling Interests RM'000	Total equity RM'000
	Non-Distributable					Distributable							
	Share capital RM'000	Share premium RM'000	Available for sale Investments fair value reserve RM'000	Warrants reserve RM'000	Other reserves RM'000	Exchange translation reserve RM'000	Treasury shares RM'000	Retained earnings RM'000					
<b>Period ended 30 September 2016</b>													
As at 1 July 2016	693,334	47,751	5,863	4,622	25,397	27,656	(14,499)	558,540	1,349,664	7,558	1,357,222		
<b>Transactions with owners:-</b>													
Post-acquisition reserves - associate companies	-	-	-	-	(2)	-	-	-	(2)	-	(2)		(2)
Subscription of shares in subsidiary companies by non-controlling interests	-	-	-	-	-	-	-	-	-	245	245		245
Deconsolidation of subsidiary companies on completion of members' voluntary winding up	-	-	-	-	-	-	-	-	-	110	110		110
Capital repayment to non-controlling interests	-	-	-	-	-	-	-	-	-	(43)	(43)		(43)
<b>Total transactions with owners</b>	-	-	-	-	(2)	-	-	-	(2)	312	310		310
<b>Total comprehensive income for the financial period</b>													
Profit for the financial period	-	-	-	-	-	-	-	58,586	58,586	(106)	58,480		58,480
Unrealised gain on fair value changes on available for sale investments, net of tax	-	-	116	-	-	-	-	-	116	-	116		116
Share of other comprehensive income of investments accounted for using equity method, net of tax	-	-	-	-	426	585	-	-	1,011	-	1,011		1,011
Foreign currency translation of foreign operations, net of tax	-	-	-	-	-	5,149	-	-	5,149	99	5,248		5,248
<b>Total comprehensive income for the financial period</b>	-	-	116	-	426	5,734	-	58,586	64,862	(7)	64,855		64,855
<b>Balance at 30 September 2016</b>	<b>693,334</b>	<b>47,751</b>	<b>5,979</b>	<b>4,622</b>	<b>25,821</b>	<b>33,390</b>	<b>(14,499)</b>	<b>616,126</b>	<b>1,414,524</b>	<b>7,863</b>	<b>1,422,387</b>		
<b>Period ended 30 September 2015</b>													
As at 1 July 2015	693,334	47,751	15,002	4,622	11,279	17,407	(14,499)	490,874	1,265,770	4,523	1,270,293		
<b>Transaction with owners:-</b>													
Post-acquisition reserves - associate companies	-	-	-	-	1,043	-	-	-	1,043	-	1,043		1,043
<b>Total transaction with owners</b>	-	-	-	-	1,043	-	-	-	1,043	-	1,043		1,043
<b>Total comprehensive (loss)/income for the financial period</b>													
Loss for the financial period	-	-	-	-	-	-	-	(29,021)	(29,021)	742	(28,279)		(28,279)
Unrealised loss on fair value changes on available for sale investments, net of tax	-	-	(1,841)	-	-	-	-	-	(1,841)	-	(1,841)		(1,841)
Share of other comprehensive (loss)/income of investments accounted for using equity method, net of tax	-	-	-	-	(23)	6,818	-	-	6,795	-	6,795		6,795
Foreign currency translation of foreign operations, net of tax	-	-	-	-	-	16,058	-	-	16,058	375	16,433		16,433
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	(1,841)	-	(23)	22,876	-	(29,021)	(8,009)	1,117	(6,892)		(6,892)
<b>Balance at 30 September 2015</b>	<b>693,334</b>	<b>47,751</b>	<b>13,161</b>	<b>4,622</b>	<b>12,299</b>	<b>40,283</b>	<b>(14,499)</b>	<b>461,853</b>	<b>1,258,804</b>	<b>5,640</b>	<b>1,264,444</b>		

**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 2016 and the accompanying explanatory notes attached to the Interim Financial Statements.

**INSAS BERHAD**  
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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016.**

	Current financial period ended 30/09/2016 RM'000	Preceding financial period ended 30/09/2015 RM'000
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	61,699	(25,726)
Adjustments for:-		
Non-cash items	(53,551)	33,919
Finance costs	4,518	4,414
Interest income	(3,002)	(3,065)
Operating profit before working capital changes	9,664	9,542
Changes in working capital:-		
Net changes in current assets	(72,633)	(48,243)
Net changes in current liabilities	10,873	(23,699)
<b>Cash used in operations</b>	(52,091)	(62,400)
Interest paid	(4,470)	(4,282)
Interest received	3,002	3,065
Tax paid	(1,748)	(1,862)
<b>Net cash used in operating activities</b>	(55,307)	(65,479)
<b>Cash flows from investing activities</b>		
Subscription of shares in an associate company	(24)	(120)
Purchase of property, plant and equipment	(9,337)	(5,845)
Purchase of held to maturity investments	(2,279)	-
Purchase of available for sale investments	-	(249)
Purchase of investment properties	(1,490)	(2,778)
Proceeds from disposal of shares in an associate company	52,568	-
Proceeds from disposal of property, plant and equipment	3,892	2,424
Proceeds from redemption and disposal of held to maturity investments	4,203	-
Dividend received	9,036	2,774
<b>Net cash from/(used in) investing activities</b>	56,569	(3,794)
<b>Cash flows from financing activities</b>		
Decrease in fixed deposits pledged	14,010	70,369
(Increase)/Decrease in cash and bank balances pledged	(9,848)	8,599
Net drawdown/(repayment) of loans and borrowings	12,359	(32,517)
Proceeds from issuance of shares in subsidiary companies to non-controlling interests	245	-
Repayment of hire purchase payables	(11,106)	(7,903)
Capital repayment to non-controlling interests	(43)	-
<b>Net cash from financing activities</b>	5,617	38,548
<b>Net increase/(decrease) in cash and cash equivalents</b>	6,879	(30,725)
<b>Cash and cash equivalents at beginning of the financial period</b>	258,050	184,292
<b>Exchange differences</b>	1,779	5,173
<b>Cash and cash equivalents at end of the financial period</b>	266,708	158,740
<b>Cash and cash equivalents comprise of:-</b>		
Bank overdrafts	(11,934)	(7,867)
Cash and bank balances	62,152	27,076
Deposits with licensed banks and financial institutions	216,490	139,531
	266,708	158,740

**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 2016 and the accompanying explanatory notes attached to the Interim Financial Statements.

**INSAS BERHAD**  
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**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2016 - 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 2016, 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 2016.

**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 2016 except for the adoption of new MFRS, amendments to MFRSs and IC Interpretations issued by the MASB that became effective and relevant to the Group for the financial year beginning 1 July 2016. The adoption of the new standards, amendments to standards and IC interpretations are not expected to have any material financial impact on the financial statements of the Group.

The Group has not early adopted new or revised standards and amendments to standards that have been issued but are not yet effective for the accounting period beginning 1 July 2016.

**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 2016.

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

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



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

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

**Recognised in the Income Statements**

	Individual	Quarter	Cumulative	Quarter
	Quarter ended	Quarter ended	Period ended	Period ended
	30-Sept-2016	30-Sept-2015	30-Sept-2016	30-Sept-2015
	RM'000	RM'000	RM'000	RM'000
Fair value gain/(loss) on derivative financial instruments	4,989	(1,880)	4,989	(1,880)
Gain/(Loss) on fair value changes of financial assets at fair value through profit or loss	6,530	(26,898)	6,530	(26,898)
(Loss)/Gain on exchange differences				
- realised	(717)	(7,775)	(717)	(7,775)
- unrealised	5,990	(2,297)	5,990	(2,297)
Gain on disposal of shares in an associate company	24,653	-	24,653	-
Effects of dilution of equity interests in associate companies	(176)	(550)	(176)	(550)

**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 17 December 2015, 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 3 months period ended 30 September 2016. Of the total 693,333,633 issued and fully paid up ordinary shares, 30,327,291 shares are being held as treasury shares by the Company as at 30 September 2016.

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 2016.

#### A8. Dividends paid

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

#### A9. Segment Information

The segment analysis for the Group's results for the financial period ended 30 September 2016 is as follows:-

	Financial services and credit & leasing	Property investment and development	Investment holding and trading	Retail trading and car rental	Technology and IT-related manufacturing, trading and services	Eliminations	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>							
External revenue	10,220	282	23,064	16,474	1,831	-	51,871
Inter-segment revenue	290	127	1,926	1,938	4,618	(8,899)	-
Total segment revenue	10,510	409	24,990	18,412	6,449	(8,899)	51,871
<b>Results</b>							
Segment profit/(loss) from operations	3,862	(95)	26,420	1,779	15,002	(244)	46,724
Interest income	954	40	2,411	-	1,280	(1,683)	3,002
Finance costs	(1,448)	(182)	(3,176)	(1,558)	(81)	1,927	(4,518)
Exceptional item	-	-	-	-	(176)	-	(176)
Share of profits less losses of associate companies	-	2,193	6,240	(600)	8,834	-	16,667
Profit/(loss) before tax	3,368	1,956	31,895	(379)	24,859	-	61,699
Tax expense	(1,298)	(15)	(2,040)	134	-	-	(3,219)
Profit/(loss) for the financial period	2,070	1,941	29,855	(245)	24,859	-	58,480
<b>Attributable to:-</b>							
Owners of the Company							58,586
Non-controlling interests							(106)

The segment analysis for the Group's results for the financial period ended 30 September 2015 was as follows:-

	Financial services and credit & leasing	Property investment and development	Investment holding and trading	Retail trading and car rental	Technology and IT-related manufacturing, trading and services	Elimination	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>							
External revenue	15,932	904	16,553	13,478	439	-	47,306
Inter-segment revenue	40	144	1,928	33	3,694	(5,839)	-
Total segment revenue	15,972	1,048	18,481	13,511	4,133	(5,839)	47,306
<b>Results</b>							
Segment profit/(loss) from operations	11,538	281	(42,680)	2,183	3,670	(147)	(25,155)
Interest income	917	44	3,799	25	527	(2,247)	3,065
Finance costs	(1,188)	(192)	(3,972)	(1,091)	(365)	2,394	(4,414)
Exceptional item	-	-	-	-	(550)	-	(550)
Share of profits less losses of associate companies	-	835	(8,609)	(2,066)	11,168	-	1,328
Profit/(loss) before tax	11,267	968	(51,462)	(949)	14,450	-	(25,726)
Tax expense	(1,945)	(82)	(409)	(117)	-	-	(2,553)
Profit/(loss) for the financial period	9,322	886	(51,871)	(1,066)	14,450	-	(28,279)
<b>Attributable to:-</b>							
Owners of the Company							(29,021)
Non-controlling interests							742

## 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 2016.

## A11. Changes in the composition of the Group

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

- (i) On 1 July 2016, Roset Logistics Holdings Pte Ltd, an indirect subsidiary company of the Group, had incorporated a wholly owned subsidiary company in Singapore known as Roset Auto Care Services Pte Ltd ("Roset Auto Care").

The issued and paid up share capital of Roset Auto Care is S\$1 comprising 1 ordinary share and its principal activity is repair and maintenance of motor vehicles.

- (ii) On 13 July 2016, the Company, together with its 55% indirect subsidiary company, PRAC Logistics Sdn Bhd, subscribed for 80,000 ordinary shares of RM1.00 each representing 80% equity interest in Prac GreenTech Sdn Bhd ("Prac GreenTech") for a cash consideration of RM80,000.

Prac GreenTech is a private limited company incorporated in Malaysia on 29 April 2016 and its authorised capital is RM400,000 divided into 400,000 ordinary shares of RM1.00 each.

Prac GreenTech is set up to provide a platform to promote awareness and understanding about electric mobility and to promote use of electric vehicles in road transportation in Malaysia.

Arising from the subscription of the ordinary shares, Prac GreenTech became a 66.95% indirect subsidiary of the Group.

- (iii) During the current financial quarter, the Company announced that the following dormant subsidiary companies had conducted their final meetings to conclude the members' voluntary winding-up:-

Subsidiary companies:-	Date final meeting was held:-	Return by Liquidators Relating to Final Meetings lodged on:-
Hastanas Development Sdn Bhd	12 July 2016	14 July 2016
M&A Research Sdn Bhd	23 August 2016	25 August 2016
Magxo Sdn Bhd	5 September 2016	7 September 2016
M&A Futures Sdn Bhd	26 September 2016	26 September 2016
Premium Yield Sdn Bhd	26 September 2016	26 September 2016

On the expiration of three (3) months after the lodgement of the Return by Liquidators Relating to Final Meetings with the Companies Commission of Malaysia and Official Receiver, the above companies will be dissolved.

#### A12. Material Subsequent Events

There were no material events subsequent to the financial period ended 30 September 2016 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 has provided guarantees amounting to RM247,706,000 to financial institutions in respect of banking and credit facilities granted to certain of its subsidiary and associate companies and a third party. There is no contingent asset as at the date of this Report.

#### A14. Commitments

Contractual commitments not provided for in the financial statements as at 30 September 2016 are as follows:-

	RM'000
To acquire property, plant and equipment	4,237
To acquire investment properties	38,474
Investment commitments in relation to available for sale investments	<u>17,188</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/period to-date against preceding year corresponding financial quarter/period to-date

###### Group's summary

The Group reported revenue of RM51.9 million and a pre-tax profit of RM61.7 million in the current financial quarter as compared to revenue of RM47.3 million and a pre-tax loss of -RM25.7 million in the preceding year's corresponding financial quarter. The review of performance by divisions is as follows:-

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

Revenue and pre-tax results for the current financial quarter was lower at RM10.2 million and RM3.4 million respectively as compared to the preceding year corresponding financial quarter of RM15.9 million and RM11.3 million respectively mainly due to lower revenue reported by stock broking and the structured finance units and loss on fair value changes on financial assets at fair value through profit or loss of -RM1.2 million in the current financial quarter (Q1/2016: gain RM2.3 million).

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

### **Comparison between current financial quarter/period to-date against preceding year corresponding financial quarter/period to-date (cont'd)**

#### Investment holding and trading division

The investment unit reported higher revenue of RM23.1 million in the current financial quarter mainly due to higher trading activities as compared to revenue of RM16.6 million in the preceding year corresponding financial quarter.

The unit reported a pre-tax profit of RM31.9 million in the current financial quarter (Q1/2016: pre-tax loss -RM51.5 million) primarily due to higher fair value gain on derivative financial instruments of RM5.0 million (Q1/2016: loss of -RM1.9 million), higher gain on fair value changes of financial assets at fair value through profit or loss of RM7.6 million (Q1/2016: loss of -RM30.7 million) and gain on foreign exchange of RM6.0 million in the current financial quarter (Q1/2016: loss of -RM14.2 million).

#### Retail trading and car rental division

The car rental unit reported higher revenue of RM16.4 million in the current financial quarter as compared to revenue of RM13.4 million in the preceding year corresponding financial quarter primarily due to higher revenue generated on the back of increased fleet size of the car rental unit. Despite the higher revenue in the current financial quarter, the car rental unit reported lower pre-tax profit of RM0.2 million (Q1/2016: RM1.1 million) due to lower profit margin and higher fixed cost.

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

The Technology unit reported higher pre-tax profit of RM24.8 million in the current financial quarter as compared to RM14.5 million in the preceding year corresponding financial quarter primarily due to higher gain on disposal of shares in an associate company of RM18.5 million in the current financial quarter (Q1/2016: Nil). For the current financial quarter, Inari Amertron Group contributed after-tax profit of RM10.1 million (Q1/2016: RM12.3 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**

The Group reported revenue of RM51.9 million and a pre-tax profit of RM61.7 million in the current financial quarter as compared to revenue of RM68.5 million and a pre-tax profit of RM39.9 million in the immediate preceding financial quarter.

The higher profit in the current financial quarter is primarily due to higher fair value gain on derivative financial instruments of RM5.0 million (Q4/2016: loss of -RM6.6 million) and gain on fair value changes of financial assets at fair value through profit or loss of RM6.5 million (Q4/2016: loss of -RM3.4 million).

The Group's equity accounting for Inari Amertron Group's after-tax profit for the current financial quarter was RM10.1 million (Q4/2016: RM8.1 million).

## **B3. Prospects for financial year ending 30 June 2017**

#### Financial services and investment trading division

The Board is of the view that the Group is positioned adequately and will be resilient to meet the challenging market conditions.

#### Retail trading and car rental division

In the financial year ended 30 June 2016, the Group had worked on expanding its car rental unit by increasing its fleet size in Malaysia and Singapore. The Board is of the view that the car rental unit will provide increased revenue and profit contribution to the Group in the financial year ending 30 June 2017.

### B3. Prospects for financial year ending 30 June 2017 (Cont'd)

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

The Board is cautiously optimistic the Technology unit and Inari Amertron Group will maintain their positive financial performance in the financial year ending 2017 despite the expected uncertainties to global trade and the projected decline in the global semiconductor market.

### 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 2016 is as follows:-

	Individual Quarter ended 30-Sept-2016 RM'000	Quarter Quarter ended 30-Sept-2015 RM'000	Cumulative Period ended 30-Sept-2016 RM'000	Quarter Period ended 30-Sept-2015 RM'000
<b><u>Income tax:-</u></b>				
Provision for current financial quarter/period				
- Malaysian income tax	3,145	2,445	3,145	2,445
- Overseas income tax	241	29	241	29
<b><u>Deferred tax:-</u></b>				
Transfer (from)/to deferred taxation	(167)	79	(167)	79
	<u>3,219</u>	<u>2,553</u>	<u>3,219</u>	<u>2,553</u>

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

	Individual Quarter ended 30-Sept-2016 RM'000	Quarter Quarter ended 30-Sept-2015 RM'000	Cumulative Period ended 30-Sept-2016 RM'000	Quarter Period ended 30-Sept-2015 RM'000
Profit/(Loss) before tax	<u>61,699</u>	<u>(25,726)</u>	<u>61,699</u>	<u>(25,726)</u>
Income tax at Malaysian statutory tax rate of 24%	14,808	(6,174)	14,808	(6,174)
<b><u>Tax effect in respect of:-</u></b>				
Non-allowable expenses	2,052	11,224	2,052	11,224
Income not subject to tax	(13,302)	(3,470)	(13,302)	(3,470)
Effect of different tax rates in other countries	(416)	90	(416)	90
Overseas tax paid on dividend income	241	30	241	30
Utilisation of previously unrecognised deferred tax assets	(255)	(32)	(255)	(32)
Deferred tax not recognised in the financial statements	124	885	124	885
Tax expenses for the financial quarter/period	<u>3,252</u>	<u>2,553</u>	<u>3,252</u>	<u>2,553</u>
Overprovision for deferred taxation in preceding financial quarter/period	<u>(33)</u>	<u>-</u>	<u>(33)</u>	<u>-</u>
	<u>3,219</u>	<u>2,553</u>	<u>3,219</u>	<u>2,553</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**

The Company received proceeds amounting to RM132.6 million from the issuance of 132,601,268 redeemable preference shares ("RPS") at an issue price of RM1.00 per RPS. The proceeds have been utilised in the following manner as at 30 September 2016:-

Purpose	Approved utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000	Previous utilisation expiry date	Revised utilisation timeline
Capital injection into M&A Securities Sdn Bhd	60,000	60,000	-	Within 6 months from the listing of the RPS	-
Capital injection into Insas Pacific Rent-A-Car Sdn Bhd	5,000	5,000	-		
Repayment of bank borrowings	20,000	20,000	-		
Subscription of the rights issue of an associate company	30,000	30,000	-		
Working capital and general business purposes	16,201	12,988	3,213	Within 12 months from the listing of the RPS	31 March 2017
To defray expenses relating to the RPS issue	1,400	1,400	-	Within 1 month from the listing of the RPS	-
<b>Total</b>	<b>132,601</b>	<b>129,388</b>	<b>3,213</b>		

As announced on 8 March 2016, the Company has resolved to extend the timeframe for the utilisation of the remaining proceeds to 31 March 2017.

**B8. Group Borrowings and Debts Securities as at 30 September 2016**

<u>Borrowings</u>	Foreign Currency ('000)	RM'000
<u>Short term secured borrowings</u>		
- in US dollars	23,386	96,900
- in Hong Kong dollars	49,778	26,551
- in Singapore dollars	18,363	55,713
- in Euro dollars	690	3,206
- in Ringgit Malaysia		57,306
		<u>239,676</u>
<u>Long term secured borrowings</u>		
- in Singapore dollars	3,038	9,217
- in Ringgit Malaysia		10,406
		<u>19,623</u>
Total Group borrowings		<u>259,299</u>

### B8. Group Borrowings and Debts Securities as at 30 September 2016 (Cont'd)

#### Debt securities

	RM'000
<u>Redeemable Convertible Preference Shares ("RCPS")</u>	
<b>RCPS to non-controlling interests of a subsidiary company</b>	<u><b>1,611</b></u>
<u>Redeemable preference shares ("RPS")</u>	
132,601,268 RPS issued by the Company on 26 February 2015 at RM1.00 per RPS	132,601
Fair value of 265,202,536 free Warrants issued by the Company on 26 February 2015 accounted for under Warrants reserve after accounting for effects of deferred tax liabilities	(6,082)
Accumulated RPS dividend charged to income statements	10,270
Accumulated RPS dividend paid and payable	<u>(8,443)</u>
<b>RPS issued by the Company – liability portion, disclosed as per MFRS requirements</b>	<u><b>128,346</b></u>
<b>Total Group debt securities</b>	<u><b>129,957</b></u>

In accordance with MFRS 132 Financial Instruments: Disclosure and Presentation, MFRS 112: Income Taxes and FRSIC Consensus 8/2008: Accounting for Free Warrants with Rights Issue, 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 liabilities. 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 balance sheet 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 1.0 sen per ordinary share of RM1.00 each in the Company in respect of financial year ending 30 June 2017.



## 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 to-date.

	Individual	Quarter	Cumulative	Quarter
	Quarter ended 30-Sept-2016	Quarter ended 30-Sept-2015	Period ended 30-Sept-2016	Period ended 30-Sept-2015
Net profit/(loss) attributable to owners of the Company for the financial quarter and financial period to-date (RM'000)	58,586	(29,021)	58,586	(29,021)
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	663,007	663,007	663,007	663,007
Basic earnings per share (Sen)	8.84	(4.38)	8.84	(4.38)

### (b) Diluted earnings per share

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

## B12. Disclosure on Realised and Unrealised Profits and Losses

The Group's retained earnings as at 30 September 2016 and 30 September 2015 are analysed as follows:-

	<u>As at 30.09.2016</u> RM'000	<u>As at 30.09.2015</u> RM'000
<u>Total retained earnings of the Company and its subsidiary companies</u>		
- Realised	438,129	304,416
- Unrealised	71,715	53,063
	<u>509,844</u>	<u>357,479</u>
<u>Total share of retained earnings of associate companies</u>		
- Realised	80,227	89,936
- Unrealised	5,275	(3,608)
	<u>85,502</u>	<u>86,328</u>
Add: Consolidated adjustments	22,780	18,046
Total Group retained earnings as per consolidated financial statements	<u>618,126</u>	<u>461,853</u>