

Quarterly rpt on consolidated results for the financial period  
ended 31 Mar 2015

INSAS BERHAD

Financial Year End 30 Jun 2015

Quarter 3 Qtr

Quarterly report for the financial  
period ended 31 Mar 2015

The figures have not been audited

Attachments

IB Q32015.pdf  
127.4 kB

Remarks :

1) The basic earnings per share for the 9 months period ended 31 March 2015 has been calculated based on the profit attributable to the owners of the Company of RM58,687,000 (2014: RM131,009,000) and the weighted average number of ordinary shares in issue during the period of 665,017,000 shares (2014: 665,649,000 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  
31 Mar 2015

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	139,690	65,965	319,469	219,129
2 Profit/(loss) before tax	30,354	32,485	65,699	136,312
3 Profit/(loss) for the period	28,827	30,719	59,861	131,520
4 Profit/(loss) attributable to ordinary equity holders of the parent	28,116	30,686	58,687	131,009
5 Basic earnings/(loss) per share (Subunit)	4.23	4.61	8.82	19.68
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	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 (\$\$)		1.9000		1.8000

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)

15 May 2015

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

**UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015**

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2015 Current financial quarter ended 31-Mar-15 RM'000	FY 2014 Preceding year corresponding financial quarter ended 31-Mar-14 RM'000	FY 2015 Financial period ended 31-Mar-15 RM'000	FY 2014 Preceding financial period ended 31-Mar-14 RM'000
Revenue		139,690	65,965	319,469	219,129
Cost of sales	1	(95,448)	(45,594)	(223,175)	(154,486)
Other income	2	38,449	21,322	90,509	102,334
Administrative expenses	3	(6,978)	(3,874)	(21,207)	(14,011)
Other operating expenses	4	(47,650)	(13,704)	(109,013)	(43,580)
Finance costs		(3,361)	(2,191)	(9,051)	(6,343)
Exceptional item	5	(2,196)	(381)	(5,854)	(697)
Share of profits less losses of associate companies		7,748	10,942	24,031	33,966
Profit before taxation		30,354	32,485	65,699	136,312
Taxation		(1,527)	(1,766)	(5,830)	(4,792)
Profit for the quarter/period		28,827	30,719	59,861	131,520
Profit attributable to:-					
Owners of the Company		28,116	30,686	58,687	131,009
Non-controlling interests		711	33	1,174	511
		28,827	30,719	59,861	131,520
Earnings per share (in Sen)					
- Basic		4.23	4.61	8.82	19.68
- Diluted		n/a	n/a	n/a	n/a
		Financial quarter ended 31-Mar-15 RM'000	Financial quarter ended 31-Mar-14 RM'000	Financial period ended 31-Mar-15 RM'000	Financial period ended 31-Mar-14 RM'000
<b>Note 1</b> Included in Cost of sales is the following item:-					
Depreciation		(2,572)	(2,212)	(6,588)	(6,063)
<b>Note 2</b> Included in Other income are the following items:-					
Allowance for doubtful debts no longer required		436	748	436	1,236
Fair value gain on financial derivatives		-	3,417	-	13,357
Gain on disposal of property, plant and equipment		384	412	1,311	932
Gain on disposal of quoted securities		25,744	1,651	50,461	21,676
Interest income		2,610	1,625	7,374	5,167
Gain on exchange differences					
- unrealised		-	5,403	-	8,471
Writeback of impairment of financial assets at fair value through profit or loss		-	3,055	-	32,560
<b>Note 3</b> Included in Administrative expenses is the following item:-					
Depreciation		(44)	(46)	(213)	(119)
<b>Note 4</b> Included in Other operating expenses are the following items:-					
Allowance for doubtful debts		(242)	(49)	(809)	(986)
Depreciation		(576)	(456)	(1,741)	(1,335)
Fair value gain/(loss) on financial derivatives		1,277	-	(10,526)	-
Impairment of financial assets at fair value through profit or loss		(17,100)	-	(22,404)	-
Gain/(Loss) on exchange differences					
- realised		7,214	(1,108)	(13,301)	(2,124)
- unrealised		(23,086)	-	(27,898)	-
Property, plant and equipment written off		-	-	(91)	(37)
<b>Note 5</b> Exceptional item represents:-					
Effects of dilution of equity interests in associate companies		(2,196)	(381)	(5,854)	(697)

**INSAS BERHAD**  
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**UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015.**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2015 Current financial quarter ended 31-Mar-15 RM'000	FY 2014 Preceding year corresponding financial quarter ended 31-Mar-14 RM'000	FY 2015 Financial period ended 31-Mar-15 RM'000	FY 2014 Preceding financial period ended 31-Mar-14 RM'000
Profit for the quarter/period		28,827	30,719	59,861	131,520
<u>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent year:-</u>					
Realised fair value gain transferred to income statements upon disposal of available for sale investments, net of tax	1	(23,897)	-	(49,361)	(13,100)
Unrealised gain on fair value changes on available for sale investments, net of tax		13,466	15,864	11,701	35,857
Share of other comprehensive (loss)/income of investments accounted for using equity method, net of tax		(584)	496	3,037	416
Foreign currency translation, net of tax		4,318	161	8,193	1,503
Total other comprehensive (loss)/income for the quarter/period, net of tax		(6,697)	16,521	(25,430)	24,676
Total comprehensive income for the quarter/period, net of tax		22,130	47,240	33,431	156,196
Attributable to:-					
Owners of the Company		21,332	47,211	32,108	155,638
Non-controlling interests		798	29	1,323	558
		22,130	47,240	33,431	156,196

**Note 1**

These deductions from Other Comprehensive Income/(loss) represent realised gain on disposal of available for sale investments in the financial quarter/period that have been included as income in the Consolidated Income Statements. These amounts were recognised in Other Comprehensive Income/(loss) as unrealised gain in previous financial periods.

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 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 THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015.**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015.**

	Attributable to Owners of the Company											
	Non-Distributable						Distributable					
	Share capital RM'000	Share premium RM'000	Available for sale investments fair value reserve RM'000	Reserve fund 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
<b>Period ended 31 March 2015</b>												
As at 1 July 2014	693,334	47,751	52,820	-	-	3,394	5,335	(13,522)	406,569	1,195,681	7,137	1,202,818
<b>Transactions with owners:</b>												
Repurchase of shares	-	-	-	-	-	-	-	(977)	-	(977)	-	(977)
Cash dividends paid to owners of the Company	-	-	-	-	-	-	-	(6,630)	-	(6,630)	-	(6,630)
Acquisition of equity interest in subsidiary companies	-	-	-	-	-	-	-	-	-	-	241	241
Issued, at premium pursuant to the rights issue of redeemable preference shares	-	-	-	-	27,859	-	-	-	-	27,859	-	27,859
<b>Total transactions with owners</b>	-	-	-	-	27,859	-	-	(977)	(6,630)	20,252	241	20,493
<b>Comprehensive income/(loss) for the financial period</b>												
Profit for the financial period	-	-	-	-	-	-	-	58,687	58,687	58,687	1,174	59,861
Realised fair value gain transferred to income statements upon disposal of available for sale investments, net of tax	-	-	(49,361)	-	-	-	-	-	-	(49,361)	-	(49,361)
Unrealised gain on fair value changes on available for sale investments, net of tax	-	-	11,701	-	-	-	-	-	-	11,701	-	11,701
Share of other comprehensive income of investments accounted for using equity method, net of tax	-	-	-	-	-	69	2,968	-	-	3,037	-	3,037
Foreign currency translation, net of tax	-	-	-	-	-	8,044	-	-	-	8,044	149	8,193
<b>Total comprehensive income/(loss) for the period</b>	-	-	(37,660)	-	-	69	11,012	-	58,687	32,108	1,323	33,431
<b>Balance at 31 March 2015</b>	<b>693,334</b>	<b>47,751</b>	<b>15,160</b>	<b>-</b>	<b>27,859</b>	<b>3,463</b>	<b>16,347</b>	<b>(14,499)</b>	<b>458,626</b>	<b>1,248,041</b>	<b>8,701</b>	<b>1,256,742</b>
<b>Period ended 31 March 2014</b>												
As at 1 July 2013	693,334	47,751	39,052	1,200	-	1,829	4,907	(10,146)	252,365	1,030,292	2,922	1,033,214
<b>Transactions with owners:</b>												
Repurchase of shares	-	-	-	-	-	-	-	(3,376)	-	(3,376)	-	(3,376)
Cash dividends paid to owners of the Company	-	-	-	-	-	-	-	(6,642)	-	(6,642)	-	(6,642)
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	(3,376)	(6,642)	(10,018)	-	(10,018)
<b>Comprehensive income/(loss) for the financial period</b>												
Profit for the financial period	-	-	-	-	-	-	-	131,009	131,009	131,009	511	131,520
Realised fair value gain transferred to income statements upon disposal of available for sale investments, net of tax	-	-	(13,100)	-	-	-	-	-	-	(13,100)	-	(13,100)
Unrealised gain on fair value changes on available for sale investments, net of tax	-	-	35,857	-	-	-	-	-	-	35,857	-	35,857
Share of other comprehensive income of investments accounted for using equity method, net of tax	-	-	-	-	-	416	-	-	-	416	-	416
Foreign currency translation, net of tax	-	-	-	-	-	-	1,456	-	-	1,456	47	1,503
<b>Total comprehensive income for the period</b>	-	-	22,757	-	-	416	1,456	-	131,009	155,638	558	156,196
<b>Balance at 31 March 2014</b>	<b>693,334</b>	<b>47,751</b>	<b>61,809</b>	<b>1,200</b>	<b>-</b>	<b>2,245</b>	<b>6,363</b>	<b>(13,522)</b>	<b>376,732</b>	<b>1,175,912</b>	<b>3,480</b>	<b>1,179,392</b>

(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 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)

**INSAS BERHAD**  
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**UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015.**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	As at 31/03/2015 RM'000	(Audited) As at preceding financial year ended 30/06/2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	95,102	79,824
Investment properties	168,491	159,716
Available for sale investments	49,099	106,241
Held to maturity investments	44,272	29,990
Associate companies	210,006	141,731
Intangible assets	26,050	26,051
Deferred tax assets	2,099	1,733
<b>Total non-current assets</b>	<b>595,119</b>	<b>545,286</b>
<b>Current assets</b>		
Property development costs	9,567	9,567
Inventories	12,684	13,609
Trade receivables	367,852	341,068
Amount due from associate companies	101,671	19,145
Other receivables, deposits and prepayments	23,053	21,276
Tax recoverable	1,990	1,929
Held to maturity investments	6,821	6,175
Financial assets at fair value through profit or loss	284,867	288,174
Deposits with licensed banks and financial institutions	468,962	319,585
Cash and bank balances	51,852	41,238
<b>Total current assets</b>	<b>1,329,319</b>	<b>1,061,766</b>
<b>TOTAL ASSETS</b>	<b>1,924,438</b>	<b>1,607,052</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)	(13,522)
Reserves	110,580	109,300
Retained earnings	458,626	406,569
	1,248,041	1,195,681
Non-controlling interests	8,701	7,137
<b>TOTAL EQUITY</b>	<b>1,256,742</b>	<b>1,202,818</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	13,740	16,278
Hire purchase payables	32,106	26,854
Deferred tax liabilities	12,630	3,801
Redeemable preference shares	95,945	-
<b>Total non-current liabilities</b>	<b>154,421</b>	<b>46,933</b>
<b>Current liabilities</b>		
Derivative financial liabilities	14,460	3,873
Trade payables	94,053	69,618
Other payables and accruals	78,197	54,923
Loans and borrowings	322,337	228,875
Tax payable	4,228	12
<b>Total current liabilities</b>	<b>513,275</b>	<b>357,301</b>
<b>TOTAL LIABILITIES</b>	<b>667,696</b>	<b>404,234</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,924,438</b>	<b>1,607,052</b>
<b>Net assets per share attributable to owners of the Company (RM)</b>	<b>1.88</b>	<b>1.80</b>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)

\* 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.

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**UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015.**

	Current financial period ended 31/03/2015 RM'000	Preceding financial period ended 31/03/2014 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	65,699	136,312
Adjustments for:-		
Non-cash items	(23,914)	(103,651)
Finance costs	9,061	6,343
Interest income	(7,374)	(5,167)
Operating profit before working capital changes	43,472	33,837
Changes in working capital:-		
Net changes in current assets	(110,904)	(143,126)
Net changes in current liabilities	42,816	19,330
<b>Cash used in operations</b>	(24,616)	(89,959)
Finance costs	(9,061)	(6,343)
Interest income	7,374	5,167
Tax paid	(1,751)	(3,263)
<b>Net cash used in operating activities</b>	(28,054)	(94,998)
<b>Cash flows from investing activities</b>		
Acquisition of additional equity interests in associated companies	(60,303)	(17,955)
Purchase of property, plant and equipment	(11,541)	(3,301)
Purchase of held to maturity investments	(25,268)	(13,195)
Purchase of available for sale investments	(3,668)	(3,454)
Purchase of investment properties	(5,607)	(4,806)
Proceeds from disposal of property, plant and equipment	2,102	1,622
Proceeds from redemption and disposal of held to maturity investments	11,018	9,814
Proceeds from redemption and disposal of available for sale investments	85,419	21,750
Proceeds from disposal of non-current assets classified as held for sale	-	2,760
Proceeds from redemption of preference shares in an associate company	2,000	-
Capital distribution from an associate company	-	1,100
Dividend received	21,367	12,129
Net cash outflow on acquisition of equity interest in a subsidiary company	(27)	-
<b>Net cash generated from investing activities</b>	15,492	6,463
<b>Cash flows from financing activities</b>		
Increase in fixed deposits pledged	(117,930)	(22,159)
(Increase)/Decrease in cash and bank balances pledged	(4,707)	8,440
Net cash used in share buyback	(977)	(3,376)
Drawdown of loans and borrowings	263,735	307,536
Proceeds from issuance of redeemable preference shares	132,601	-
Repayment of loans and borrowings	(173,636)	(268,742)
Repayment of hire purchase payables	(5,609)	(6,353)
Cash dividends paid to owners of the Company	(6,630)	(6,642)
<b>Net cash generated from financing activities</b>	86,847	8,704
<b>Net increase/(decrease) in cash and cash equivalents</b>	74,285	(79,231)
<b>Cash and cash equivalents at beginning of the financial period</b>	111,007	204,286
<b>Exchange differences</b>	658	576
<b>Cash and cash equivalents at end of the financial period</b>	185,950	125,631
<b>Cash and cash equivalents comprise of:-</b>		
Bank overdrafts	(22,021)	(32,460)
Cash and bank balances	38,587	39,404
Deposits with licensed banks and financial institutions	169,384	118,687
	185,950	125,631

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014 and the accompanying explanatory notes attached to the Interim Financial Statements)

**INSAS BERHAD**  
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**UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND 9 MONTHS FINANCIAL PERIOD ENDED 31 MARCH 2015 - 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 2014, 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 2014.

**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 2014 except for the adoption of the following Amendments to MFRSs and IC Interpretation issued by the MASB that became effective and relevant to the Group for the financial year beginning 1 July 2014:-

Amendments to MFRS 2	Share-based Payment (Annual improvements to MFRSs 2010-2012 Cycle)
Amendments to MFRS 3	Business Combinations (Annual Improvements to MFRSs 2010-2012 and 2011-2013 Cycles)
Amendments to MFRS 8	Operating Segments (Annual Improvements to MFRSs 2010-2012 Cycle)
Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 13	Fair Value Measurement (Annual Improvements to MFRSs 2011-2013 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvements to MFRSs 2010-2012 Cycle)
Amendments to MFRS 119	Defined Benefit Plans: Employee Contributions
Amendments to MFRS 124	Related Party Disclosures (Annual Improvements to MFRSs 2010-2012 Cycle)
Amendments to MFRS 127	Separate Financial Statements: Investment Entities

## A2. Changes in Accounting Policies (Cont'd)

Cont'd

Amendments to MFRS 132	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets: Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 138	Intangible Assets (Annual Improvements to MFRSs 2010-2012 Cycle)
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting
Amendments to MFRS 140	Investment Property (Annual Improvements to MFRSs 2011-2013 Cycle)
IC Interpretation 21	Levies

The adoption of the above mentioned Amendments to MFRSs and IC Interpretation 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 2014.

## 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 2014.

## 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 ended	Quarter Quarter ended	Cumulative Period ended	Quarter Period ended
	31-March-2015	31-March-2014	31-March-2015	31-March-2014
	RM'000	RM'000	RM'000	RM'000
Allowance for doubtful debts no longer required	436	748	436	1,236
Allowance for doubtful debts	(242)	(49)	(809)	(986)
Fair value gain/(loss) on financial derivatives	1,277	3,417	(10,526)	13,357
(Impairment)/Writeback of impairment of financial assets at fair value through profit or loss	(17,100)	3,055	(22,404)	32,560
Gain on disposal of quoted securities	25,744	1,651	50,461	21,676
Effects on dilution of equity interests in associate companies	(2,196)	(381)	(5,854)	(697)



## **A6. Material changes in Estimates**

There are no material changes in accounting estimates used in the preparation of the financial statements in the current financial quarter and financial period as compared to the preceding corresponding financial quarter and financial period.

## **A7. Debts and Equity Securities**

### **(i) Share buyback**

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting of the Company held on 17 December 2014, 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.

During the 9 months financial period ended 31 March 2015, the Company repurchased 1,200,000 of its issued share capital from the open market. The average price paid for the shares repurchased was RM0.8141 per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act 1965. 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 31 March 2015.

### **(ii) Redeemable Preference Shares**

On 26 February 2015, pursuant to the Company's renounceable rights issue of redeemable preference shares with warrants, the Company issued 132,601,268 redeemable preference shares ("RPS") of RM0.01 each at an issue price of RM1.00 per RPS together with 265,202,536 free detachable warrants on the basis of two (2) free warrants for every one (1) RPS subscribed. The RPS is redeemable at RM1.00 any time within five (5) years from date of issue of the RPS and carries a dividend rate of four (4) sen per annum per RPS.

Other than the above, there were no issuance and repayment of equity and debts securities, share cancellations and resale of treasury shares for the 9 months financial period ended 31 March 2015.

## **A8. Dividends paid**

The Company paid an interim single tier cash dividend of 1.0 sen per ordinary share of RM1.00 each amounting to RM6,630,063 on 25 February 2015 in respect of the financial year ending 30 June 2015.

## A9. Segment Information

The segment analysis for the Group's results for the 9 months financial period ended 31 March 2015 is as follows:-

	Financial services and credit & leasing	Property investment and development	Investment holding and trading	Retail trading and car rental	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	39,009	2,679	251,719	20,229	5,833	-	319,469
Inter-segment revenue	3,102	446	2,844	162	9,471	(16,025)	-
<b>Total segment revenue</b>	<b>42,111</b>	<b>3,125</b>	<b>254,563</b>	<b>20,391</b>	<b>15,304</b>	<b>(16,025)</b>	<b>319,469</b>
<b>Results</b>							
Segment profit/(loss) from Operations	19,155	1,246	(20,285)	3,107	48,659	(2,673)	49,209
Interest income	1,150	178	11,382	14	1,236	(6,586)	7,374
Finance costs	(7,275)	(577)	(7,910)	(1,857)	(701)	9,259	(9,061)
Exceptional item	-	-	-	-	(5,854)	-	(5,854)
Share of profits less losses of associate companies	-	(2,499)	(5,391)	2,087	29,834	-	24,031
Profit/(loss) before taxation	13,030	(1,652)	(22,204)	3,351	73,174	-	65,699
Taxation	(5,104)	57	(1,220)	(97)	526	-	(5,838)
Profit/(loss) for the financial period	7,926	(1,595)	(23,424)	3,254	73,700	-	59,861
<b>Attributable to:-</b>							
Owners of the Company							58,687
Non-controlling interests							1,174

The segment analysis for the Group's results for the 9 months financial period ended 31 March 2014 was as follows:-

	Financial services and credit & leasing	Property investment and development	Investment holding and trading	Retail trading and car rental	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	44,760	3,891	151,552	15,934	2,992	-	219,129
Inter-segment revenue	3,682	451	3,186	83	1,679	(9,081)	-
<b>Total segment revenue</b>	<b>48,442</b>	<b>4,342</b>	<b>154,738</b>	<b>16,017</b>	<b>4,671</b>	<b>(9,081)</b>	<b>219,129</b>
<b>Results</b>							
Segment profit/(loss) from operations	29,568	497	61,267	2,464	13,239	(2,816)	104,219
Interest income	901	222	8,337	-	613	(4,906)	5,167
Finance costs	(8,010)	(581)	(3,756)	(1,157)	(561)	7,722	(6,343)
Exceptional items	-	-	-	-	(697)	-	(697)
Share of profits less losses of associate companies	-	(252)	8,047	1,552	24,619	-	33,966
Profit/(loss) before taxation	22,459	(114)	73,895	2,859	37,213	-	136,312
Taxation	(3,647)	(153)	(668)	(406)	82	-	(4,792)
Profit/(loss) for the financial period	18,812	(267)	73,227	2,453	37,295	-	131,520
<b>Attributable to:-</b>							
Owners of the Company							131,009
Non-controlling interests							511

## 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 2014.

## **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 and associate companies and long term investments, restructuring and discontinuing operations other than as disclosed below:-

- (i) On 1 July 2014, Topacres Sdn. Bhd. ("Topacres"), a wholly-owned subsidiary company, had subscribed for 300,000 new ordinary shares of RM1.00 each and 2,700,000 redeemable preference shares ("RPS") of RM0.01 each representing 60% of the enlarged share capital of Special Windfall Sdn. Bhd. ("SWSB") for a total subscription price of RM3.0 million. SWSB had on 26 February 2014 entered into a conditional Share Sale Agreement to acquire 100% equity interest in Tahap Wawasan Sdn. Bhd. ("TWSB") for a cash consideration of RM9.52 million and a Repayment Agreement for the assumption of liabilities amounting to RM3.98 million.

The Share Sale Agreement and the Repayment Agreement were subsequently mutually terminated on 2 October 2014, and all the deposit and sums paid have been fully refunded to SWSB.

On 29 October 2014, Topacres subscribed for additional 27,000 ordinary shares and on the same date, the RPS was fully redeemed by SWSB.

- (ii) On 19 September 2014, the Company had incorporated a wholly-owned subsidiary company in Singapore known as Insas (S) Pte. Ltd. ("ISPL"). The issued and paid-up share capital of ISPL is S\$10,000 comprising 10,000 ordinary shares. The principal activity of ISPL is investment holding.
- (iii) On 9 January 2015, J&C Pacific Sdn Bhd ("J&C"), a 51% indirect subsidiary company, entered into a share sale agreement to acquire 91,250 ordinary shares of RM1.00 each, representing 91.25% of the equity capital of ECI Communications Sdn Bhd ("ECI") for a purchase price of RM91,250. ECI is a private limited company incorporated in Malaysia on 20 June 2012 and its principal activities are the provision of multimedia and communication services.

## **A12. Material Subsequent Events**

There were no material events subsequent to the current financial period ended 31 March 2015 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 issued guarantees amounting to RM207,147,000 to financial institutions in respect of banking and credit facilities granted to certain of its subsidiary and associate companies. There is no contingent asset as at the date of this Report.

#### A14. Commitments

Contractual commitments not provided for in the financial statements as at 31 March 2015 are as follows:-

	RM'000
To acquire property, plant and equipment	3,481
To acquire investment properties	<u>19,057</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's corresponding financial quarter

###### Group's summary

The Group reported revenue of RM139.7 million and a pre-tax profit of RM30.4 million in the current financial quarter as compared to revenue of RM66.0 million and a pre-tax profit of RM32.5 million in the preceding year's corresponding financial quarter. Despite the higher revenue, the Group reported lower pre-tax profit in the current financial quarter mainly due to lower profit reported by stock broking, structured finance and pre-tax loss reported by the investment unit. The review of performance by divisions are as follows:

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

Revenue and pre-tax results for the current financial quarter declined as compared to the preceding year corresponding quarter primarily due to lower revenue reported by the structured finance unit and the stock broking unit arising from weaker market sentiments during the current financial quarter.

###### Investment holding and trading division

The investment unit reported higher revenue in the current financial quarter as compared to the preceding year corresponding quarter mainly due to higher trading activities in the current financial quarter.

Despite the higher revenue, the investment unit reported pre-tax loss of –RM7.0 million in the current financial quarter (Q3/2014: pre-tax profit of RM15.2 million) primarily due to higher impairment loss on financial assets at fair value through profit or loss of –RM17.6 million reported in the current financial quarter (Q3/2014: writeback of impairment of RM2.9 million).

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

The IT unit reported higher pre-tax profit in the current financial quarter as compared to the preceding year corresponding quarter mainly due to gain from sale of quoted securities.

The IT unit's associate company, Inari Amertron Berhad Group ("Inari Amertron") reported higher profit in the current financial quarter arising from higher trading volumes in particular the Radio Frequency business due to continuous strong demand for mobile smart devices. The IT unit's equity accounting for Inari Amertron's after-tax profit for the current financial quarter was RM10.6 million (Q3/2014: RM8.0 million).

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

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

#### Group's summary

The Group reported revenue of RM319.5 million and a pre-tax profit of RM65.7 million for the nine months period ended 31 March 2015 as compared with revenue of RM219.1 million and a pre-tax profit of RM136.3 million reported in the corresponding financial period in the preceding year.

Despite the higher revenue, the Group reported lower pre-tax profit for the nine months period ended 31 March 2015 as compared to the preceding year corresponding financial period mainly due to lower profit reported by stock broking and structured finance units and pre-tax loss reported by the investment unit for the nine months period ended 31 March 2015. The review of performance-by-divisions-are-as-follows:

#### Financial services and credit & leasing division

Revenue and pre-tax results for the nine months period ended 31 March 2015 declined as compared to the corresponding period in the preceding year primarily due to lower revenue reported by stock broking and the structured finance units on the back of weaker market sentiment.

#### Investment holding and trading division

The investment unit reported pre-tax loss of –RM22.2 million for the nine months period ended 31 March 2015 (nine months period ended 31 March 2014: pre-tax profit of RM73.9 million) primarily due to impairment of financial assets at fair value through profit or loss of –RM21.6 million (nine months period ended 31 March 2014: writeback of impairment of RM28.3 million) and fair value loss on financial derivatives of –RM10.5 million (nine months period ended 31 March 2014: fair value gain of RM13.4 million).

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

The IT unit reported higher pre-tax profit for the nine months period ended 31 March 2015 as compared to the preceding year corresponding period mainly due to higher gain from sale of quoted securities of RM53.8 million (nine months period ended 31 March 2014: RM21.7 million).

Inari Amertron reported higher profit for the nine months period ended 31 March 2015 due to higher trading volumes arising from high demand for mobile smart devices. The IT unit's equity accounting for Inari Amertron's after-tax profit for the current financial period was RM32.3 million (nine months period ended 31 March 2014: RM23.6 million).

## **B2. Comments on material changes in the revenue and profit before taxation for the current financial quarter as compared with the immediate preceding financial quarter**

The Group reported revenue of RM139.7 million and a pre-tax profit of RM30.4 million in the current financial quarter as compared to revenue of RM108.7 million and a pre-tax profit of RM10.1 million in the immediate preceding financial quarter.

The higher pre-tax profit in the current financial quarter is primarily due to higher gain from sale of quoted securities of RM29.1 million reported by the IT unit (immediate preceding financial quarter: RM0.01 million) off set against higher pre-tax losses reported by the investment unit in the current financial quarter.

## **B3. Prospects for the financial year ending 30 June 2015**

#### Financial services and investment trading division

The Board is of the view that the stock broking, structured finance and investment units will experience slower growth due to the challenging market conditions and barring unforeseen circumstances, these units will continue to contribute positively to the earnings of the Group in the current financial year ending 30 June 2015.

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

The Board is optimistic the IT unit and Inari Amertron will continue their positive contribution to the Group results in the current financial year.

#### 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. Taxation

The taxation charge for the current financial quarter and financial period ended 31 March 2015 is as follows:-

	Individual Quarter ended 31-March-2015 RM'000	Quarter Quarter ended 31-March-2014 RM'000	Cumulative Period ended 31-March-2015 RM'000	Quarter Period ended 31-March-2014 RM'000
<b>Income tax:-</b>				
Provision for the financial quarter/period	1,554	1,443	6,768	4,469
(Over)/Underprovision in previous financial quarter/period	(27)	323	(575)	323
<b>Deferred tax:-</b>				
Transfer to deferred taxation	160	-	(195)	-
Overprovision in previous financial quarter/period	(160)	-	(160)	-
	<u>1,527</u>	<u>1,766</u>	<u>5,838</u>	<u>4,792</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 31-March-2015 RM'000	Quarter Quarter ended 31-March-2014 RM'000	Cumulative Period ended 31-March-2015 RM'000	Quarter Period ended 31-March-2014 RM'000
Profit before taxation	<u>30,354</u>	<u>32,485</u>	<u>65,699</u>	<u>136,312</u>
Income tax at Malaysian statutory tax rate	7,589	8,121	16,425	34,078
<b>Tax effect in respect of:-</b>				
Non-allowable expenses	(898)	(656)	12,372	2,588
Income not subject to tax	(4,744)	(5,404)	(22,474)	(28,713)
Effect of different tax rates in other countries	(307)	(201)	(557)	(470)
Overseas tax paid on dividend income	15	85	287	582
Effect of changes in tax rates	(3)	-	31	-
Utilisation of previously unrecognised deferred tax assets	(77)	(568)	(690)	(3,751)
Deferred tax not recognised in the financial statements	139	66	1,179	155
Tax expenses for the financial quarter/period	<u>1,714</u>	<u>1,443</u>	<u>6,573</u>	<u>4,469</u>
(Over)/Underprovision for taxation in previous financial quarter/period	(27)	323	(575)	323
Overprovision for deferred taxation in previous financial quarter/period	(160)	-	(160)	-
	<u>1,527</u>	<u>1,766</u>	<u>5,838</u>	<u>4,792</u>

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

On 25 July 2014, the Company proposed to undertake a renounceable rights issue of up to 138,666,727 redeemable preference shares of RM0.01 each ("RPS") together with up to 277,333,454 free detachable warrants ("Warrants") on the basis of one (1) RPS and two (2) Warrants for every five (5) existing ordinary shares of RM1.00 each held in the Company at an issue price of RM1.00 per RPS ("Rights Issue with Warrants").

The Rights Issue with Warrants was approved by the shareholders at an extraordinary general meeting held on 3 November 2014.

The Rights Issue with Warrants was completed on 3 March 2015 following the listing and quotation of 132,601,268 RPS and 265,202,536 Warrants on the Main Market of Bursa Malaysia Securities Berhad on the same day.

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

## B7. Status of Utilisation of Proceeds

The Company received proceeds amounting to RM132.6 million from the issuance of 132,601,268 RPS at an issue price of RM1.00 per RPS. The proceeds have been utilised in the following manner as at 31 March 2015:

Purpose	Proposed utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000
Capital injection into M&A Securities Sdn Bhd	60,000	60,000	-
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 our associate company	30,000	6,598	23,402
Working capital and general business purposes	16,201	468	15,733
To defray expenses relating to the rights issue	1,400	652	748
<b>Total</b>	<b>132,601</b>	<b>87,718</b>	<b>44,883</b>

## B8. Group Borrowings and Debts Securities as at 31 March 2015

<u>Borrowings</u>	Foreign Currency ('000)	RM'000
Short term secured borrowings		
- in US dollars	67,828	251,846
- in Australian dollars	(11,972)	(34,048)
- in Hong Kong dollars	6,694	3,205
- in Singapore dollars	20,595	55,581
- in Ringgit Malaysia		45,753
		<u>322,337</u>
Long term secured borrowings		
- in US dollars	1,520	5,644
- in Singapore dollars	743	2,005
- in Ringgit Malaysia		6,091
		<u>13,740</u>
Total Group borrowings		<u>336,077</u>

## B8. Group Borrowings and Debts Securities as at 31 March 2015 (Cont'd)

<u>Debt securities</u>	RM'000
132,601,268 Redeemable preference shares ("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 and effects of deferred tax liabilities	<u>(36,656)</u>
Group debt securities disclosed as per MFRS requirements	<u>95,945</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 progress/changes on pending material 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 had declared an interim single-tier dividend of 1.0 sen per ordinary share of RM1.00 each in respect of financial year ending 30 June 2015.

The dividend was paid on 25 February 2015.

## 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 net 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 31-March-2015	Quarter ended 31-March-2014	Period ended 31-March-2015	Period ended 31-March-2014
Net profit attributable to owners of the Company for the financial quarter and financial period to-date (RM'000)	28,116	30,686	58,687	131,009
Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000)	665,017	665,649	665,017	665,649
Basic earnings per share (Sen)	4.23	4.61	8.82	19.68



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

### (b) Diluted earnings per share

The 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.

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

The Group's retained earnings as at 31 March 2015 and 31 March 2014 are analysed as follows:-

	<u>As at 31.03.2015</u>	<u>As at 31.03.2014</u>
	RM'000	RM'000
<u>Total retained earnings of the Company and its subsidiary companies</u>		
- Realised	309,639	179,013
- Unrealised	46,173	108,668
	<u>355,812</u>	<u>287,681</u>
<u>Total share of retained earnings from associate companies</u>		
- Realised	81,752	60,327
- Unrealised	542	8,334
	<u>82,294</u>	<u>68,661</u>
Add: Consolidated adjustments	20,520	20,390
Total Group retained earnings as per consolidated financial statements	<u>458,626</u>	<u>376,732</u>