

Quarterly rpt on consolidated results for the financial period ended 31 Mar 2017

INSAS BERHAD

Financial Year End 30 Jun 2017
 Quarter 3 Qtr
 Quarterly report for the financial period ended 31 Mar 2017
 The figures have not been audited

Attachments

IB Q32017.pdf
 172.5 kB

Remarks :

1) The basic earnings per share for the 9 months period ended 31 March 2017 has been calculated based on the profit attributable to the owners of the Company of RM146,097,000 (2016: RM140,888,000) 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
 31 Mar 2017

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31 Mar 2017	31 Mar 2016	31 Mar 2017	31 Mar 2016
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	113,838	84,673	236,393	204,223
2 Profit/(loss) before tax	68,001	20,526	152,398	48,213
3 Profit/(loss) for the period	66,051	19,914	145,654	41,811
4 Profit/(loss) attributable to ordinary equity holders of the parent	66,204	18,578	146,097	40,888
5 Basic earnings/(loss) per share (Subunit)	9.99	2.81	22.04	6.17
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 (\$\$)		2.3000		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)

24 May 2017

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

UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2017 Current financial quarter ended 31-Mar-17 RM'000	FY 2016 Preceding year corresponding financial quarter ended 31-Mar-16 RM'000	FY 2017 Financial period ended 31-Mar-17 RM'000	FY 2016 Preceding year financial period ended 31-Mar-16 RM'000
Revenue		113,838	84,673	236,393	204,223
Cost of sales	1	(84,022)	(91,430)	(170,108)	(164,564)
Other income	2	57,242	50,030	116,401	109,450
Administration expenses	3	(10,408)	(5,989)	(22,620)	(22,707)
Other operating expenses	4	(17,719)	(16,691)	(36,918)	(78,933)
Finance costs		(5,269)	(4,516)	(14,702)	(13,339)
Exceptional item	5	(2,052)	470	(2,052)	(3,004)
Share of profits less losses of associate companies		17,191	3,979	46,004	17,087
Profit before tax		68,001	20,526	152,398	48,213
Tax expense		(1,950)	(612)	(6,744)	(6,402)
Profit for the quarter/period		66,051	19,914	145,654	41,811
Profit attributable to:- Owners of the Company		66,204	18,578	146,097	40,888
Non-controlling interests		(153)	1,336	(443)	923
		66,051	19,914	145,654	41,811
Earnings per share (in Sen)					
- Basic		9.99	2.81	22.04	6.17
- Diluted		n/a	n/a	n/a	n/a
		Financial quarter ended 31-Mar-17 RM'000	Financial quarter ended 31-Mar-16 RM'000	Financial period ended 31-Mar-17 RM'000	Financial period ended 31-Mar-16 RM'000
Note 1					
Included in Cost of sales is the following item:-					
Depreciation		(7,929)	(8,027)	(24,579)	(21,352)
Note 2					
Included in Other income are the following items:-					
Allowance for doubtful debts no longer required		34	12	83	898
Bad debts recovered		318	-	318	-
Fair value gain on derivative financial instruments		3,767	6,427	4,893	8,493
Gain on disposal of property, plant and equipment		642	235	810	219
Interest income		2,338	2,933	8,264	8,852
Gain on exchange differences					
- unrealised		12,138	624	18,540	3,651
Gain on fair value changes of financial assets at fair value through profit or loss		22,604	-	30,828	-
Gain on disposal of quoted securities		-	-	-	9,305
Gain on disposal of shares in associate companies		9,313	31,769	33,966	58,562
Note 3					
Included in Administration expenses is the following item:-					
Depreciation		(199)	(104)	(545)	(310)

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50200 Kuala Lumpur

UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017

Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	FY 2017 Current financial quarter ended 31-Mar-17 RM'000	FY 2016 Preceding year corresponding financial quarter ended 31-Mar-16 RM'000	FY 2017 Financial period ended 31-Mar-17 RM'000	FY 2016 Preceding year financial period ended 31-Mar-16 RM'000
Note 4				
Included in Other operating expenses are the following items:-				
Allowance for doubtful debts	(1)	(12)	(8)	(234)
Depreciation	(599)	(447)	(1,649)	(1,384)
Loss on fair value changes of financial assets at fair value through profit or loss	-	(973)	-	(30,108)
Loss on exchange differences - realised	(6,846)	(7,113)	(6,705)	(18,964)
Note 5				
Exceptional item represents:-				
Effects of dilution of equity interests in associate companies	(2,052)	470	(2,052)	(3,004)

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Company No. 4081-M
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UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		FY 2017 Current financial quarter ended 31-Mar-17 RM'000	FY 2016 Preceding year corresponding financial quarter ended 31-Mar-16 RM'000	FY 2017 Financial period ended 31-Mar-17 RM'000	FY 2016 Preceding year financial period ended 31-Mar-16 RM'000
Profit for the quarter/period		66,051	19,914	145,654	41,811
<u>Other comprehensive income/(loss) may be reclassified to profit or loss subsequently:-</u>					
Realised fair value gain transferred to income statements upon disposal of available for sale investments, net of tax	6	-	-	-	(6,718)
Unrealised gain on fair value changes on available for sale investments, net of tax		3,135	5,063	2,903	1,773
Share of other comprehensive (loss)/income of investments accounted for using equity method, net of tax		(1,029)	(5,695)	6,410	(360)
Effects of dilution of equity interests in associate companies		1,861	-	-	-
Foreign currency translation of foreign operations, net of tax		5,213	(8,385)	17,668	5,406
Total other comprehensive income/(loss) for the quarter/period, net of tax		9,180	(9,017)	26,981	101
Total comprehensive income for the quarter/period, net of tax		75,231	10,897	172,635	41,912
Attributable to:-					
Owners of the Company		75,264	9,710	172,725	41,464
Non-controlling Interests		(33)	1,187	(90)	448
		75,231	10,897	172,635	41,912

Note 6
These deductions from Other Comprehensive Income/(loss) represent realised gain on disposal of available for sale investments 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.

Note 7
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
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UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31/03/2017 RM'000	As at preceding financial year ended 30/06/2016 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	189,481	161,424
Investment properties	185,716	179,644
Available for sale investments	38,110	35,154
Held to maturity investments	4,575	3,095
Associate companies	298,340	276,524
Intangible assets	26,047	26,047
Deferred tax assets	1,992	1,763
Total non-current assets	744,261	683,651
Current assets		
Property development costs	9,969	9,969
Inventories	14,045	11,251
Trade receivables	417,684	290,833
Amount due from associate companies	91,308	92,519
Other receivables, deposits and prepayments	38,438	30,519
Held to maturity investments	5,669	8,878
Financial assets at fair value through profit or loss	352,371	312,594
Tax recoverable	1,296	800
Deposits with licensed banks and financial institutions	432,019	382,963
Cash and bank balances	96,100	75,625
Total current assets	1,458,899	1,215,951
TOTAL ASSETS	2,203,160	1,899,602
EQUITY AND LIABILITIES		
EQUITY		
Equity attributable to owners of the Company		
Share capital	741,085	693,334
Treasury shares	(14,499)	(14,499)
Reserves	97,315	111,289
Retained earnings	699,007	559,540
	1,522,908	1,349,664
Non-controlling interests	7,780	7,558
TOTAL EQUITY	1,530,688	1,357,222
LIABILITIES		
Non-current liabilities		
Loans and borrowings	19,183	14,437
Hire purchase payables	80,007	60,546
Deferred tax liabilities	6,780	6,745
Preference shares	130,259	129,818
Total non-current liabilities	236,229	211,546
Current liabilities		
Derivative financial liabilities	2,395	7,288
Trade payables	98,566	34,226
Other payables and accruals	32,935	30,116
Hire purchase payables	32,972	32,221
Loans and borrowings	268,147	225,958
Tax payable	1,228	1,025
Total current liabilities	436,243	330,834
TOTAL LIABILITIES	672,472	542,380
TOTAL EQUITY AND LIABILITIES	2,203,160	1,899,602
Net assets per share attributable to owners of the Company^(B) (RM)	2.30	2.04

Note 8

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 9

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.

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UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

	Attributable to Owners of the Company										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	Total RM'000			
Period ended 31 March 2017												
As at 1 July 2016	693,334	47,751	5,863	4,622	25,397	27,856	(14,499)	559,540	1,349,664	7,558	1,357,222	
Adjustments for effects of Companies Act 2016 (Note 10)	47,751	(47,751)	-	-	-	-	-	-	-	-	-	
Transactions with owners:												
Post-acquisition reserves - associate companies	-	-	-	-	7,149	-	-	7,149	-	-	7,149	
Cash dividends paid to owners of the Company	-	-	-	-	-	-	-	(6,630)	(6,630)	-	(6,630)	
Subscription of shares in subsidiary companies by non-controlling interests	-	-	-	-	-	-	-	-	-	245	245	
Deconsolidation of subsidiary companies on completion of members' voluntary winding up	-	-	-	-	-	-	-	-	-	110	110	
Capital repayment to non-controlling interests	-	-	-	-	-	-	-	-	-	(43)	(43)	
Total transactions with owners	-	-	-	-	7,149	-	-	(6,630)	519	312	831	
Total comprehensive income for the financial period	-	-	-	-	-	-	-	146,097	146,097	(443)	145,654	
Profit for the financial period	-	-	-	-	-	-	-	146,097	146,097	(443)	145,654	
Unrealised gain on fair value changes on available for sale investments, net of tax	-	-	2,903	-	-	-	-	-	2,903	-	2,903	
Share of other comprehensive income of investments accounted for using equity method, net of tax	-	-	-	-	4,185	2,225	-	-	6,410	-	6,410	
Foreign currency translation of foreign operations, net of tax	-	-	-	-	-	17,315	-	-	17,315	353	17,668	
Total comprehensive income for the financial period	-	-	2,903	-	4,185	19,540	-	146,097	172,725	(90)	172,635	
Balance at 31 March 2017	741,085	-	8,766	4,622	35,731	47,190	(14,499)	699,007	1,522,908	7,780	1,530,688	
Period ended 31 March 2016												
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	
Transactions with owners:												
Post-acquisition reserves - associate companies	-	-	-	-	15,038	-	-	15,038	-	-	15,038	
Cash dividends paid to owners of the Company	-	-	-	-	-	-	-	(6,630)	(6,630)	-	(6,630)	
Non-controlling interests' changes in ownership interests in subsidiary companies	-	-	-	-	-	-	-	(2,078)	(2,078)	2,078	-	
Total transactions with owners	-	-	-	-	15,038	-	-	(8,708)	6,330	2,078	8,408	
Total comprehensive (loss)/income for the financial period	-	-	-	-	-	-	-	40,888	40,888	923	41,811	
Profit for the financial period	-	-	-	-	-	-	-	40,888	40,888	923	41,811	
Realised fair value gain transferred to income statements upon disposal of available for sale investments, net of tax	-	-	(6,718)	-	-	-	-	-	(6,718)	-	(6,718)	
Unrealised gain on fair value changes on available for sale investments, net of tax	-	-	1,773	-	-	-	-	-	1,773	-	1,773	
Share of other comprehensive (loss)/income of investments accounted for using equity method, net of tax	-	-	-	-	(1,472)	1,135	-	(23)	(360)	-	(360)	
Foreign currency translation of foreign operations, net of tax	-	-	-	-	-	5,881	-	-	5,881	(475)	5,406	
Total comprehensive (loss)/income for the financial period	-	-	(4,945)	-	(1,472)	7,016	-	40,865	41,464	448	41,912	
Balance at 31 March 2016	693,334	47,751	10,057	4,622	24,845	24,423	(14,499)	523,031	1,313,564	7,049	1,320,613	

Note 10

With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM47,751,000 has been transferred to the share capital account. Pursuant to subsection 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from share premium account within 24 months after the commencement of the New Act.

Note 11

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 THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017.

	Current financial period ended 31/03/2017 RM'000	Preceding year financial period ended 31/03/2016 RM'000
Cash flows from operating activities		
Profit before tax	152,398	48,213
Adjustments for:-		
Non-cash items	(115,175)	(44,996)
Finance costs	14,702	13,339
Interest income	(8,264)	(8,852)
Operating profit before working capital changes	43,661	7,704
Changes in working capital:-		
Net changes in current assets	(126,287)	(90,876)
Net changes in current liabilities	67,948	23,718
Cash used in operations	(14,678)	(59,454)
Interest paid	(14,585)	(12,901)
Interest received	8,264	8,852
Tax paid	(6,943)	(4,857)
Net cash used in operating activities	(27,942)	(68,360)
Cash flows from investing activities		
Acquisition of additional equity interest in associated companies	(27,119)	(10,749)
Purchase of property, plant and equipment	(16,749)	(9,982)
Purchase of held to maturity investments	(2,279)	(792)
Purchase of available for sale investments	(33)	(34,070)
Purchase of investment properties	(2,589)	(7,645)
Proceeds from disposal of shares in associate companies	78,654	73,318
Proceeds from disposal of property, plant and equipment	14,226	10,863
Proceeds from redemption and disposal of held to maturity investments	4,246	36,194
Proceeds from redemption and disposal of available for sale investments	-	9,305
Dividend received	26,682	22,269
Net cash from investing activities	75,039	88,711
Cash flows from financing activities		
(Increase)/Decrease in fixed deposits pledged	(27,636)	165,176
Increase in cash and bank balances pledged	(11,553)	(4,908)
Net drawdown/(repayment) of loans and borrowings	45,190	(115,075)
Proceeds from issuance of shares in subsidiary companies to non-controlling interests	245	-
Repayment of hire purchase payables	(32,196)	(32,805)
Capital repayment to non-controlling interests	(43)	-
Cash dividends paid to owners of the Company	(6,630)	(6,630)
Net cash (used in)/from financing activities	(32,623)	5,758
Net increase in cash and cash equivalents	14,474	26,109
Cash and cash equivalents at beginning of the financial period	258,051	184,292
Exchange differences	4,699	2,207
Cash and cash equivalents at end of the financial period	277,224	212,608
Cash and cash equivalents comprise of:-		
Bank overdrafts	(6,145)	(6,461)
Cash and bank balances	73,858	43,635
Deposits with licensed banks and financial institutions	209,511	175,434
	277,224	212,608

Note 12

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
Company No. 4081-M
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UNAUDITED FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2017 - 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
	31-Mar-2017	31-Mar-2016	31-Mar-2017	31-Mar-2016
	RM'000	RM'000	RM'000	RM'000
Fair value gain on derivative financial instruments	3,767	6,427	4,893	8,493
Gain on disposal of quoted securities	-	-	-	9,305
Gain/(Loss) on fair value changes of financial assets at fair value through profit or loss	22,604	(973)	30,828	(30,108)
(Loss)/Gain on exchange differences				
- realised	(6,846)	(7,113)	(6,705)	(18,964)
- unrealised	12,138	624	18,540	3,651
Gain on disposal of shares in associate companies	9,313	31,769	33,966	58,562
Effects of dilution of equity interests in associate companies	(2,052)	470	(2,052)	(3,004)

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 24 November 2016, 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 9 months period ended 31 March 2017. 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 2017.

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 31 March 2017.

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 21 February 2017 in respect of the financial year ending 30 June 2017.

A9. Segment Information

The segment analysis for the Group's results for the financial period ended 31 March 2017 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
Revenue							
External revenue	38,514	1,363	143,672	47,363	5,481	-	236,393
Inter-segment revenue	846	371	6,744	9,227	15,864	(33,052)	-
Total segment revenue	39,360	1,734	150,416	56,590	21,345	(33,052)	236,393
Results							
Segment profit from operations	18,354	508	70,482	5,189	21,343	(992)	114,884
Interest income	2,533	81	8,003	13	3,415	(5,781)	8,264
Finance costs	(5,239)	(530)	(10,302)	(5,288)	(116)	6,773	(14,702)
Exceptional item	-	(356)	-	-	(1,696)	-	(2,052)
Share of profits less losses of associate companies	-	2,993	12,999	502	29,510	-	46,004
Profit before tax	15,648	2,696	81,182	416	52,456	-	152,398
Tax expense	(4,272)	(92)	(2,395)	39	(24)	-	(6,744)
Profit for the financial period	11,376	2,604	78,787	455	52,432	-	145,654
Attributable to:-							
Owners of the Company							146,097
Non-controlling interests							(443)

The segment analysis for the Group's results for the financial period ended 31 March 2016 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	Eliminations	Consolidated Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	37,046	2,106	90,885	44,619	29,567	-	204,223
Inter-segment revenue	1,057	398	5,727	3,344	12,649	(23,175)	-
Total segment revenue	38,103	2,504	96,612	47,963	42,216	(23,175)	204,223
Results							
Segment profit/(loss) from operations	27,649	1,704	(40,358)	7,222	43,251	(851)	38,617
Interest income	2,528	135	9,557	57	2,155	(5,580)	8,852
Finance costs	(3,500)	(555)	(10,800)	(3,877)	(1,038)	6,431	(13,339)
Exceptional item	-	-	-	-	(3,004)	-	(3,004)
Share of profits less losses of associate companies	-	3,558	(7,277)	(1,464)	22,270	-	17,087
Profit/(loss) before tax	26,677	4,842	(48,878)	1,938	63,634	-	48,213
Tax expense	(3,699)	(168)	(2,462)	(72)	(1)	-	(6,402)
Profit/(loss) for the financial period	22,978	4,674	(51,340)	1,866	63,633	-	41,811
Attributable to:-							
Owners of the Company							40,888
Non-controlling interests							923

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) In the previous 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

The above dormant companies have been dissolved as at the date of this Report.

A12. Material Subsequent Events

There were no material events subsequent to the financial period ended 31 March 2017 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 RM228,053,000 to financial institutions in respect of banking and credit facilities granted to certain of its subsidiaries. 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 2017 are as follows:-

	RM'000
To acquire property, plant and equipment	1,651
To acquire investment properties	20,838
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 against preceding year corresponding financial quarter

Group's summary

The Group reported revenue of RM113.8 million and a pre-tax profit of RM68.0 million in the current financial quarter as compared to revenue of RM84.7 million and a pre-tax profit of RM20.5 million in the preceding year's corresponding financial quarter. The review of performance by divisions is as follows:-

Financial services and credit & leasing division

The unit reported higher revenue and pre-tax profit of RM17.5 million and RM7.6 million respectively in the current financial quarter as compared to preceding year corresponding financial quarter of RM9.5 million and RM2.2 million respectively mainly due to higher revenue reported by the stock broking and structured finance units and gain on fair value changes of financial assets at fair value through profit and loss of RM1.9 million in the current financial quarter (Q3/2016: loss on fair value changes of -RM0.8million).

B1. Review of Performance (Cont'd)

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

Investment holding and trading division

The investment unit reported higher revenue of RM77.9 million in the current financial quarter mainly due to higher trading activities as compared to revenue of RM52.8 million in the preceding year corresponding financial quarter.

The unit reported a pre-tax profit of RM44.9 million in the current financial quarter (Q3/2016: pre-tax loss of –RM3.0 million) after taking into account fair value gain on derivative financial instruments of RM3.8 million (Q3/2016: RM6.4 million), gain on fair value changes of financial assets at fair value through profit or loss of RM20.4 million (Q3/2016: loss of –RM0.04 million), gain on foreign exchange of RM6.8 million (Q3/2016: loss of –RM4.4 million) and gain on disposal of quoted securities of RM4.4 million (Q3/2016: RM1.7 million).

Technology and IT-related manufacturing, trading and services division

The Technology unit reported lower revenue of RM3.1 million in the current financial quarter mainly due to lower trading activities as compared to revenue of RM6.5 million in the preceding year corresponding financial quarter.

The Technology unit reported lower pre-tax profit of RM14.7 million in the current financial quarter as compared to RM16.6 million in the preceding year corresponding financial quarter primarily due to lower gain on disposal of shares in an associate company of RM12.6 million in the current financial quarter (Q3/2016: RM16.9 million). For the current financial quarter, Inari Amertron Group contributed after-tax profit of RM8.4 million (Q3/2016: RM4.3 million).

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

Group's summary

The Group reported revenue of RM236.4 million and a pre-tax profit of RM152.4 million for the nine months period ended 31 March 2017 as compared to revenue of RM204.2 million and a pre-tax profit of RM48.2 million reported in the preceding year corresponding period.

The higher pre-tax profit reported for the nine months period ended 31 March 2017 as compared to the preceding year corresponding period were mainly due to:

Financial services and credit & leasing division

The unit reported lower pre-tax profit of RM15.6 million for the nine months period ended 31 March 2017 (nine months period ended 31 March 2016: RM26.7 million) due to lower gain on fair value changes of financial assets at fair value through profit and loss of RM0.4 million in the current period (nine months period ended 31 March 2016: gain on fair value changes RM9.8 million).

Investment holding and trading division

The investment unit reported higher revenue of RM143.7 million for the nine months period ended 31 March 2017 as compared to revenue of RM90.9 million reported in the preceding year's corresponding period as a results of higher trading activities in the current financial period.

B1. Review of Performance (Cont'd)

Current financial period to date against preceding year's corresponding financial period (cont'd)

Investment holding and trading division (cont'd)

The investment unit reported pre-tax profit of RM81.2 million for the nine months period ended 31 March 2017 (nine months period ended 31 March 2016: pre-tax loss of -RM48.9 million) primarily due to gain on fair value changes of financial assets at fair value through profit and loss of RM30.4 million and gain on foreign exchange of RM14.5 million (nine months period ended 31 March 2016: loss on fair value changes of -RM42.0 million and loss on foreign exchange of -RM16.8 million).

Technology and IT-related manufacturing, trading and services division

The Technology unit reported lower revenue of RM5.5 million for the nine months period ended 31 March 2017 as compared to revenue of RM29.6 million reported in the preceding year's corresponding period as a results of lower trading activities in the current financial period.

The Technology unit reported a lower pre-tax profit of RM52.5 million for the nine months period ended 31 March 2017 as compared to RM63.6 million in the preceding year corresponding period due to lower gain on disposal of shares in an associate company of RM31.1 million (nine months period ended 31 March 2016: gain on disposal of quoted securities of RM9.3 million and gain on disposal of shares in an associate company of RM38.0 million) and loss on foreign exchange of -RM2.9 million (nine months period ended 31 March 2016: gain on foreign exchange of RM1.0).

The Group's equity accounting for Inari Amertron Group's after-tax profit for the nine months period ended 31 March 2017 was RM31.4 million (nine months period ended 31 March 2016: RM22.7 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 RM113.8 million and a pre-tax profit of RM68.0 million in the current financial quarter as compared to revenue of RM70.7 million and a pre-tax profit of RM22.7 million in the immediate preceding financial quarter.

The higher profit in the current financial quarter is primarily due to fair value gain on derivative financial instruments of RM3.8 million (Q2/2017: fair value loss of -RM3.9 million), higher gain on fair value changes of financial assets at fair value through profit or loss of RM22.6 million (Q2/2017: RM1.7 million), higher gain on foreign exchange of RM5.3 million (Q2/2017: RM1.3 million) and gain on disposal of shares in associate companies RM9.3 million (Q2/2017: RM nil).

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.

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 current financial year despite the uncertainties to the global markets.

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 31 March 2017 is as follows:-

	Individual Quarter ended 31-Mar-2017 RM'000	Quarter Quarter ended 31-Mar-2016 RM'000	Cumulative Period ended 31-Mar-2017 RM'000	Quarter Period ended 31-Mar-2016 RM'000
<u>Income tax:-</u>				
Provision for current financial quarter/period				
- Malaysian income tax	1,824	549	6,544	6,240
- Overseas income tax	144	126	444	178
Underprovision in preceding financial quarter/period	21	56	70	56
<u>Deferred tax:-</u>				
Transfer from deferred taxation	(39)	(119)	(314)	(72)
	<u>1,950</u>	<u>612</u>	<u>6,744</u>	<u>6,402</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-Mar-2017 RM'000	Quarter Quarter ended 31-Mar-2016 RM'000	Cumulative Period ended 31-Mar-2017 RM'000	Quarter Period ended 31-Mar-2016 RM'000
Profit before tax	<u>68,001</u>	<u>20,526</u>	<u>152,398</u>	<u>48,213</u>
Income tax at Malaysian statutory tax rate of 24%	16,321	4,926	36,576	11,571
<u>Tax effect in respect of:-</u>				
Non-allowable expenses	3,471	(1,684)	7,102	13,355
Income not subject to tax	(17,980)	(3,253)	(36,930)	(18,890)
Effect of different tax rates in other countries	(159)	101	(489)	(114)
Overseas tax paid on dividend income	143	128	443	179
Utilisation of previously unrecognised deferred tax assets	(158)	(357)	(489)	(581)
Deferred tax not recognised in the financial statements	291	695	461	826
Tax expenses for the financial quarter/period	<u>1,929</u>	<u>556</u>	<u>6,674</u>	<u>6,346</u>
Underprovision in preceding financial quarter/period	21	56	70	56
	<u>1,950</u>	<u>612</u>	<u>6,744</u>	<u>6,402</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 in March 2015. The proceeds have been fully utilised in the following manner as at 31 March 2017:-

Purpose	Approved 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 an associate company	30,000	30,000	-
Working capital and general business purposes	16,201	16,201	-
To defray expenses relating to the RPS issue	1,400	1,400	-
Total	132,601	132,601	-

B8. Group Borrowings and Debts Securities as at 31 March 2017

<u>Borrowings</u>	Foreign Currency ('000)	RM'000
<u>Short term secured borrowings</u>		
- in US dollars	23,176	102,521
- in Hong Kong dollars	45,462	25,881
- in Singapore dollars	18,400	58,204
- in Euro dollars	4,883	23,076
- in Ringgit Malaysia		58,465
		<u>268,147</u>
<u>Long term secured borrowings</u>		
- in Singapore dollars	3,019	9,550
- in Ringgit Malaysia		9,633
		<u>19,183</u>
Total Group borrowings		<u><u>287,330</u></u>

B8. Group Borrowings and Debts Securities as at 31 March 2017 (Cont'd)**Debt securities**

	RM'000
<u>Redeemable Convertible Preference Shares ("RCPS")</u>	
RCPS to non-controlling interests of a subsidiary company	<u>1,611</u>
<u>Redeemable preference shares ("RPS")</u>	
132,601,268 RPS at RM1.00 per RPS	132,601
Fair value of 265,202,536 free Warrants	
- Recognised in equity under warrants reserve	(4,622)
- Effects of deferred tax liabilities	(1,460)
Accumulated RPS dividend charged to income statements	13,224
Accumulated RPS dividend paid and payable	<u>(11,095)</u>
RPS issued by the Company – liability portion, disclosed as per MFRS requirements	<u>128,648</u>
Total Group debt securities	<u>130,259</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 had declared 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.

The dividend was paid on 21 February 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 31-Mar-2017	Quarter ended 31-Mar-2016	Period ended 31-Mar-2017	Period ended 31-Mar-2016
Net profit attributable to owners of the Company for the financial quarter and financial period to-date (RM'000)	66,204	18,578	146,097	40,888
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)	9.99	2.81	22.04	6.17

(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 31 March 2017 and 31 March 2016 are analysed as follows:-

	<u>As at 31.03.2017</u> RM'000	<u>As at 31.03.2016</u> RM'000
<u>Total retained earnings of the Company and its subsidiary companies</u>		
- Realised	488,136	345,222
- Unrealised	97,542	73,930
	<u>585,678</u>	<u>419,152</u>
<u>Total share of retained earnings of associate companies</u>		
- Realised	88,222	80,887
- Unrealised	7,625	(2,801)
	<u>95,847</u>	<u>78,086</u>
Add: Consolidated adjustments	<u>17,482</u>	<u>25,793</u>
Total Group retained earnings as per consolidated financial statements	<u>699,007</u>	<u>523,031</u>