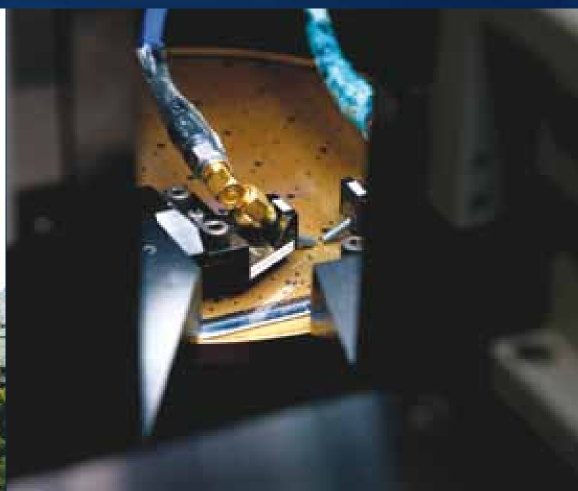
INSAS BERHAD

(Company No. 4081-M)



ANNUAL REPORT
2015
LAPORAN TAHUNAN

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairperson
* Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP

Executive Deputy Chairman / Chief Executive Officer
Dato' Sri Thong Kok Khee

Executive Director
Dato' Dr. Tan Seng Chuan

Non-Executive Directors
Dato' Wong Gian Kui
Ms. Soon Li Yen
* Mr. Oh Seong Lye

AUDIT COMMITTEE

* Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP
Ms. Soon Li Yen
* Mr. Oh Seong Lye

NOMINATION COMMITTEE

* Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP
Ms. Soon Li Yen
* Mr. Oh Seong Lye

(*) - Independent Non-Executive Directors

COMPANY SECRETARIES

Ms. Chow Yuet Kuen
Ms. Lau Fong Siew

REGISTERED OFFICE

No. 45-5, The Boulevard, Mid Valley City
Lingkaran Syed Putra, 59200 Kuala Lumpur
Tel : 03-22848311 Fax: 03-22824688

PRINCIPAL PLACE OF BUSINESS

Suite 23.02, Level 23
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra, 59200 Kuala Lumpur
Tel : 03-22829311 Fax: 03-22848500

AUDITORS

SJ Grant Thornton (AF 0737)
(Member Firm of Grant Thornton International Ltd)
Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL BANKERS

Affin Hwang Investment Bank Berhad
Alliance Bank Malaysia Berhad
Ambank (M) Berhad
Credit Suisse AG
Citibank N.A., Singapore
Goldman Sachs (Asia) L.L.C
Hong Leong Bank Berhad
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad
United Overseas Bank (Malaysia) Berhad

SOLICITORS

Raslan Loong
Shearn Delamore & Co.
Tan Pheck San & Co.
James Monteiro

SHARE REGISTRARS

Megapolitan Management Services Sdn. Bhd.
No. 45-5, The Boulevard, Mid Valley City
Lingkaran Syed Putra, 59200 Kuala Lumpur
Tel : 03-22848311 Fax: 03-22824688

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

SECTOR

Finance

STOCK CODE

3379

PROFILE OF DIRECTORS

Y.A.M. TENGKU PUTERI SERI KEMALA PAHANG TENGKU HAJJAH AISHAH BTE SULTAN HAJI AHMAD SHAH, DK(II), SIMP

Aged 58, Malaysian
Independent Non-Executive Director/Chairperson
Chairperson of Audit Committee and Member of Nomination Committee

Y.A.M. Tengku Aishah was appointed as the Chairperson of Insas Berhad on 12 November 1986.

She graduated with a Diploma in Business Administration from Dorset Institute, United Kingdom in 1980 and has been a Director of TAS Industries Sdn Bhd since 15 August 1990. TAS Industries Sdn Bhd is an investment holding and property development company in Kuala Lumpur. Y.A.M. Tengku Aishah is also the Independent Non-Executive Director/ Chairperson of Inari Amertron Berhad.

She has no family relationship with any Director or major shareholder of Insas Berhad and has no conflict of interest with Insas Berhad. She has not been convicted of any offence within the past 10 years.

DATO' SRI THONG KOK KHEE

Aged 61, Malaysian
Executive Deputy Chairman cum Chief Executive Officer

Dato' Sri Thong was appointed to the Board of Insas Berhad as Executive Deputy Chairman on 28 February 2007 and subsequently became the Executive Deputy Chairman cum Chief Executive Officer on 30 January 2009. Prior to this, Dato' Sri Thong was the Chief Executive Officer of Insas Berhad from 10 March 1993 to 29 November 2004.

A graduate from the London School of Economics, United Kingdom, Dato' Sri Thong has worked in the financial services industry from 1979 to 1988. He worked for Standard Chartered Merchant Bank Asia Limited in Singapore from October 1982 to June 1988 and his last held position was the Director of its Corporate Finance Division. Dato' Sri Thong is also a Non-Independent Non-Executive Director of Inari Amertron Berhad, Omesti Berhad, Ho Hup Construction Company Bhd and SYF Resources Berhad.

Dato' Sri Thong is a substantial shareholder of Insas Berhad. He has no conflict of interest with Insas Berhad and has not been convicted of any offence within the past 10 years.

DATO' WONG GIAN KUI

Aged 56, Malaysian
Non-Independent Non-Executive Director

Dato' Wong was appointed to the Board of Insas Berhad as an Executive Director on 11 September 1992, and as Managing Director from November 2000 to January 2009. He was re-designated as a Non-Independent Non-Executive Director on 30 January 2009.

Dato' Wong is an accountant by profession and has been a member of the Malaysian Institute of Certified Public Accountants since 1985 and a member of the Malaysian Institute of Accountants since 1988. Prior to joining Insas Berhad, Dato' Wong had worked for Harun, Oh & Wong, a member of Horwath International firm of public accountants in Malaysia from 1981 to 1990 and Stoy Hayward London, Chartered Accountants from 1990 to 1991. Dato' Wong is an Executive Director of Inari Amertron Berhad, Independent Non-Executive Director of Yi-Lai Berhad and an Alternate Director to Dato' Sri Thong Kok Khee in SYF Resources Berhad.

He has no family relationship with any Director or major shareholder of Insas Berhad and has no conflict of interest with Insas Berhad. He has not been convicted of any offence within the past 10 years.

Profile of Directors (Cont'd)

DATO' DR TAN SENG CHUAN

Aged 60, Malaysian
Executive Director

Dato' Dr Tan was appointed to the Board of Insas Berhad on 18 March 1997.

He graduated with First Class Honours in Mechanical Engineering from Imperial College, England in 1978. Dato' Dr Tan also obtained a Masters and Ph.D in Engineering Science in 1981 and 1983 respectively from Harvard University, USA. Dato' Dr Tan has vast experience in the IT industry. Dato' Dr Tan has about 30 years' experience in the global IT and related high technology industries. He joined Insas Berhad in 1997 where he currently heads the Technology Division. Dato' Dr Tan is also the Executive Vice Chairman of Inari Amertron Berhad.

He has no family relationship with any Director or major shareholder of Insas Berhad and has no conflict of interest with Insas Berhad. He has not been convicted of any offence within the past 10 years.

MR OH SEONG LYE

Aged 67, Malaysian
Independent Non-Executive Director
Member of Audit Committee and Nomination Committee

Mr Oh was appointed to the Board of Insas Berhad on 18 March 2009.

Mr Oh is a London-trained Chartered Accountant. He is a Fellow of the Institute of Chartered Accountants in England and Wales, a member of the Malaysian Institute of Accountants and a member of the Institute of Singapore Chartered Accountants. He holds a Master of Business Administration degree from United Business Institutes, a Brussels-based business school.

After a year of post-qualifying experience in London, he worked for a "big-eight" accounting firm and a foreign bank in Kuala Lumpur before starting his accounting practice in 1978 and has been in public practice ever since. He was the Executive Chairman and International Liaison Partner and also a Director of Horwath Asia Pacific when his firm was a member of Horwath International until 1992. His firm was the external auditors and tax agents for 2 major banks, several other financial institutions and insurance companies and other substantial private enterprises. He had also personally undertaken large receivership and liquidation assignments, and conducted, together with foreign partners, market and financial feasibility studies for several organizations involved in the hospitality business and tourism industry.

Mr Oh was previously a director of two Bursa Malaysia public listed companies and was also the founder/promoter and first Honorary Secretary of a national manufacturing association and a past Honorary Secretary-General of a national tourism-related association. He is also an Independent Non-Executive Director of Inari Amertron Berhad.

He has no family relationship with any Director or major shareholder of Insas Berhad and has no conflict of interest with Insas Berhad. He has not been convicted of any offence within the past 10 years.

MS SOON LI YEN

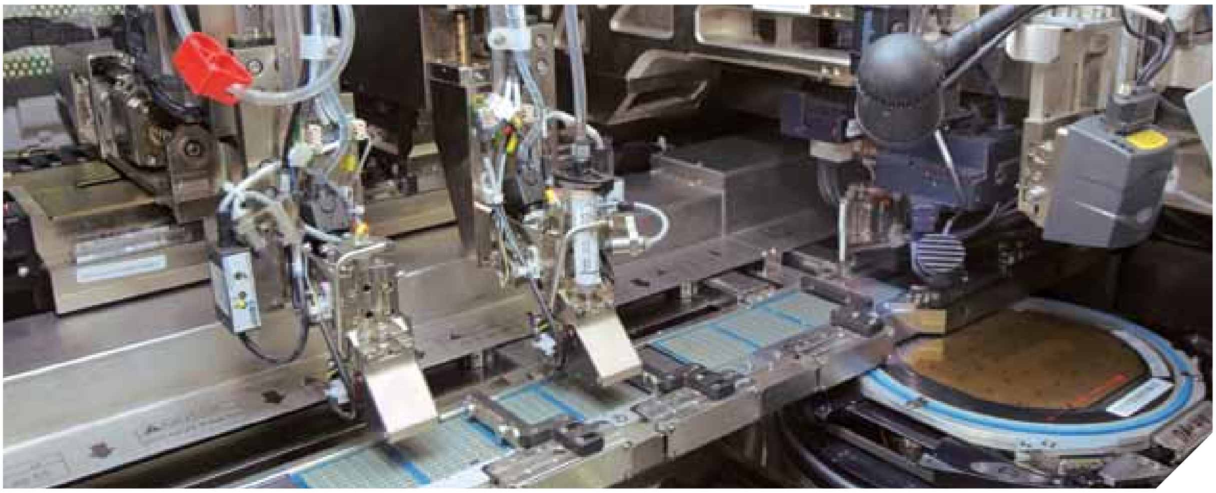
Aged 47, Malaysian
Non-Independent Non-Executive Director
Member of Audit Committee and Nomination Committee

Ms Soon was appointed to the Board of Insas Berhad on 6 March 2009.

She is an accountant by profession and prior to joining Insas Berhad in August 1995, she worked for Coopers & Lybrand as Audit Senior from 1991 to 1995. Ms Soon graduated from the Royal Melbourne Institute of Technology with a Bachelor of Business in Accounting in 1991. She is a member of the Malaysian Institute of Accountants and Certified Public Accountants of Australia and has extensive experience in auditing, accounting, financial planning and financial related work.

She has no family relationship with any Director or major shareholder of Insas Berhad and has no conflict of interest with Insas Berhad. She has not been convicted of any offence within the past 10 years.

CHIEF EXECUTIVE OFFICER'S STATEMENT



The Group performed reasonably well for the last financial year, despite the worsening sentiment and economic conditions overseas, especially China. More critically for us, Malaysia's economy started to deteriorate sharply from early this year due to a vicious combination of adverse factors. Firstly, the sharp decline in global oil prices obviously reduced our country's petroleum revenue, enforcing contraction in government spending and reduction of certain subsidies. Consumption further slowed down after the introduction of GST in March this year. Subsequently, various developments surrounding 1MDB and the resulting political uncertainty caused a confidence crisis in our country, causing our ringgit to depreciate a substantial 30% against the US dollar to the current level of 4.31. Our stock market declined sharply as foreign investors sold our shares. Recent sharp increase in toll rates is adding to consumer woes. It is against this challenging backdrop that we advanced into our current financial year ending 30 June 2016.

Among our various operating businesses including technology, property investment holdings, structured finance, corporate advisory & stock broking and transport & logistics, some are expected to continue to perform satisfactorily. Our high fashion consumer retail division is however likely to track the slower consumer trend in the short term, but as previous economic downturns have witnessed, it should eventually recover over time. We are seeing a mild slowdown in our transport & logistics but we hope that the slowdown here can be compensated by growth in our Singapore units.

However, we are nevertheless confident that our technology group will continue to perform well, especially our 27.1% associate, Inari Amertron Berhad, whose profits after taxation increased 49.6% from RM100.4 million to RM150.2 million in the previous two financial years. The current market value of our holdings in Inari Amertron Berhad is RM757 million (based on its current market capitalisation of RM2.8 billion) compared to our book value of RM170 million (including share of associate profits and reserves), giving us an unrealised revaluation gain of RM587 million, or RM0.88 per share. This surplus has not yet been taken up in the audited accounts for the financial year ended 30 June 2015 in conformity with the Malaysian Financial Reporting Standards.

We also own several large strategic investments in public listed corporations where we are actively involved in their respective boards, including Ho Hup, SYF and Omesti. These various strategic holdings add strength to our diversity and strengthens our execution ability across a wider range of capabilities in our various business units.

Chief Executive Officer's Statement (Cont'd)

In the longer term, we see these strategic investments as becoming important components of our long term growth model. However, in the meantime the value of these investments are subject to mark to market value swings in their valuations, both positively or negatively, on our group's profitability on a quarter to quarter basis. Some of these adverse value swings may have no correlation with these companies' economic performances and could be just due to poor market sentiment.

CORPORATE SOCIAL RESPONSIBILITY

The Group remains committed to social and conservation priorities and this commitment remains an integral part of the Group's operating policy. During the financial year under review, the Group continues to adopt environmentally friendly measures to conserve usage of energy and resources at workplace. The Group is also focused on reaching out to the community. To support this objective, certain operating companies within the Group provided monetary contributions and welfare and accommodation facilities to deserving charitable and religious organisations. The Group will continue its initiatives to discharge its role as a responsible and caring corporate citizen.

APPRECIATION

On behalf of the Board of Directors, I would like to thank our management and employees for their contributions and dedication in carrying out their duties over the past year.

I would also like to record my sincere appreciation to our valued shareholders, customers, bankers, business associates and the regulatory authorities for their continued confidence and cooperation extended to the Group.

Last but not least, I wish to extend my deepest gratitude to our Board of Directors for their invaluable support and wise counsel during the course of the year.

Dato' Sri Thong Kok Khee
Executive Deputy Chairman / Chief Executive Officer

STATEMENT ON CORPORATE GOVERNANCE

INTRODUCTION

Corporate governance set out the framework and process which corporations, through their Board of Directors and senior management, regulate their businesses activities. These principles aim to balance sound business operations with compliance to relevant laws, guidelines and regulations.

The Board of Directors ("the Board") of Insas Berhad is committed to maintain a high standard of corporate governance throughout the Group. To this end, the Board has adopted a set of Corporate Governance guidelines to govern its conduct within the spirit of the Malaysian Code on Corporate Governance 2012 ("the MCCG 2012" or "the Code") and the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Listing Requirements"). The Board believes that high standards of corporate governance is the key to building an organisation of high integrity and corporate accountability with the ultimate objective of enhancing long-term shareholders value and returns to its stakeholders.

The Board is pleased to set out below the manner in which it has applied the principles of corporate governance and the extent of compliance with the best practices set out in the Code throughout the financial year and where there are deviations, the alternative measures undertaken pursuant to the Listing Requirements.

1. BOARD OF DIRECTORS

a) Roles and Responsibilities

The Board has overall stewardship responsibility for supervising the Group's affairs within a framework of acceptable risks and in compliance with the relevant laws, guidelines and regulations. The Board concentrates principally on financial performance, critical and material business issues and specific areas such as management of risks, the Group's system of internal control, succession planning for senior management and investors and shareholders communication policies. The Board is also accountable for the corporate governance, setting strategic direction of the Group and overseeing the investments and businesses of the Group.

The Board is mindful of the importance of business sustainability in conducting the Group's businesses and will embed the environment, social and governance elements in its corporate strategy.

On 4 October 2013, the Board adopted a Board Charter which outlines the Board's roles and responsibilities and the principles and adoption of best practices on the structures and processes towards achieving good governance standards. It serves as a reference point for the Board's activities. The Charter will be reviewed and updated periodically to take into consideration the Board's strategic plan as well as any development in the rules and regulations that may have an impact on the roles and responsibilities of the Board. The Board Charter is made available on the Company's website at www.insas.net.

The Board has also delegated certain responsibilities to the two Board Committees namely the Audit Committee and the Nomination Committee which operate within clearly defined terms of reference.

b) Board Composition

The establishment of an active, dynamic and independent Board is paramount in improving corporate governance practices. The current Board composition provides an effective combination of industry and professional experience, skills and expertise for the direction of the existing businesses and new corporate ventures undertaken by the Group. The Board is made up of an appropriate balance of Executives and Non-Executive Directors with diverse experience required for the effective stewardship of the Group and independence in decision making at Board level.

Statement On Corporate Governance (Cont'd)

1. BOARD OF DIRECTORS (Cont'd)

b) Board Composition (Cont'd)

The Board comprises six (6) members, namely the Chief Executive Officer (cum Executive Deputy Chairman), an Executive Director, two (2) Non-Independent Non-Executive Directors and two (2) Independent Non-Executive Directors including the Chairperson. The current Board composition complies with the Listing Requirements which requires a minimum of two (2) Directors or one third (1/3) of the Board to be independent members. A brief profile of each of the Directors is presented on page 3 and 4 of the Annual Report.

c) Appointment and Re-Election

The Nomination Committee ensures that the appointments of new directors to the Board of the Company and its subsidiaries are properly made with an established and transparent procedure and in compliance with the rules of the relevant authorities. Any appointment of additional director is made as and when it is deemed necessary with due consideration given to the mix and range of expertise and experience required for an effective Board.

In accordance with the Company's Articles of Association, all Directors who are appointed by the Board are subject to re-election by the shareholders at the following Annual General Meeting after their appointment. The Articles also provide that the Directors are subject to re-election by rotation at least once in every three years. Reappointments are not automatic and the Directors who retire are to submit themselves for re-election by the shareholders at the Company's Annual General Meeting.

Details of the directors seeking re-election at the forthcoming Annual General Meeting are disclosed in the profile of Directors.

d) Code of Ethics

The Board acknowledges its leadership role in promoting ethical values and observing ethical conduct. The Board adopts and observes the Code of Ethics for Company Directors established by the Companies Commission of Malaysia, as the Board finds it suitable for the Company to uphold the same principles.

e) Access to Information and Advice

The Board has full and timely access to information concerning the Group. An agenda and board reports containing information relevant to the business for consideration at the Board meetings are circulated prior to the Board meetings to enable the Directors to obtain information and explanation to enable them to discharge their duties and responsibilities competently and in a well-informed manner. Senior management and key operation personnel are informed of the guidelines on the preparation of the board papers, in particular on its form and contents, to ensure a systematic and comprehensive presentation of information at all times. The board papers and reports provide updates of periodical information on the Group's financial performance, operational matters and corporate developments.

Board proceedings, deliberations and conclusions of the Board at every Board meeting are duly recorded in the Board minutes and all minutes are signed by the Chairperson of the meeting in compliance with Section 156 of the Companies Act, 1965. All Directors have the right and duty to make further enquiries whenever they consider it necessary.

The Board has access to the advice and services of the senior management of the Group who work with the Board to ensure that all Board procedures are followed and that applicable laws and regulations are complied with. The Board may also obtain independent professional advice at the Company's expense in furtherance of their duties.

1. BOARD OF DIRECTORS (Cont'd)

e) Access to Information and Advice (Cont'd)

The Board is regularly updated and advised by the Company Secretaries who are qualified, experienced and competent on statutory and regulatory requirements, and the resultant implications of any changes therein to the Company and Directors in relation to their duties and responsibilities. The Company Secretaries attend all Board and Board Committees meetings and ensures that meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.

The Company Secretaries also advise the Board on any corporate announcements released to Bursa Malaysia Securities Berhad, impending restriction in dealing with the securities of the Company prior to the announcements of financial results and corporate proposals and new regulations, guidelines or directives issued by the Bursa Malaysia Securities Berhad, the Securities Commission and other relevant regulatory authorities.

2 STRENGTHEN COMPOSITION

a) Audit Committee

To ensure the effective discharge of its fiduciary duties, the Board has delegated specific responsibilities to the Audit Committee, which operates within clearly defined terms of reference. The Audit Committee members are thus able to deliberate in greater detail and examine the issues within their terms of reference in compliance with the Code.

The Audit Committee has been established to assist the Board in execution of its responsibilities. The Audit Committee meets periodically to carry out its functions and duties pursuant to its terms of reference. Other Board members are also invited to attend the meetings when the needs arise. The Audit Committee meets with the internal auditors quarterly and with the external auditors at least twice a year.

The details of the composition, terms of reference and the activities of the Audit Committee are set out in the Audit Committee Report.

b) Nomination Committee

The Nomination Committee comprises two Independent Non-Executive Directors and a Non-Independent Non-Executive Director. Its Chairperson is an Independent Director.

The duties and responsibilities of the Nomination Committee as set out in its term of reference are as follows:

- To recommend to the Board, candidates for all directorships of the Company and its subsidiaries to be filled for any vacancies on the Board of the Company and its subsidiaries. In the case of candidates for the position of Independent Non-Executive Directors, the Nomination Committee is to evaluate the candidate's ability to discharge such responsibilities as expected of Independent Non-Executive Directors;
- To consider, in making its recommendations, candidates for directorships proposed by the Chief Executive Officer and within the bounds of practicability, by any other senior executive or any director or shareholder;
- Assess annually the effectiveness of the Board and the various Board Committees and the contribution by each individual director based on criteria approved by the Board;
- To oversee the appointment, management succession planning and performance evaluation of key senior management officers and recommend their removal if they are found ineffective, errant and negligent in discharging their responsibilities;
- To consider and recommend to the Board to fill the seats on any Board Committees;
- To consider and recommend measures to upgrade the effectiveness of the Board and Board Committees;
- To review annually the overall composition of the Board in terms of the appropriate size and skills, the balance between executive, non-executive and independent directors and mix of skills and other core competencies required; and
- Such other functions as may be delegated by the Board from time to time.

Statement On Corporate Governance (Cont'd)

2 STRENGTHEN COMPOSITION (Cont'd)

b) Nomination Committee (Cont'd)

The Nomination Committee meets as and when required, and at least once a year. The Nomination Committee met once during the financial year ended 30 June 2015 with full attendance of its members to:-

- assess the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director. The criteria used in the assessment are guided by the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad and adapted according to the Company's needs and the Board's expectation;
- evaluate the independence of the Independent Directors including Y.A.M Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP who has served in that capacity for more than nine (9) years; and
- review the present size, structure and composition of the Board and Board Committees as well as the required mix of skills, experience and competence.

c) Remuneration

The remuneration of the Directors are linked to performance, service seniority, experience and scope of responsibilities and industry market rate so as to ensure that the Group attracts, motivates and retains Directors with the necessary skills and experience needed to run the Group effectively.

In line with this, the remuneration for the Executive Directors is aligned to individual and corporate performance. For the Non-Executive Directors, the level of remuneration will commensurate with the level of experience and responsibilities undertaken by them.

The remuneration of the Executive Directors comprises salaries and allowances and other customary benefits made available by the Group. The remuneration of the Non-Executive Directors comprises fees, salaries, allowances and other customary benefits. The aggregate annual directors' fees for the Independent Non-Executive Directors as recommended by the Board are to be approved by shareholders at the Annual General Meeting.

The details of the remuneration of Directors of the Company for the financial year ended 30 June 2015, categorised into appropriate components are as follows:-

	Fees-current financial year RM	Fees-overprovision in previous financial year RM	Salaries & other emoluments RM	Benefits in kind RM	Total RM
Executive Directors	–	–	1,855,000	23,000	1,878,000
Non-Executive Directors	64,000	(64,000)	1,502,000*	11,000	1,513,000

* This includes the aggregate remuneration of two Non-Independent Non-Executive Directors of the Company who are Executive Directors of certain subsidiary companies.

The remuneration of the Directors are further analysed by applicable bands of RM50,000 which comply with the disclosure requirements under the Listing Requirements. The Board is of the view that the transparency and accountability aspect of corporate governance which is applicable to Directors' Remuneration are appropriately served by the band disclosure.

2 STRENGTHEN COMPOSITION (Cont'd)

c) Remuneration (Cont'd)

The aggregate remuneration of Directors analysed into the appropriate bands are as follows:-

Range of remuneration	Executive Directors	Non-Executive Directors
Below RM50,000		2
RM350,001 to RM400,000	1	1
RM1,100,001 to RM1,150,000		1
RM1,500,001 to RM1,550,000	1	

3 REINFORCE INDEPENDENCE

a) Annual Assessment of Independence

The Board recognises the importance and contribution of its Independent Non-Executive Directors. The Independent Non-Executive Directors provide independent assessment and judgement on corporate proposals undertaken by the Group. They fulfill a pivotal role in bringing corporate accountability and independent, unbiased judgement and advice to bear on the Board's deliberation and decision-making. The role of the Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the Executive Directors and management team are discussed and examined fully and to take into account long-term interest of all parties affected by the Group's business activities. The Independent Non-Executive Directors are independent of the management and the major shareholders.

The Board with the assistance of the Nomination Committee assess the Independent Non-Executive Directors on an annual basis, to ensure the Independent Non-Executive Directors bring independent and objective judgement to the Board and to mitigate conflict of interest or undue influence from interested parties. Should any Director have an interest in any matter under deliberation, he is required to disclose his interest and abstain from participating in deliberation on the matter.

b) Boardroom Gender Diversity

The Board takes cognizance of gender diversity in the boardroom as recommended by the MCCG 2012 to promote the representation of women in the composition of the Board. Presently, there are two (2) female Directors on the Board of the Company. Although the Board does not have a policy on Boardroom gender, the Board believes in providing equal opportunities to all genders based on merit.

c) Tenure of Independent Directors

One of the recommendations of the MCCG 2012 provides that the tenure of an Independent Director should not exceed nine (9) years of service. After completion of the nine (9) years, the Independent Director may continue to serve on the board subject to the Director's re-designation as a Non-Independent Director. The Board does not limit the tenure for Directors as the Board is of the view that there are significant advantages gained from long-serving Directors who possess valuable knowledge of the Group's operations. Subject to the annual assessment and the Board's recommendation, the Independent Directors who have served the Board for a cumulative term of more than nine (9) years may continue to serve on the Board without re-designation.

Statement On Corporate Governance (Cont'd)

3 REINFORCE INDEPENDENCE (Cont'd)

c) Tenure of Independent Directors (Cont'd)

Currently, the longest serving Independent Director is Y.A.M Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP, who has served the Board for twenty nine (29) years. However, the Nomination Committee and the Board have assessed the independence of Y.A.M Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP and are satisfied with the skills, contribution and independent judgement that she brings to the Board and she remains objective and independent in expressing her views and in participating in deliberations and decision making of the Board and Board Committees. The Board takes the view that the Independent Director concerned shall continue to serve on the Board without re-designation.

In line with the Recommendation 3.3 of the MCCG 2012, the Company will be seeking the shareholders' approval at the forthcoming Annual General Meeting to retain Y.A.M Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP as an Independent Director of the Company.

d) Separation of Position of the Chairperson and Chief Executive Officer

One of the recommendations of MCCG 2012 states that the position of the Chairperson and Chief Executive Officer should be held by different individuals and the Chairperson must be a Non-Executive member of the Board. The Chairperson of the Company is held by an Independent Non-Executive Director of the Board.

There is a clear division of responsibilities on the differing roles of the Chairperson and the Chief Executive Officer to ensure a balance of authority and power. The Chairperson heads the Board and is responsible for ensuring the Board meets regularly and ensure its effectiveness and standards of conduct. She has authority over the general agenda for each Board meeting to ensure that all Directors are provided with relevant information on a timely basis. The general agenda may include minutes of prior meetings of the Board, review of the Group's periodic financial reports, proposal papers from the management, matters requiring the Board's deliberation and approval and other reports.

The Chief Executive Officer is responsible to the Board for the management and performance of the Group's businesses and resources within the framework of the Group's policies, reserved powers and routine reporting requirements.

4 FOSTER COMMITMENT

The Directors are required to devote sufficient time and efforts to carry out their duties and responsibilities. The Board obtains this commitment from Directors at the time of their appointment. Each Director is expected to commit time as and when required to discharge their duties and responsibilities effectively, besides attending meetings of the Board and Board Committees.

a) Board Meetings

The Board has five (5) scheduled meetings annually, with additional meetings held as and when urgent issues and important matters arise that are required to be taken between the scheduled meetings. There were seven (7) Board meetings held during the financial year ended 30 June 2015.

Statement On Corporate Governance (Cont'd)

4 FOSTER COMMITMENT (Cont'd)

a) Board Meetings (Cont'd)

The date and time of the Board meetings were as follows:-

Date of Meetings	Time
25 July 2014	12.30 p.m.
26 August 2014	12.00 noon
28 October 2014	12.00 noon
27 November 2014	12.00 noon
26 February 2015	12.00 noon
27 February 2015	12.00 noon
15 May 2015	12.00 noon

Details of attendance of the Directors at the Board meetings were as follows:-

Directors	Attendance and number of meetings during the financial year
Y.A.M Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP	7/7
Dato' Sri Thong Kok Khee	7/7
Dato' Wong Gian Kui	7/7
Dato' Dr Tan Seng Chuan	7/7
Mr Oh Seong Lye	7/7
Ms Soon Li Yen	7/7

b) Training and Continuing Board Development

All the Directors have attended and completed the Mandatory Accreditation Programme in compliance with the Listing Requirements and are encouraged to attend training programmes to update themselves on new developments in the industry as well as new regulations and statutory requirements.

During the financial year, the Directors assessed and identified their own training needs and attended the following seminars, conferences and/or training programmes :-

(i) Mr. Oh Seong Lye attended Audit Committee Conference 2015 and Getting to know GST Essentials held in March 2015.
(ii) Dato' Dr. Tan Seng Chuan attended Corporate Governance and Risk Management (for Banks and Quasi-Banks) held in March 2015.
(iii) Ms. Soon Li Yen attended Directors Breakfast Series: Great Companies Deserve Great Boards held in October 2014.
(iv) Dato' Wong Gian Kui and Y.A.M Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP attended Annual Anti-Money Laundering & Anti-Terrorism Financing training held in March 2015.

The Board acknowledges that continuous education is essential in keeping them abreast of corporate developments. The Directors have constantly obtain relevant materials and technical updates to enhance their knowledge in order to discharge their duties effectively as Directors of the Company.

Statement On Corporate Governance (Cont'd)

5 UPHOLD INTEGRITY IN FINANCIAL REPORTING

a) Financial Reporting

The Board has taken reasonable steps to provide a balanced and understandable assessment of the Group's financial performance and prospects, primarily through the annual report and quarterly financial statements.

The Board has also empowered the Audit Committee to review the Group's financial reports to ensure conformity with the applicable Malaysian Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia before the financial statements are recommended to the Board for consideration and approval for release to the public.

b) Statement on the Board of Directors' Responsibility for Preparing the Financial Statements

The Board is collectively responsible for ensuring that the financial statements give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2015 and of its performance and cash flows for the financial year ended on that date.

The Directors are pleased to announce that in preparing the financial statements for the financial year ended 30 June 2015, the Group and the Company have:-

a) ensured compliance with the requirements of the applicable Malaysian Financial Reporting Standards issued by Malaysian Accounting Standards Board and the provisions of the Companies Act, 1965 in Malaysia;
b) adopted and consistently applied the appropriate and relevant accounting policies; and
c) exercised judgements and estimates that are prudent and reasonable.

The Directors are also responsible for ensuring that the Group and the Company keep proper accounting records. In addition, the Directors have overall responsibilities for proper safeguarding of the assets of the Group and the Company and taking such reasonable steps for the detection and prevention of fraud and other irregularities.

c) External Auditors

Through the Audit Committee, the Group has established a transparent and formal relationship with the Group's external auditors in seeking professional advice and ensuring compliance with the applicable Malaysian Financial Reporting Standards and statutory requirements.

The Group's external auditors report to the Audit Committee on any weaknesses in the Group's system of internal control, any non-compliance of financial reporting standards and communication of fraud that have come to their attention in the course of their audit.

The Group's external auditors also fulfill an essential role to the shareholders of the Company and other users of the financial statements by enhancing the reliability of the financial statements.

In assessing the independence of the external auditors, the Audit Committee requires written assurance by the external auditors, confirming that they are, and have been independent throughout the conduct of the audit engagement of the Group and the Company in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

d) Audit Fees

The total of the statutory and non-statutory audit fees (excluding expenses and taxes) charged by the external auditors for the financial year ended 30 June 2015 amounted to RM374,000 (2014: RM370,000).

e) Non Audit Fees

The total of the non-audit fees (excluding expenses and taxes) charged by the external auditors for the financial year ended 30 June 2015 for services performed for the Group amounted to RM185,000 (2014: RM116,000).

6 RECOGNISE AND MANAGE RISKS

The Board is responsible for the Group's risk management and system of internal control and recognise the importance of maintaining a sound system of internal control to safeguard the shareholders' investment and the Group's assets.

To assist the Board in discharging the above duty, the Board has the support of an internal audit function which reports directly to the Audit Committee. The internal audit function provides assurance on the adequacy, efficiency and effectiveness of the system of internal control within the Group. The works of the internal audit function are focused towards the areas of priority identified in accordance to the annual audit plan approved by the Audit Committee.

The information on the Group's risk management and internal control are set out in the Statement on Risk Management and Internal Control on page 18 of the Annual Report.

7 ENSURE TIMELY AND HIGH QUALITY DISCLOSURE

The Board acknowledges the importance of policies and procedures to enable comprehensive, accurate and timely disclosures relating to the Company and its subsidiaries to be made to the regulators and investing public.

The Board observes the Corporate Governance Guide issued by Bursa Malaysia Securities Berhad which can be viewed at the website of Bursa Malaysia Securities Berhad at www.bursamalaysia.com. The Board is also committed to adhere to and comply with the disclosure requirements of the Main Market Listing Requirements.

The Company maintains a corporate website at www.insas.net where shareholders as well as members of the public can access the latest information on the Group. The Company's website incorporates an "Investor & Media" section to provide announcements made by the Company and annual reports of the Company.

Alternatively, the Group's latest announcements may be obtained via the website of Bursa Malaysia Securities Berhad at www.bursamalaysia.com.

8 STRENGTHEN RELATIONSHIP BETWEEN COMPANY AND SHAREHOLDERS

The Board recognises the importance of maintaining effective communication with shareholders, stakeholders and the public on all material business matters affecting the Company and the Group. In addition to the announcements on the quarterly results and other corporate news, press releases and announcements for public dissemination are made periodically to capture any significant corporate event that would be of interest to investors and members of the public. The Board places emphasis on timely and equitable dissemination of information to shareholders and investors to keep them informed of the Group's performance, corporate strategy and major developments.

Announcements to Bursa Malaysia Securities Berhad on corporate proposals, quarterly results, annual reports and other public announcements are accessible to shareholders through Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com or the Company's website at www.insas.net.

Key investor relation activities such as dialogues with financial and research analysts and investors are held to provide constructive communications on matters concerning the Group.

Shareholders are presented a review of financial performance for the financial year at each Annual General Meeting. The Company's Annual General Meeting has always been well attended and is the principal forum for dialogue and interaction with the shareholders. It has always been the practice for the Chairperson to invite the shareholders to raise any questions that they may have in relation to the Group's activities, financial performance and prospects and the shareholders' comments and suggestions noted by the Board for consideration.

All the resolutions set out in the Notice of the last Annual General Meeting and Extraordinary General Meeting were put to vote by poll and duly passed. The outcome of the Annual General Meeting and Extraordinary General Meeting were announced to Bursa Malaysia Securities Berhad on the same meeting day. The Board will ensure that substantive resolutions are voted by poll and will make an announcement of the detailed results showing the number of votes cast for and against each resolution at general meeting is complied with.

Statement On Corporate Governance (Cont'd)

9. ADDITIONAL COMPLIANCE INFORMATION

a) Share buybacks

During the financial year, the Company bought back a total of 1,200,000 of its issued shares from the open market. The details of the cumulative shares bought back are set out in Note 24 of the audited financial statements on page 100 of the Annual Report.

b) Shares, Share Options, Warrants and Convertible Securities

There were no ordinary shares issued during the financial year. There were no share options, warrants or convertible securities exercised or converted into ordinary shares of the Company during the financial year.

During the financial year, a total of RM132,601,268 nominal amount of 4% redeemable preference shares 2015/2020 ("RPS") were issued with 265,202,536 detachable Warrants on the basis of RM1.00 nominal amount of RPS with two (2) Warrants attached for every five (5) existing ordinary shares of RM1.00 each held in the Company.

Utilisation of proceeds from the issuance of the RPS is disclosed in Note 9(g) of this Statement. The terms of the Warrants and RPS are disclosed in Note 25 and Note 28(a) to the financial statements.

As at the end of the financial year, there is no Warrant that has been exercised into ordinary shares in the Company.

c) Depository Receipt Programme

The Company did not sponsor any depository receipt programme during the financial year.

d) Sanctions and/or penalties

There were no sanctions and/or penalties imposed on the Group, its directors or management by the relevant regulatory bodies during the financial year save that M&A Securities Sdn Bhd ("M&A"), a wholly owned subsidiary of the Company was private reprimanded and fined a total of RM10,000 by Bursa Malaysia Securities Berhad for failure to comply with:-

i) Bursa Malaysia Securities Berhad's Rules 13.13(a);
ii) Paragraph 1.1(3) of Directives No. 13-001 of the Participating Organisations' ("POs'") Directives and Guidance; and
iii) ITSS 7 of the POs' Information Technology Security Code in Appendix 2 of Directives No. 5.05-001 of the POs' Directives and Guidance.

M&A has since taken remedial action to correct the weaknesses highlighted with the aim to prevent occurrence of similar non-compliance in the future.

e) Variation in results

There is no material deviation between the profit after taxation and non-controlling interests in the announced unaudited consolidated income statement and the audited consolidated income statement for the financial year ended 30 June 2015.

There was no profit estimate, forecast or projection issued by the Group and the Company during the financial year.

f) Profit Guarantee

There was no profit guarantee given by the Group and the Company during the financial year under review.

9. ADDITIONAL COMPLIANCE INFORMATION (Cont'd)

g) Utilisation of Proceeds raised from Corporate Proposals

The Company received proceeds amounting to RM132,601,268 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 30 June 2015:-

Purpose	Approved utilisation RM'000	Amount utilised RM'000	Balance unutilised RM'000
Capital injection into M&A Securities Sdn Bhd, a wholly-owned subsidiary company	60,000	60,000	-
Capital injection into Insas Pacific Rent-A-Car Sdn Bhd, a wholly-owned subsidiary company	5,000	5,000	-
Repayment of bank borrowings	20,000	20,000	-
Subscription of rights issue in an associate company	30,000	30,000	-
Working capital and general business purposes	16,201	1,266	14,935
To defray expenses relating to the rights issue	1,400	1,400	-
Total	**132,601**	**117,666**	**14,935**

h) Material Contracts

There were no material contracts entered into by the Group involving directors and substantial shareholders during the financial year.

i) Corporate Social Responsibility

The Group continues to place emphasis on the need to conserve resources and care for the environment. To support this objective, the Group adopts environmentally friendly practices such as recycle and reuse, promote the use of electronic mail to reduce the use of paper and conserve energy at workplace. The Group is also focused on reaching out to the community. During the financial year under review, the Group's operating subsidiary companies provided monetary contributions and welfare and accommodation facilities to various charitable and religious organisations in the country. The Group will continue its effort to discharge its role as a responsible and caring corporate citizen.

COMMITMENT

The Board will continuously review its principles and practices in corporate governance in its efforts to achieve the highest standards of corporate governance throughout the Group.

This Statement is made in accordance with a resolution of the Board of Directors dated 16 October 2015.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Insas Berhad ("the Board") is committed to maintain a sound system of internal control and risk management practices to safeguard shareholders' investment and the Group's assets. The Board is pleased to provide the Statement on Risk Management and Internal Control which is made pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, which requires the Board of Directors of public listed companies to make a statement about the state, nature and scope of the system of internal control of the listed entity as a Group in the Annual Report.

ACKNOWLEDGEMENT OF RESPONSIBILITY FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board affirms its overall responsibility for the Group's risk management and system of internal control which include the establishment of appropriate control environment as well as review the adequacy, effectiveness and integrity of the Group's internal control, risk management practices and management information systems. In view of the inherent limitations in any system of internal control, the system is designed to manage rather than eliminate the risk of failure to achieve its corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material errors, misstatement, financial losses or fraud. The system of internal control includes inter alia, financial, operational, information technology, organisation, compliance and risk management controls.

Also, the Group's system of internal control involves all management and employees of the Group from each business unit. The Board is responsible for determining key strategies and policies for significant risks and controls issues, whilst the management team and functional key employees of the Group's operating units are responsible to implement the Board's policies effectively by designing, executing, monitoring and managing the risk management and internal control processes.

The Board confirms that there is an ongoing process, for identifying, evaluating and managing the significant risks faced by the Group throughout the financial year, which is regularly reviewed by the Board through its Audit Committee, which dedicates separate time for discussion on this matter.

RISK MANAGEMENT FRAMEWORK

The Group has an ongoing risk management process for identifying, evaluating, managing and reviewing significant risks faced by the businesses in the Group. The risk management process involves all business and functional units of the Group in identifying the significant risks affecting the achievement of business objectives and the effectiveness of controls in place to manage them.

The Board recognises that risk management is an integral part of the system of internal control and good management practice that is critical to the Group's continued profitability and for enhancement of shareholders' value.

The significant business risks faced by the respective business units and key issues pertaining to operational and external environment are reviewed by the management team of each business unit. The responsibility of managing these risks lies with the respective head of units. Key risks relating to the business units' operations are addressed at periodic management meetings.

The Group has an on-going credit risk management process undertaken by the respective units' management team to identify, assess and evaluate principal credit risks and to ensure that appropriate risk treatments are in place to mitigate these risks affecting the achievement of the Group's objectives.

Management reports the monitoring of the risks to the Executive Deputy Chairman/Chief Executive Officer, whose main role is to assess, on behalf of the Board of Directors, the key risk inherent in the businesses and the system of internal control that are in place to manage these risks. Changes in the businesses, operations and the external environment that result in significant risks will be reported to the Audit Committee and the Board accordingly.

The Board undertakes ongoing reviews of key commercial and financial risks facing the Group's main businesses together with more general risks such as those relating to compliance with law and regulations.

Statement On Risk Management And Internal Control (Cont'd)

KEY ELEMENTS OF THE GROUP'S SYSTEM OF INTERNAL CONTROL

The framework of the Group's system of internal control and the key procedures include:-

1. **Management and direction of the Group's businesses**

   The Chief Executive Officer ("CEO") is empowered to manage the businesses of the Group and is accountable for the conduct and performance of the Group's businesses within agreed business strategies. The CEO reports to the Board on significant changes in the businesses and external environments which are relevant to the businesses. The CEO also implements the Board's expectations of the system of internal control.

2. **Investment and capex appraisals**

   The CEO and the key management team review material investments and the performance of significant projects undertaken by the Group and make appropriate recommendations and evaluations to be brought to the Board's attention.

   Proposals for substantial and major capital expenditure of the Group are reviewed and approved by the Board.

3. **Financial and operational review and reporting**

   The key management team reviews and reports on significant operational, financial, risk management and legal issues of key operating subsidiaries and associated companies and ensure that remedial actions are taken by the management of the subsidiaries and associated companies concerned to address deficiencies that arise.

   The CEO and the key management team attend management and operational meetings to review financial and operations reports and to monitor the performance and profitability of the Group's businesses. Any deviation in corporate strategy and business objectives are deliberated and necessary action will be instituted. The CEO practices an 'open door' policy whereby matters arising are promptly highlighted and immediately dealt with.

4. **Scheduled Board meetings**

   The Board meets quarterly and at other scheduled intervals when necessary to maintain full and effective supervision of the Group's activities and operations. The General Manager – Finance and the Company Secretaries will lead the presentation of board papers and provide comprehensive explanations on pertinent issues and the Board will go through thorough deliberation and discussion before arriving at any decision which has a bearing on the Group.

   The Board reviews the financial and operating information and key performance indicators of strategic business units and legal and regulatory matters on a quarterly basis.

5. **Audit Committee**

   The Board has the assistance of the Audit Committee whose principal duty is to review and monitor the effectiveness of the Group's system of internal control. The Audit Committee meets with the Group's principal external auditors at least twice a year and when the need arises to review the audit findings arising from the statutory audit of the financial statements and their tests on the system of internal control.

   The Audit Committee also meets with the internal auditors quarterly and at other scheduled intervals when necessary to deliberate on the findings, recommendations and implementation of the recommendations of the audit of the various business units and operations as approved by the Audit Committee in its annual internal audit plan.

6. **Organisational Structure**

   The Group has an organisational structure which defines the responsibilities and appropriate level of empowerment at various authorisation levels. This is to facilitate quality and timely decision-making process at the appropriate level in the organisation hierarchy.

Statement On Risk Management And Internal Control (Cont'd)

KEY ELEMENTS OF THE GROUP'S SYSTEM OF INTERNAL CONTROL (Cont'd)

7. Centralised support functions

The Group also has in place key support functions, which are managed centrally at its Corporate Office. These comprise Group Secretarial and Share Registration, Legal, Human Resource, IT, Finance, Treasury and Tax Compliance functions. These support functions ensure consistency and compliance in the setting and application of policies and procedures relating to these functions thus reducing duplication of efforts and thereby providing synergy to the Group.

8. Defined accountability and authorisation levels

The senior employees and management team of key subsidiary companies are responsible for:-

- the conduct and performance of their respective business units;
- identification and evaluation of significant risks applicable to their respective businesses together with the design and institution of suitable internal controls; and
- meeting defined reporting deadlines and ensuring compliance with policies, procedure and regulatory requirements;

9. Budgeting Process

Detailed budgeting process and development of business strategies whereby key operating subsidiaries prepare budgets for the coming year, which are approved at the operating level. Key performance indicators are set for each of these operating subsidiaries and the performance are monitored via reporting system which highlights significant variances against budgets for investigation and follow-up by the management of the respective operating subsidiaries.

10. Specific credit risk management

The Board, through the relevant management team, adopted a prudent approach with regard to the management of credit risks. Procedures on credit application, review and approval of high value loans by the subsidiary company in the money lending and structured finance business are undertaken by designated senior management personnel to ensure credit risk is contained and the loans are properly and adequately securitised. Procedures for recovery for loans exceeding their credit limit are also in place.

11. Human resource management

The Board considers the integrity of employees at all levels to be of utmost importance, and this is pursued through its comprehensive and structured recruitment, appraisal and reward program. The Group also has ongoing training and development programs to ensure the Group attracts, motivates and retains competent and skilled employees.

Corporate values and code of conduct, which emphasize on the importance of key values such as loyalty, integrity, professionalism and cohesiveness are communicated to all employees and are set out in the Group's Employee Handbook.

12. Annual statutory audit

The external auditors provide assurance in the form of their annual statutory audit of the financial statements and review of internal control relevant to the preparation of financial statements of the Group. Areas for improvement identified during the course of the statutory audit by the external auditors are brought to the attention of the Audit Committee through management letters or are deliberated at the Audit Committee meetings.

Statement On Risk Management And Internal Control (Cont'd)

KEY ELEMENTS OF THE GROUP'S SYSTEM OF INTERNAL CONTROL (Cont'd)

13. Internal audit

The Board has the support of an internal audit function, which was established in financial year ended 30 June 2009. The internal audit function provides assurance on the adequacy, efficiency and effectiveness of the system of internal control within the Group. The works of the internal audit function are focused towards the areas of priority identified in accordance to the annual audit plan approved by the Audit Committee.

The internal audit function independently reviews the internal control processes implemented by the management. At least once every quarter, they will report to the Audit Committee their findings and highlight significant issues and exceptions, if any, identified during the course of their review together with the appropriate corrective actions to the Audit Committee.

The Board does not regularly review the system of internal control of its associate companies as the Board does not have any direct control over their operations. Notwithstanding this, the Group's interest is served through representation on the boards of the respective associate companies and receipt and review of monthly management reports and inquiry thereon. Where practical, the Group would request for functional, operating and other financial information prepared in accordance with reporting standards that are acceptable to the Group in assessing the performance of these entities with the objective of safeguarding the investment of the Group.

Internal Audit Function

The Board recognised that an internal audit function is necessary to provide independent assessment on the Group's system of internal control and in the assessment of potential risks exposures in key business processes and in controlling the proper conduct of businesses within the Group.

During the financial year ended 30 June 2009, the Board established an internal audit function as an independent appraisal function following the formal adoption of the Internal Audit Charter by the Audit Committee. The internal audit function reports to the Audit Committee, whose authority is sufficient to ensure a broad range of audit coverage and adequate consideration of effective action on internal audit findings and recommendations. The internal audit function aims to provide the Audit Committee with independent and objective advices on the effectiveness of the internal controls within the Group's businesses and operations. The annual audit plan, established primarily on a risk based approach, is received and approved by the Audit Committee.

The scope of the internal audit function encompasses examining and evaluating the adequacy, effectiveness and efficiency of the Group's system of internal control. The scope of the examination and the evaluation performed includes the review of:

a) risks identification and ways to manage the risk;
b) the internal controls established to ensure compliance to internal policies and procedures, relevant laws, guidelines and regulations that could have a significant impact on the Group's operations;
c) the means of safeguarding the Group's assets and verification of their existence; and
d) the efficiency which resources are utilised and employed.

The activities of the internal audit function during the year were as follows:

<u>On selected operating units within the Group:</u>

Reviewed the effectiveness of the existing system of internal control and efficiency in managing operations, compliance with relevant regulations and internal procedures and ascertained the adequacy and completeness of procedures implemented.

Statement On Risk Management And Internal Control (Cont'd)

Internal Audit Function (Cont'd)

On selected operating units within the Group (Cont'd):

Furthermore, the internal audit function reviewed the effectiveness of credit management, accountability of revenue and expenses and safekeeping of supporting documents.

On the stock broking subsidiary company:

a) Review the timeliness and completeness of the Liquidity Risk Management (LRM) and the Automated Risk Management and Decision Making Analysis (ARMADA) systems to ensure compliance with the rules and regulations stipulated by the authorities.
b) Review the existing system of internal control and efficiency in managing the research department activities to be in compliance with the rules and regulations stipulated by the authorities.
c) Review the effectiveness of the security and internal controls of the information technology system in response to cyber incidences of any nature.
d) Review the implementation process of the GST module in the back-office system to ensure compliance with Information Technology Code issued by Bursa Malaysia Securities Berhad and the principles set by the Royal Malaysian Customs.
e) Review the adequacy of existing system of internal control and efficiency of the Human Resource Department in managing HR related matters.
f) Review the existing system of internal control and efficiency in managing the Credit Control Department. This review was conducted in Ipoh Branch Office.
g) An independent audit review on the work performed by the Compliance Officer as required by the Securities Commission Malaysia under the Guidelines on Prevention of Money Laundering and Terrorism Financing for Capital Market Intermediaries on Compliance and Training. Furthermore, review was conducted in Ipoh Branch Office to ensure the overall compliance to the said Guidelines issued by the Securities Commission Malaysia.

The cost incurred by the internal audit function in carrying out its duties in respect of the financial year ended 30 June 2015 were as follows :

	RM
Staff cost	177,023
Reimbursements on travelling, accommodation, and other out of pocket expenses	8,777
Total	185,800

Effectiveness of the Group's Risk Management and System of Internal Control

The Board reviews the effectiveness of the Group's risk management and system of internal control towards ensuring their effectiveness which will continue to be reviewed, enhanced and updated in line with the changes in the operating environment. The Board also has the assurance of the CEO and the General Manager–Finance that there were no significant weaknesses in the Group's risk management and system of internal control that may have an adverse effect on the Group's financial results and financial position for the year under review.

The Board is of the view that the current risk management and system of internal control that have been put in place throughout the Group is sufficient to safeguard the Group's assets and prevent any material loss to the Group and there were no significant deficiencies or weaknesses that resulted in material losses or contingencies to the Group during the financial year that would require disclosure in the Annual Report.

This Statement is made in accordance with a resolution of the Board of Directors dated 16 October 2015 and has been reviewed by the external auditors as required pursuant to Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

AUDIT COMMITTEE REPORT

The Board of Directors of Insas Berhad is pleased to present the report of the Audit Committee for the financial year ended 30 June 2015.

THE AUDIT COMMITTEE

The Audit Committee comprises three members of whom two are Independent Non-Executive Directors.

The members of the Audit Committee during the financial year ended 30 June 2015 are as follows:

YAM Tengku Puteri Seri Kemala Pahang Tengku Hajjah
Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP
Chairperson / Independent Non-Executive Director

Mr. Oh Seong Lye
Independent Non-Executive Director

Ms. Soon Li Yen
Non-Independent Non-Executive Director

TERMS OF REFERENCE OF THE AUDIT COMMITTEE

1. Objective

The principal objective of the Audit Committee is to assist the Board of Directors in fulfilling its fiduciary duties and responsibilities by reviewing the financial reporting process, the system of internal control, the audit process and the Group's process for monitoring compliance with laws and regulations, in particular to:-

a) ensure transparency, integrity and accountability of the Group's activities so as to safeguard the rights and interests of the shareholders;
b) assist the Board in discharging its fiduciary duties and responsibilities in relation to management of principal risks and compliance with statutory, legal and regulatory requirements;
c) evaluate and monitor the financial reporting process and provide assurance that the financial information provided by the management is relevant, reliable and timely;
d) ensure the adequacy, effectiveness and integrity of the Group's system of internal control in carrying out the Group's operations;
e) ensure regular scheduled meetings are held between the Board, the senior management and the internal and external auditors as a forum for communication between these parties;
f) ensure the independence of the Company's external auditors and its ability to conduct its audit without any restriction;
g) review the adequacy of the scope, function, competency and resources of the internal audit function and that it has the necessary authority to carry out its work; and
h) undertake any other duties as may be appropriate and necessary to assist the Board.

Audit Committee Report (Cont'd)

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (Cont'd)

2. Composition

The Audit Committee shall be appointed by the Board from amongst their number and shall consist of no fewer than three (3) members. The members of the Audit Committee shall elect a Chairman from among their number, who shall be an Independent Non-Executive Director. No alternate director shall be appointed as a member of the Audit Committee. In the event of a vacancy in the Audit Committee, the Board shall appoint a new member within three (3) months to fill up the vacancy.

At least one member of the Audit Committee must be:-

a) a member of the Malaysian Institute of Accountants; or
b) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:–

   (i) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or

   (ii) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or

   (iii) the Company will ensure the composition of the Audit Committee shall comply with other requirements as prescribed or approved by Bursa Malaysia Securities Berhad from time to time.

The terms of office and performance of each member of the Audit Committee shall be reviewed at least once every three years by the Board.

3. Authority

The Audit Committee is empowered by the Board of Directors to:

a) investigate any matters within its terms of reference;
b) have full and unrestricted access to all information and documents in relation to the Group;
c) have direct communication channels with the external auditors, the internal auditors and to all employees of the Group;
d) have the resources which are required to perform its duties;
e) obtain or secure external, legal or other independent professional advice and the attendance of external parties with relevant experience and expertise, at the Group's expenses if it considers necessary; and
f) have the rights to convene meetings with the external auditors, the internal auditors or both excluding the attendance of other directors and employees of the Group and may extend invitation to other non-member directors and employees of the Group to attend to a specific meeting, whenever it considers necessary.

4. Meetings and Attendance

The Audit Committee shall meet at least 5 times a year or at a frequency to be decided by the Audit Committee. It shall convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Group, whenever deemed necessary. The Audit Committee may invite other Directors and employees to be present to assist in resolving and clarifying matters raised. The General Manager –Finance and other senior management employee shall normally attend the meetings. At least twice a year, the Audit Committee shall meet with the external auditors.

The Chairman may also convene a meeting of the Audit Committee if requested to do so by any member, the management or the external auditors to consider any matters within the scope of its duties and responsibilities.

The quorum for each meeting shall be at least 2 members.

To ensure critical issues are highlighted to all the Board members in a timely manner, where possible, the Audit Committee meetings are convened prior to the Board meetings. The issues raised at the Audit Committee meetings will be further deliberated at Board level if necessary. Minutes of the Audit Committee will be circulated to the Board at the next scheduled meeting.

Audit Committee Report (Cont'd)

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (Cont'd)

4. Meetings and Attendance (Cont'd)

Five (5) Audit Committee meetings were held during the financial year ended 30 June 2015 as follows:-.

Date of Meetings	Time
26 August 2014	11.00 a.m.
28 October 2014	10.30 a.m.
27 November 2014	10.30 a.m.
26 February 2015	10.30 a.m.
15 May 2015	10.00 a.m.

Attendance at the Audit Committee meetings held during the financial year ended 30 June 2015 were as follows:-

Name of Members	Attendance and number of meetings
YAM Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP	5/5
Mr Oh Seong Lye	5/5
Ms Soon Li Yen	5/5

5. Voting and proceeding at meetings

The decision of the Audit Committee shall be by a majority of votes and the determination by a majority of members shall for purposes be deemed a determination of the Audit Committee. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.

6. Secretary, keeping of minutes and custody, production and inspection of minutes

The Company Secretaries shall be the secretaries to the Audit Committee and shall be responsible in drawing up the agenda and circulating it to the members of the Audit Committee prior to each meeting. The Company Secretaries shall also be responsible for keeping minutes of the meetings and circulate them to the members of the Audit Committee and to the other members of the Board where issues can be further deliberated where necessary.

The minutes of the meetings shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.

The minutes of proceedings of the Audit Committee shall be kept by the Company Secretaries at the registered office of the Company, and shall be open to the inspection by any member of the Audit Committee or any member of the Board.

7. Duties and Responsibilities

In fulfilling its purpose, the Audit Committee undertakes the following duties and responsibilities:-

a) To oversee matters relating to external audit including the review of the audit plan in particular the adequacy of existing external audit arrangements with emphasis on the scope, quality and findings of the audit, the auditors' management letters and the management's response thereto and the Auditors' Report;

Audit Committee Report (Cont'd)

TERMS OF REFERENCE OF THE AUDIT COMMITTEE (Cont'd)

7. Duties and Responsibilities (Cont'd)

b) To evaluate the standards of the system of internal control and financial reporting including review with the Group's external and internal auditors, their evaluation of the system of internal control and ensure the Group's external and internal auditors' recommendations regarding major management and internal control weaknesses are implemented;

c) To review the adequacy of the scope, function, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;

d) To review and consider the scope and results of the internal audit programs and its procedures;

e) To consider any significant audit findings reported by the internal audit function and management's responses thereto and review whether appropriate actions are taken by management on the internal audit recommendations;

f) To review the quarterly and annual audited financial statements before submission to the Board, with special focus on:-
- any changes in or implementation of major accounting policies and practices,
- the use of critical accounting estimates, assumptions and judgments affecting the reported amounts of revenue, expenses, assets and liabilities in the financial statements;
- significant adjustments resulting from the audit;
- significant transactions and/or unusual events which are not part of the Group's businesses;
- compliance with the applicable accounting standards with particular attention to the presentation, disclosure, measurement and recognition of transactions essential to provide a complete and fair presentation of the financial affairs of the Group; and
- compliance with all other relevant statutory and regulatory disclosure requirements;

g) To review the assistance and cooperation given by the officers and employees to the external and internal auditors;

h) To review any related party transaction and conflict of interest that may arise within the Group including any transaction, procedure or course of conduct that raise question on the management's integrity;

i) To consider the appointment of the external auditors, the auditors' remuneration and any matters pertaining to resignation or dismissal of the external auditors;

j) To promptly report to Bursa Malaysia Securities Berhad any matters reported by the Audit Committee to the Board which have not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements; and

k) To consider other functions or duties as authorised by the Board.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

The major activities undertaken by the Audit Committee in the discharge of its duties during the financial year were as follows:-

<u>Financial results, Financial statements and Announcements</u>

a) Reviewed the Group's quarterly financial results including the announcement pertaining thereto, before recommending to the Board for their approval and release of the Group's results to Bursa Malaysia Securities Berhad;

b) Reviewed the Group's annual audited financial statements before recommending them for consideration and approval by the Board;

Audit Committee Report (Cont'd)

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR (Cont'd)

Financial results, Financial statements and Announcements (Cont'd)

c) Discussed and reviewed the Group's compliance, in particular the quarterly and annual audited financial statements with Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the provisions of the Companies Act, 1965 and applicable approved Malaysian Financial Reporting Standards and the changes in existing accounting standards or implementation of new accounting standards in the Group's financial statements;

Internal audit

d) Reviewed with the internal auditors, their annual audit plan and audit programs for the year ensuring the principal risk areas and key processes were adequately identified and covered in the plan;

e) Reviewed the internal audit reports issued by the internal audit function and the recommendations and improvements provided by the internal audit function and corrective actions taken by the management in addressing and resolving issues and ensured that all issues were adequately addressed on a timely basis;

f) Reviewed the results of ad-hoc investigations performed by the internal audit function and the actions taken relating to those investigations;

g) Reviewed the adequacy of resources and the competencies of staff within the internal audit department to execute the audit plan and audit programs applied in the execution of the internal audit function's work;

h) Reviewed with the internal audit function to ensure that an effective system of internal control is in place within the key processes and to ensure with reasonable assurance to minimise the occurrence of fraud and material misstatement or error;

External audit

i) Reviewed the external auditors' scope of work and audit plan for the Group;

j) Reviewed with the external auditors the results of their audit, the Auditors' Report and internal control recommendations in respect of control weaknesses noted in the course of their audit;

Risks and Controls

k) Evaluated the overall adequacy and effectiveness of the system of internal control through review of the results performed by the internal and external auditors and discussion with senior key management.

l) Reviewed and monitored the credit risk and allowance for doubtful debts if adequate with regards to the Group's receivables in particularly from its money lending and structured finance unit; and

Others

m) Reviewed the related party transactions of the Group during the financial year and its disclosure in the Group financial statements and ensured that the transactions were undertaken on the Group's normal commercial terms and that the internal control procedures with regards to the transactions were adequate, and if any conflict of interest situation could have arise that raises questions of the management's integrity.

INTERNAL AUDIT FUNCTION

The Audit Committee obtains reasonable assurance on the effectiveness of the system of internal control via the internal audit function, which shall be responsible for the regular review and appraisal of the effectiveness of the risk management, system of internal control and governance processes within the Group.

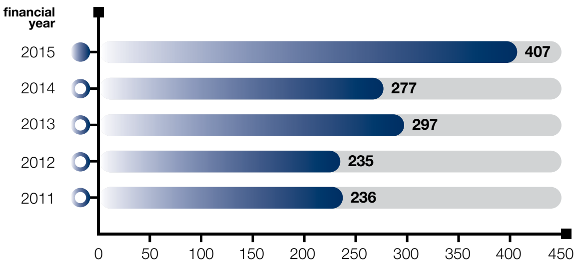
The internal audit function was performed by the in-house internal audit department set up in the financial year ended 30 June 2009.

The activities of the internal audit function during the financial year ended 30 June 2015 are included under the Statement on Risk Management and Internal Control.

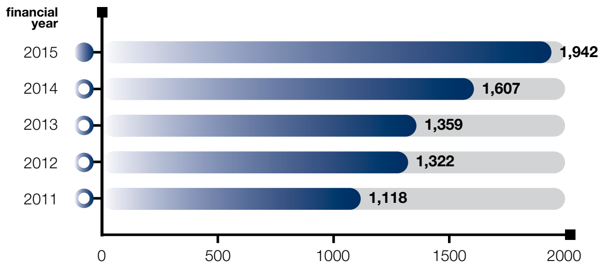
FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

	2015 RM'000	2014 RM'000	2013 RM'000	2012 RM'000	2011 RM'000
Revenue	**406,802**	276,520	297,324	235,376	235,861
Profit Before Taxation	**98,911**	171,151	62,600	11,316	105,656
Profit After Taxation attributable to Owners of the Company	**91,129**	160,404	62,041	12,601	103,034
Total Assets	**1,941,751**	1,607,052	1,359,311	1,322,399	1,118,266
Total Liabilities	**671,458**	404,234	326,097	350,985	168,703
Total Borrowings	**435,306**	282,339	169,916	242,785	66,692
Equity attributable to Owners of the Company	**1,265,770**	1,195,681	1,030,292	967,659	941,779
Number of Shares In Issue, net of treasury shares (in Thousands)	**663,007**	664,206	670,178	691,368	683,567
Earnings Per Share (in Sen)	**13.73**	24.10	9.14	1.84	15.02
Net Assets Per Share (in Sen)	**191**	180	154	140	138
Return on Equity (in %)	**7.2**	13.4	6.0	1.3	10.9
Return on Total Assets (in %)	**4.7**	10.0	4.6	1.0	9.2
Gearing ratio	**0.34**	0.24	0.16	0.25	0.07

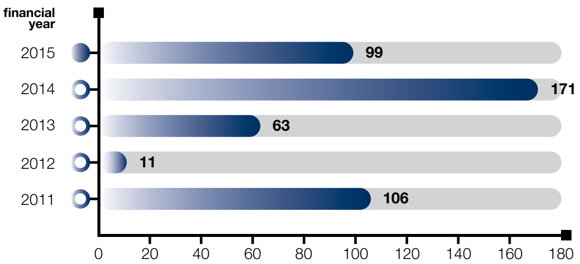
Revenue (RM'mil)



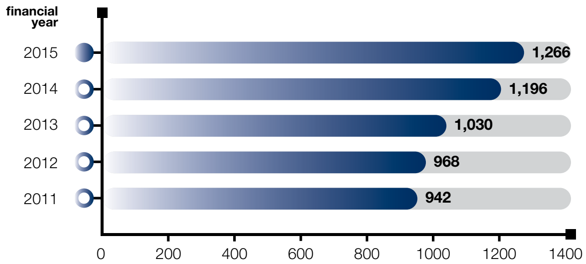
Total Assets (RM'mil)



Profit before Taxation (RM'mil)



Equity attributable to Owners of the Company (RM'mil)



DIRECTORS' REPORT AND FINANCIAL STATEMENTS

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The principal activities of its subsidiary companies, associate companies and joint ventures are disclosed in Note 51 to Note 53 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	92,483	618
Attributable to:-		
Owners of the Company	91,129	618
Non-controlling interests	1,354	–
	92,483	618

DIVIDENDS

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

The Directors do not recommend any final dividend for the financial year ended 30 June 2015.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the Notes to the financial statements.

SHARE CAPITAL AND DEBENTURES

There were no issuance of new ordinary shares or debentures during the financial year.

REDEEMABLE PREFERENCE SHARES ("RPS") AND WARRANTS

During the financial year, a total of RM132,601,268 nominal amount of 4% redeemable preference shares 2015/2020 ("RPS") were issued with 265,202,536 detachable Warrants on the basis of RM1.00 nominal amount of RPS with two (2) Warrants attached for every five (5) existing ordinary shares of RM1.00 each held in the Company. The proceeds from the issuance of RPS is used to finance capital injection into two (2) wholly owned subsidiary companies, M&A Securities Sdn. Bhd. and Insas Pacific Rent-A-Car Sdn. Bhd., repayment of the Group's bank borrowings, subscription of the rights issue of an associate company and for general working capital purposes.

The terms of the Warrants and RPS are disclosed in Note 25 and Note 28 to the financial statements respectively.

As at end of the financial year, there is no Warrant that has been exercised into ordinary shares in the Company.

TREASURY SHARES

During the financial year, the Company repurchased 1,200,000 ordinary shares of RM1.00 each of its issued and fully paid up share capital from the open market. The average price paid for the shares repurchase was RM0.8141 per share. The consideration paid for the shares repurchase including transaction cost amounted to RM976,896. The repurchased transactions were financed by internal generated funds. The shares repurchased were held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965. Of the total 693,333,633 issued and fully paid up ordinary shares in the Company, 30,327,291 shares are being held as treasury shares by the Company for the financial year ended 30 June 2015. Further relevant details are disclosed in Note 24 to the financial statements.

INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements, statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:-

(a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:-

(a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of 12 months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due other than those disclosed in the Notes to the financial statements.

At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 54 to the financial statements.

Directors' Report (Cont'd)

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Significant events after the reporting period are disclosed in Note 55 to the financial statements.

OTHER STATUTORY INFORMATION

The Directors state that:-

At the date of this report, they are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

In their opinion:-

(a) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the Notes to the financial statements; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The Directors in office since the date of the last report are:-

Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP
Dato' Sri Thong Kok Khee
Dato' Wong Gian Kui
Dr. Tan Seng Chuan
Ms. Soon Li Yen
Mr. Oh Seong Lye

In accordance with Article 96 of the Company's Articles of Association, Ms. Soon Li Yen and Mr. Oh Seong Lye retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

The shareholdings in the Company and in its related corporations of those who were Directors at the end of the financial year are as follows:-

	Number of ordinary shares of RM1 each			
Interest in the Company	**At 1.7.2014**	**Bought**	**Sold**	**At 30.6.2015**
Direct interest				
Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP	121,992	–	–	**121,992**
Dato' Sri Thong Kok Khee	2,384,678	2,800,000	–	**5,184,678**
Dato' Wong Gian Kui	395,678	–	–	**395,678**
Deemed interest				
Dato' Sri Thong Kok Khee	160,210,284	520,000	–	**160,730,284**
Dato' Wong Gian Kui	1,042,312	60,000	(25,748)	**1,076,564**

DIRECTORS (CONT'D)

The shareholdings in the Company and in its related corporations of those who were Directors at the end of the financial year are as follows (cont'd):-

	Number of ordinary shares of RM1 each			
Interest in the subsidiary companies	**At 1.7.2014**	**Bought**	**Sold**	**At 30.6.2015**
Insas Properties Sdn. Bhd.				
Direct interest				
Dato' Wong Gian Kui	80,000	–	–	**80,000**
Segar Raya Development Sdn. Bhd.				
Direct interest				
Dato' Wong Gian Kui	129,999	–	–	**129,999**
Deemed interest				
Dato' Wong Gian Kui	80,000	–	–	**80,000**
Premium Yield Sdn. Bhd.				
Deemed interest				
Dato' Wong Gian Kui	49,999	–	–	**49,999**
Dellmax Worldwide Sdn. Bhd.				
Deemed interest				
Dato' Wong Gian Kui	35,000	–	–	**35,000**

	Number of RPS of RM0.01 each			
Interest in the Company	**At 1.7.2014**	**Subscribed/ Bought**	**Sold**	**At 30.6.2015**
Direct interest				
Dato' Sri Thong Kok Khee	–	2,100,000	–	**2,100,000**
Dato' Wong Gian Kui	–	71,332	–	**71,332**
Deemed interest				
Dato' Sri Thong Kok Khee	–	55,706,385	–	**55,706,385**
Dato' Wong Gian Kui	–	139,500	(102,200)	**37,300**

	Number of Warrants			
Interest in the Company	**At 1.7.2014**	**Granted/ Bought**	**Sold**	**At 30.6.2015**
Direct interest				
Dato' Sri Thong Kok Khee	–	3,804,600	(900,000)	**2,904,600**
Dato' Wong Gian Kui	–	142,664	–	**142,664**
Deemed interest				
Dato' Sri Thong Kok Khee	–	92,059,170	(1,000,000)	**91,059,170**
Dato' Wong Gian Kui	–	279,000	(204,400)	**74,600**

Directors' Report (Cont'd)

DIRECTORS (CONT'D)

By virtue of Dato' Sri Thong Kok Khee's interest in the shares of the Company, he is also deemed interested in the shares of its related corporations to the extent that the Company has an interest under Section 6A of the Companies Act, 1965.

Other than as disclosed above, none of the other Directors in office at the end of the financial year had any interest in shares, warrants, options and debentures of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than benefits as disclosed in the Notes to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

AUDITORS

The Auditors, Messrs SJ Grant Thornton, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Board of Directors dated 16 October 2015.

Y.A.M. TENGKU PUTERI SERI KEMALA PAHANG TENGKU HAJJAH AISHAH BTE SULTAN HAJI AHMAD SHAH, DK(II), SIMP
Director

DATO' SRI THONG KOK KHEE
Director

Kuala Lumpur

STATEMENT BY DIRECTORS

We, **Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah bte Sultan Haji Ahmad Shah, DK(II), SIMP** and **Dato' Sri Thong Kok Khee**, being two of the Directors of **Insas Berhad**, do hereby state that in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2015, the financial performance and the cash flows of the Group and of the Company for the financial year then ended.

The supplementary information set out on page 152 has been prepared in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants, and the directive of Bursa Malaysia Securities Berhad.

Signed on behalf of the Board in accordance with a resolution of the Board of Directors dated 16 October 2015.

Y.A.M. TENGKU PUTERI SERI KEMALA PAHANG TENGKU HAJJAH AISHAH BTE SULTAN HAJI AHMAD SHAH, DK(II), SIMP

DATO' SRI THONG KOK KHEE

Kuala Lumpur

STATUTORY DECLARATION

I, **Dato' Sri Thong Kok Khee**, being the Director primarily responsible for the financial management of **Insas Berhad**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements and the supplementary information are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
16 October 2015)

DATO' SRI THONG KOK KHEE

Before me:

S.ARULSAMY (W.490)
Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT
to the Members of INSAS BERHAD

Report on the Financial Statements

We have audited the financial statements of Insas Berhad, which comprise the statements of financial position as at 30 June 2015 of the Group and of the Company, income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 38 to 151.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2015 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report (Cont'd)

to the Members of INSAS BERHAD

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:-

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its Malaysian subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

(b) We have considered the accounts and the auditors' reports of all the subsidiary companies of which we have not acted as auditors, which are indicated in Note 51 to the financial statements.

(c) We are satisfied that the accounts of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The audit reports on the accounts of the subsidiary companies did not contain any qualification or any adverse comment made under Section 174 (3) of the Act.

Other Reporting Responsibilities

The supplementary information set out in page 152 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by Malaysia Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other matters

This report is made solely to the member of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

SJ GRANT THORNTON
(NO. AF: 0737)
CHARTERED ACCOUNTANTS

DATO' N. K. JASANI
(NO: 708/03/16(J/PH))
CHARTERED ACCOUNTANT

Kuala Lumpur
16 October 2015

STATEMENTS OF FINANCIAL POSITION
as at 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	6	**110,357**	79,824	**237**	307
Investment properties	7	**171,875**	159,716	**–**	–
Available for sale investments	8	**47,243**	106,241	**940**	940
Held to maturity investments	9	**45,633**	29,990	**–**	–
Subsidiary companies	10(a)	**–**	–	**695,190**	166,953
Associate companies	11(a)	**224,848**	141,731	**46**	48
Joint ventures	12	**–**	–	**–**	–
Intangible assets	13	**26,050**	26,051	**–**	–
Deferred tax assets	14	**2,056**	1,733	**–**	–
Total non-current assets		**628,062**	545,286	**696,413**	168,248
Current assets					
Property development costs	15	**9,760**	9,567	**–**	–
Inventories	16	**11,899**	13,609	**–**	–
Trade receivables	17	**303,622**	341,068	**–**	–
Amount due from subsidiary companies	10(b)	**–**	–	**232,605**	694,156
Amount due from associate companies	11(b)	**92,371**	19,145	**365**	363
Other receivables, deposits and prepayments	18	**22,323**	21,276	**817**	890
Held to maturity investments	9	**6,978**	6,175	**–**	–
Financial assets at fair value through profit or loss	19	**291,080**	288,174	**–**	–
Tax recoverable		**2,055**	1,929	**887**	1,060
Deposits with licensed banks and financial institutions	20	**485,006**	319,585	**16,471**	1,073
Cash and bank balances	21	**88,595**	41,238	**4,069**	1,277
Total current assets		**1,313,689**	1,061,766	**255,214**	698,819
TOTAL ASSETS		**1,941,751**	1,607,052	**951,627**	867,067

Statements of Financial Position (Cont'd)
as at 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company					
Share capital	23	**693,334**	693,334	**693,334**	693,334
Treasury shares	24	**(14,499)**	(13,522)	**(14,499)**	(13,522)
Reserves	25	**96,061**	109,300	**52,373**	47,751
Retained earnings		**490,874**	406,569	**19,818**	25,830
		1,265,770	1,195,681	**751,026**	753,393
Non-controlling interests		**4,523**	7,137	**–**	–
TOTAL EQUITY		**1,270,293**	1,202,818	**751,026**	753,393
Non-current liabilities					
Loans and borrowings	26	**13,630**	16,278	**–**	–
Hire purchase payables	27	**37,437**	26,854	**46**	74
Deferred tax liabilities	14	**5,661**	3,801	**1,233**	40
Preference shares	28	**129,242**	–	**127,631**	–
Total non-current liabilities		**185,970**	46,933	**128,910**	114
Current liabilities					
Derivative financial liabilities	29	**9,165**	3,873	**–**	–
Trade payables	30	**63,326**	69,618	**–**	–
Amount due to subsidiary companies	10(b)	**–**	–	**68,584**	61,789
Other payables and accruals	31	**28,456**	44,591	**379**	445
Hire purchase payables	27	**18,195**	10,332	**28**	26
Loans and borrowings	26	**366,044**	228,875	**2,700**	51,300
Tax payable		**302**	12	**–**	–
Total current liabilities		**485,488**	357,301	**71,691**	113,560
TOTAL LIABILITIES		**671,458**	404,234	**200,601**	113,674
TOTAL EQUITY AND LIABILITIES		**1,941,751**	1,607,052	**951,627**	867,067

The accompanying notes form an integral part of the financial statements.

INCOME STATEMENTS
for the financial year ended 30 June 2015

	Note	Group 2015 RM'000	Group 2014 RM'000	Company 2015 RM'000	Company 2014 RM'000
Revenue	32	**406,802**	276,520	**7,117**	3,472
Cost of sales	33	**(310,018)**	(193,033)	**–**	–
Gross profit		**96,784**	83,487	**7,117**	3,472
Other income	34	**127,946**	126,719	**9,231**	10,293
Administration expenses	35	**(25,864)**	(18,561)	**(8,740)**	(6,340)
Other operating expenses	36	**(111,534)**	(56,501)	**(1,363)**	(1,422)
Finance costs	37	**(14,631)**	(9,080)	**(5,102)**	(1,604)
Exceptional item	38	**(7,155)**	(145)	**–**	–
Share of profits less losses of associate companies		**33,365**	45,232	**–**	–
Profit before tax		**98,911**	171,151	**1,143**	4,399
Tax expense	39	**(6,428)**	(10,467)	**(525)**	(82)
Profit for the financial year		**92,483**	160,684	**618**	4,317
Attributable to:-					
Owners of the Company		**91,129**	160,404	**618**	4,317
Non-controlling interests		**1,354**	280	**–**	–
		92,483	160,684	**618**	4,317
Earnings per share (sen)					
- Basic	40	**13.73**	24.10		
- Diluted		**N/A**	N/A		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF COMPREHENSIVE INCOME
for the financial year ended 30 June 2015

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Profit for the financial year	**92,483**	160,684	**618**	4,317
Other comprehensive income may be reclassified to profit or loss subsequently				
Realised fair value gain transferred to income statements upon disposal of available for sale investments, net of tax	**(49,361)**	(24,550)	**–**	–
Unrealised gain on fair value changes on available for sale investments, net of tax	**11,543**	38,318	**–**	–
Share of other comprehensive income/(loss) of investments accounted for using equity method, net of tax	**2,098**	(1,077)	**–**	–
Foreign currency translation, net of tax	**10,089**	781	**–**	–
Total other comprehensive (loss)/income for the financial year, net of tax	**(25,631)**	13,472	**–**	–
Total comprehensive income for the financial year, net of tax	**66,852**	174,156	**618**	4,317
Attributable to:-				
Owners of the Company	**65,235**	173,842	**618**	4,317
Non-controlling interests	**1,617**	314	**–**	–
	66,852	174,156	**618**	4,317

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
for the financial year ended 30 June 2015

Group	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
	<--- Attributable to owners of the Company									--->		
		<--- Non-Distributable					--->	<---Distributable--->				
Balance 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
Total comprehensive income/(loss) for the financial year												
Profit for the financial year	–	–	–	–	–	–	–	–	160,404	160,404	280	160,684
Realised fair value gain transferred to income statements upon disposal of available for sale investments, net of tax	–	–	(24,550)	–	–	–	–	–	–	(24,550)	–	(24,550)
Unrealised gain on fair value changes on available for sale investments, net of tax	–	–	38,318	–	–	–	–	–	–	38,318	–	38,318
Reserve fund transfer to retained earnings	–	–	–	(1,200)	–	–	–	–	1,200	–	–	–
Share of other comprehensive loss of investments accounted for using equity method, net of tax	–	–	–	–	–	–	(319)	–	(758)	(1,077)	–	(1,077)
Foreign currency translation, net of tax	–	–	–	–	–	–	747	–	–	747	34	781
Total comprehensive income/(loss) for the financial year	–	–	13,768	(1,200)	–	–	428	–	160,846	173,842	314	174,156
Transactions with owners:-												
Repurchase of shares	–	–	–	–	–	–	–	(3,376)	–	(3,376)	–	(3,376)
Share-based compensation by an associate company pursuant to ESOS granted	–	–	–	–	–	1,565	–	–	–	1,565	–	1,565
Acquisition of equity interests in subsidiary companies (Note 44)	–	–	–	–	–	–	–	–	–	–	3,901	3,901
Cash dividends paid to owners of the Company (Note 43)	–	–	–	–	–	–	–	–	(6,642)	(6,642)	–	(6,642)
Total transactions with owners	–	–	–	–	–	1,565	–	(3,376)	(6,642)	(8,453)	3,901	(4,552)
Balance at 30 June 2014	693,334	47,751	52,820	–	–	3,394	5,335	(13,522)	406,569	1,195,681	7,137	1,202,818

Statements of Changes in Equity (Cont'd)
for the financial year ended 30 June 2015

Group	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
	<------ Attributable to owners of the Company ------>											
	<------ Non-Distributable ------>								<---Distributable--->			
Total comprehensive (loss)/ income for the financial year												
Profit for the financial year	-	-	-	-	-	-	-	-	91,129	91,129	1,354	92,483
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	-	-	11,543	-	-	-	-	-	-	11,543	-	11,543
Share of other comprehensive income/(loss) of investments accounted for using equity method, net of tax	-	-	-	-	-	46	2,246	-	(194)	2,098	-	2,098
Foreign currency translation, net of tax	-	-	-	-	-	-	9,826	-	-	9,826	263	10,089
Total comprehensive (loss)/ income for the financial year	-	-	(37,818)	-	-	46	12,072	-	90,935	65,235	1,617	66,852
Transactions with owners:-												
Repurchase of shares	-	-	-	-	-	-	-	(977)	-	(977)	-	(977)
Post-acquisition reserves - associate companies	-	-	-	-	-	7,839	-	-	-	7,839	-	7,839
Acquisition of equity interests in subsidiary companies (Note 44)	-	-	-	-	-	-	-	-	-	-	241	241
Disposal of equity interests in subsidiary companies (Note 45)	-	-	-	-	-	-	-	-	-	-	(4,309)	(4,309)
Repayment to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(163)	(163)
Cash dividends paid to owners of the Company (Note 43)	-	-	-	-	-	-	-	-	(6,630)	(6,630)	-	(6,630)
Arising from rights issue of redeemable preference shares	-	-	-	-	4,622	-	-	-	-	4,622	-	4,622
Total transactions with owners	-	-	-	-	4,622	7,839	-	(977)	(6,630)	4,854	(4,231)	623
Balance at 30 June 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

Statements of Changes in Equity (Cont'd)
for the financial year ended 30 June 2015

	<-------- Attributable to owners of the Company ------->					
		<-Non-distributable->		<---Distributable--->		
Company	**Share capital RM'000**	**Share premium RM'000**	**Warrants reserve RM'000**	**Treasury shares RM'000**	**Retained earnings RM'000**	**Total RM'000**
Balance at 1 July 2013	693,334	47,751	–	(10,146)	28,155	759,094
Total comprehensive income for the financial year	–	–	–	–	4,317	4,317
Transactions with owners:-						
Repurchase of shares	–	–	–	(3,376)	–	(3,376)
Cash dividends paid to owners of the Company (Note 43)	–	–	–	–	(6,642)	(6,642)
Total transactions with owners	–	–	–	(3,376)	(6,642)	(10,018)
Balance at 30 June 2014	**693,334**	**47,751**	**–**	**(13,522)**	**25,830**	**753,393**
Total comprehensive income for the financial year	**–**	**–**	**–**	**–**	**618**	**618**
Transactions with owners:-						
Repurchase of shares	**–**	**–**	**–**	**(977)**	**–**	**(977)**
Cash dividends paid to owners of the Company (Note 43)	**–**	**–**	**–**	**–**	**(6,630)**	**(6,630)**
Arising from rights issue of redeemable preference shares	**–**	**–**	**4,622**	**–**	**–**	**4,622**
Total transactions with owners	**–**	**–**	**4,622**	**(977)**	**(6,630)**	**(2,985)**
Balance at 30 June 2015	**693,334**	**47,751**	**4,622**	**(14,499)**	**19,818**	**751,026**

STATEMENTS OF CASH FLOWS
for the financial year ended 30 June 2015

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**98,911**	171,151	**1,143**	4,399
Adjustments for:-				
Accretion of discounts on held to maturity investments	**(95)**	(152)	**–**	–
Loss/(Gain) on fair value changes of financial assets at fair value through profit or loss	**17,909**	(41,312)	**–**	–
Impairment of available for sale investments	**1,982**	27	**–**	27
Impairment of held to maturity investments	**2,270**	–	**–**	–
Allowance for doubtful debts	**346**	3,321	**155**	–
Allowance for doubtful debts no longer required	**(41)**	(661)	**(668)**	(562)
Allowance for obsolete inventories	**116**	392	**–**	–
Allowance for diminution in value of inventories	**–**	86	**–**	–
Amortisation of intangible assets	**1**	1	**–**	–
Amortisation of premium on held to maturity investments	**39**	4	**–**	–
Bad debts written off	**48**	961	**380**	–
Depreciation of property, plant and equipment	**16,915**	10,730	**71**	103
Excess of cash distribution over investment cost in joint ventures	**(263)**	–	**–**	–
Excess of fair value over investment cost on acquisition of additional interest in subsidiary companies	**(15)**	(194)	**–**	–
Gain on disposal of available for sale investments	**(60,482)**	(15,150)	**–**	–
Gain on disposal of intangible asset	**–**	(264)	**–**	–
Gain on disposal of non-current assets classified as held for sale	**–**	(1,060)	**–**	–
Gain on capital repayment by an associate company	**–**	–	**–**	(178)
Loss on redemption of held to maturity investments	**109**	–	**–**	–
Fair value loss/(gain) on derivatives	**5,248**	(16,304)	**–**	–
Fair value gain on investment properties	**(961)**	(3,225)	**–**	–
Inventories written off	**–**	5	**–**	–
Gain on disposal of subsidiary companies	**(1,213)**	–	**–**	–
Gain on disposal of property, plant and equipment	**(1,756)**	(1,308)	**(18)**	–
Property, plant and equipment written off	**89**	45	**–**	–
Share of profits less losses of associate companies	**(33,365)**	(45,232)	**–**	–
Unrealised foreign exchange loss/(gain)	**19,118**	(5,980)	**826**	(1,360)
Waiver of debts by a subsidiary company	**–**	–	**(324)**	–
Writeback of impairment of held to maturity investments	**(29)**	(241)	**–**	–
Writeback of allowance for diminution in value of inventories	**(26)**	(6)	**–**	–

Statements of Cash Flows (Cont'd)
for the financial year ended 30 June 2015

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONT'D)				
Dividend income	**(17,247)**	(8,377)	**–**	–
Interest expenses	**14,631**	9,080	**5,102**	1,604
Interest income	**(10,413)**	(7,472)	**(8,140)**	(5,193)
Effects of dilution of equity interests in associate companies	**7,155**	145	**–**	–
Provision for impairment loss on investment in subsidiary companies	**–**	–	**–**	1,380
Provision for impairment loss on investment in associate company	**2**	14	**2**	14
Writeback of provision for impairment loss on investment in a subsidiary company	**–**	–	**–**	(3,000)
Operating profit/(loss) before working capital changes	**58,983**	49,024	**(1,471)**	(2,766)
Changes in working capital:-				
Property development costs	**(193)**	(217)	**–**	–
Inventories	**1,118**	3,336	**–**	–
Financial assets at fair value through profit or loss	**(10,611)**	(96,643)	**–**	–
Receivables	**40,954**	(9,943)	**73**	(132)
Payables	**(21,710)**	23,728	**(66)**	(177)
Associate companies	**(73,226)**	(64,205)	**(2)**	(1)
Subsidiary companies	**–**	–	**12,127**	(3,671)
Net cash (used in)/from operations	**(4,685)**	(94,920)	**10,661**	(6,747)
Interest received	**10,413**	7,584	**777**	179
Interest paid	**(13,606)**	(9,931)	**(3,990)**	(1,604)
Net tax paid	**(6,139)**	(5,311)	**(619)**	(31)
Net cash (used in)/from operating activities	**(14,017)**	(102,578)	**6,829**	(8,203)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment **(Note A)**	**(17,141)**	(6,657)	**(1)**	(3)
Proceeds from disposal of property, plant and equipment	**6,118**	2,394	**18**	–
Subscription of shares and investment in associate companies	**(58,675)**	(19,855)	**–**	–
Subscription of ordinary shares in a subsidiary company	**–**	–	**(26)**	–
Subscription of redeemable convertible preference shares in subsidiary companies	**–**	–	**(65,000)**	–
Capital repayment by an associate company	**–**	1,100	**–**	1,100

Statements of Cash Flows (Cont'd)
for the financial year ended 30 June 2015

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
CASH FLOWS FROM INVESTING ACTIVITIES (CONT'D)				
Distribution received from joint ventures	**263**	–	**–**	–
Purchase of investment properties	**(6,346)**	(5,799)	**–**	–
Purchase of available for sale investments	**(3,692)**	(3,430)	**–**	(312)
Purchase of held to maturity investments	**(67,338)**	(13,196)	**–**	–
Proceeds from redemption and disposal of held to maturity investments	**49,372**	10,162	**–**	–
Dividends received	**27,335**	17,719	**–**	–
Proceeds from disposal of intangible assets	**–**	396	**–**	–
Proceeds from redemption and disposal of available for sale investments	**85,511**	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**	–	**–**	–
Net cash outflow on acquisition of equity interest in subsidiary companies **(Note 44(e))**	**(27)**	(110)	**–**	–
Net cash outflow on disposal of equity interest in subsidiary companies **(Note 45(b))**	**(508)**	–	**–**	–
Net cash from/(used in) investing activities	**16,872**	7,234	**(65,009)**	785
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in fixed deposits pledged	**(142,633)**	(59,066)	**(29)**	(27)
(Increase)/Decrease in cash and bank balances pledged	**(15,509)**	10,620	**–**	–
Net cash used in share buyback	**(977)**	(3,376)	**(977)**	(3,376)
Drawdown of loans and borrowings	**375,050**	440,388	**2,700**	60,000
Proceeds from issuance of preference shares	**134,212**	–	**132,601**	–
Repayment to non-controlling interests	**(163)**	–	**–**	–
Repayment of loans and borrowings	**(258,627)**	(371,351)	**(51,300)**	(42,400)
Cash dividends paid to owners of the Company	**(6,630)**	(6,642)	**(6,630)**	(6,642)
Repayment of hire purchase payables	**(16,859)**	(8,901)	**(26)**	(25)
Net cash from financing activities	**67,864**	1,672	**76,339**	7,530

Statements of Cash Flows (Cont'd)
for the financial year ended 30 June 2015

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
CASH AND CASH EQUIVALENTS				
Net changes	**70,719**	(93,672)	**18,159**	112
Brought forward	**111,007**	204,286	**1,277**	1,165
Exchange differences	**2,566**	393	**2**	–
Carried forward **(Note B)**	**184,292**	111,007	**19,438**	1,277

NOTES TO STATEMENTS OF CASH FLOWS

A. PROPERTY, PLANT AND EQUIPMENT

Group

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of **RM50,529,000** (2014: RM28,463,000) of which **RM33,388,000** (2014: RM21,806,000) was acquired by means of hire purchase arrangements. Cash payments for the acquisition of property, plant and equipment amounted to **RM17,141,000** (2014: RM6,657,000).

B. CASH AND CASH EQUIVALENTS COMPRISE OF:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Bank overdrafts	**(29,701)**	(51,061)	**–**	–
Cash and bank balances	**88,595**	41,238	**4,069**	1,277
Deposits with licensed banks and financial institutions	**485,006**	319,585	**16,471**	1,073
	543,900	309,762	**20,540**	2,350
Less:				
Cash and bank balances pledged	**(25,184)**	(8,701)	**–**	–
Fixed deposits pledged	**(334,424)**	(190,054)	**(1,102)**	(1,073)
	184,292	111,007	**19,438**	1,277

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
- 30 June 2015

1 PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activities of the Company are investment holding and the provision of management services. The principal activities of its subsidiary companies, associate companies and joint ventures are disclosed in Notes 51 to 53 to the financial statements. There were no significant changes in the Group's and the Company's activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at No. 45-5, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. The principal place of business of the Company is located at Suite 23.02, Level 23, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 16 October 2015.

2 BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and Issues Committee Interpretations ("IC Interpretations") issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and the requirements of the Companies Act, 1965 in Malaysia.

(b) Basis of measurement

The financial statements of the Group and of the Company have been prepared under the historical cost convention, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of the reporting period as indicated in the summary of significant accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2 BASIS OF PREPARATION (CONT'D)

(b) Basis of measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

(i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

(ii) Level 2 – Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.

(iii) Level 3 – Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

(c) Functional and presentation currencies

The financial statements are presented in Ringgit Malaysia, which is the Company's functional currency. All financial information presented is in Ringgit Malaysia and all values are rounded to the nearest thousand except when otherwise stated.

(d) The use of estimates and judgements

The preparation of financial statements in conformity with MFRSs and IC Interpretations require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. It also requires the management and Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the management's and Directors' best knowledge of current events and actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below:-

(i) Useful lives of depreciable assets

The management reviews annually the estimated useful lives of depreciable assets based on factors such as business plans and strategies, expected level of usage and future technological developments. Actual results, however, may vary due to changes in estimates brought about by changes in the factors mentioned.

The management does not expect any material difference that would arise on the estimation of useful lives of depreciable assets and the current evaluation of the useful lives of depreciable assets represents a fair estimation of the useful lives of the Group's and of the Company's depreciable assets.

2 BASIS OF PREPARATION (CONT'D)

(d) The use of estimates and judgements (cont'd)

(ii) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 Investment Property in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for administration purposes. If the property is not to be sold separately, the property is an investment property only if an insignificant portion is held for administrative purpose.

(iii) Impairment of assets

(a) Non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of the impairment loss. For the purpose of impairment testing of non-financial assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to.

A non-financial asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(b) Financial assets

(i) Loans and receivables and other financial assets carried at amortised cost

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine if a financial asset is impaired, the Group and the Company consider factors such as probability of insolvency or significant or prolonged financial difficulties of the debtor and default and significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

(ii) Available for sale investments

The Group and the Company review their available for sale investments at each reporting date to assess whether they are impaired. The Group and the Company also record impairment charges on available for sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of 'significant' or 'prolonged' requires judgement. The Group and the Company evaluate, amongst other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

2 BASIS OF PREPARATION (CONT'D)

(d) The use of estimates and judgements (cont'd)

(iv) Income taxes

Significant estimation is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(v) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised business losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unutilised business losses and unabsorbed capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(vi) Fair value of financial instruments

The management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, the management makes maximum use of market inputs, and uses estimates and assumptions that, as far as possible, consist of observable data that market participants would use in pricing the instrument. Where applicable data is not observable, the management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in a negotiated transaction at the reporting date.

(vii) Classification of financial instruments

Held to maturity investments

The Group classifies financial assets as held to maturity investments when it has a positive intention and ability to hold the investments to maturity.

Financial assets at fair value through profit or loss

The Group classifies portfolio quoted investments which was managed and principally held for short term profit making as financial assets at fair value through profit or loss.

Loans and receivables

The Group and the Company classify non-derivative financial assets with fixed or determinable payments that are not quoted in an active market as loans and receivables.

Available for sale investments

The Group and the Company classify non-derivative financial assets as available for sale investments when an instrument cannot be classified in any of the above categories.

2 BASIS OF PREPARATION (CONT'D)

(d) The use of estimates and judgements (cont'd)

(viii) Classification of leases

In applying the classification of leases in MFRS 117, the management considers its leases of motor vehicles as finance lease arrangements. In some cases, the lease transaction is not always conclusive, and the management uses judgement in determining whether the lease is a finance lease arrangement that transfers substantially all the risks and rewards incidental to ownership.

(ix) Fair value of derivatives financial instruments

The fair values of outstanding derivative transactions are based on fair values obtained from major financial institutions. Changes in the underlying assumptions could materially impact the income statements.

(x) Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The Group's core businesses are subject to economic and technology changes which may cause selling prices to change rapidly, and the Group's profit to change.

The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 16 to the financial statements.

(xi) Fair value of investment properties

The Group carries its investment property at fair value, with changes in fair value being recognised in the income statements. The Group engaged independent valuation specialists and make reference to market evidence of transacted prices for similar properties using comparable prices adjusted for specific market factors such as nature, location and condition of the property to assess fair value as at the end of reporting period.

The key assumptions used to determine the fair value of the property are provided in Note 7 to the financial statements.

(xii) Classification of Chantrey House LLP and Eccleston Belgravia LLP as joint ventures

Chantrey House LLP and Eccleston Belgravia LLP are limited liability entities whose legal form confers separation between the parties to the joint arrangement and the entities themselves. Furthermore, the parties to the joint arrangement have joint control and rights to the net assets of the joint arrangement. Accordingly, Chantrey House LLP and Eccleston Belgravia LLP are classified as a joint ventures of the Group.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks are interest rate risk, credit risk, foreign currency exchange risk, liquidity risk and market risk. Financial risk management is carried out through risk reviews, internal control systems and adherence to the Group financial risk management practices. The Board regularly reviews these risks and approves the treasury policies covering the management of these risks. It is not the Group's policy to engage in speculative transactions.

The main areas of financial risks faced by the Group and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) Interest rate risk

The Group finances its operations through operating cash flows and borrowings. Interest rate exposures arise from the Group's borrowings and placement of deposits with licensed banks and financial institutions. It is the Group's policy to manage its interest costs by obtaining the most favourable interest rates on its borrowings. Surplus funds of the Group are placed with licensed banks and financial institutions on short term deposits to generate interest income.

(b) Credit risk

The Group seeks to invest cash assets safely and profitably. The Group controls credit risk by application of credit evaluations and approvals, credit limits and monitoring procedures. Trade and loan receivables are monitored on an ongoing basis via management reporting procedures and where necessary, loan receivables are required to deposit sufficient assets as collateral and adhere to credit limits within the fair values of assets placed as collateral. The Group does not have any significant exposure to any individual customer nor does it have any major concentration of credit risk related to any financial instruments.

(c) Foreign currency exchange risk

The Group is exposed to foreign currency exchange risk as a result of its normal operating and investing activities whereby purchases and sales are transacted in currencies other than the functional currencies of the entities within the Group. The Group maintains a natural hedge, whenever possible, by matching local currency income against local currency expenditure to minimise foreign exchange exposure. Where necessary, the Group enters into forward foreign currency exchange contracts to hedge the risk exposure on the receivables and payables. The Group also maintains gross profit margin levels that is sufficient to absorb the cost of purchases denominated in foreign currencies.

(d) Liquidity risk

The Group actively manages its operating cash flows and the availability of funding so as to ensure that all financing and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible instruments to meet its working capital requirements. Certain subsidiary companies within the Group maintain reasonable amount of committed credit and banking facilities to meet their operating needs.

(e) Market risk

The Group faces exposure to the risk from changes in the debt and equity prices, in particular the Group's exposure from changes in market price on its quoted securities and other long term quoted investments. The risk of loss in value of the Group's quoted securities and investments are minimised through thorough analysis before making investments and continuous monitoring of the performance of the investments.

4 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary companies as disclosed in Note 51 to the financial statements made up to the end of the financial year. The subsidiary companies are consolidated using acquisition method except for M & A Securities Sdn. Bhd., which is consolidated using the merger method of accounting.

Under the merger method of accounting, the results of the subsidiary companies are accounted on a full year basis irrespective of the date of merger. The difference between the nominal value of shares issued as consideration for merger and nominal value of share capital of the subsidiary companies is taken to merger reserve, which in turn is transferred to the income statements.

Following the adoption of MFRS 3, Business Combinations, the Group will comply with the required criteria stipulated in the said standard to consolidate the financial statements using acquisition method for future acquisition of subsidiary companies.

Under the acquisition method of accounting, the results of the subsidiary companies acquired or disposed of are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair value of the subsidiary companies' net assets are determined and reflected in the Group's financial statements. The excess of the fair value of purchase consideration paid for the shares in the subsidiary companies over the fair value of the underlying net assets of the subsidiary companies acquired represents goodwill arising on consolidation. The goodwill on consolidation is accounted for in accordance with the accounting policy for goodwill stated in Note 4(i) to the financial statements.

The excess of fair value of the underlying net assets of the subsidiary companies acquired over the purchase consideration paid for the shares in the subsidiary companies represents excess of fair value over investment costs and it is recognised immediately in the income statements.

Upon the loss of control of a subsidiary company, the Group derecognises the assets and liabilities of the subsidiary company, any non-controlling interests and the other components of equity related to the subsidiary company. Any surplus or deficit arising on the loss of control is recognised in the income statements.

If the Group retains any interest in the subsidiary company, then such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity accounted investee or as an available for sale financial asset depending on the level of influence retained.

All inter-company transactions, balances and the resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless cost cannot be recovered.

Uniform accounting policies are adopted by the subsidiary companies for transactions and events in similar circumstances. The financial statements of the Company and its subsidiary companies are all drawn up to the same reporting date.

The total assets and liabilities of subsidiary companies are included in the consolidated statement of financial position and the interest of non-controlling interests in the net assets is stated separately.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Property, plant and equipment

(i) Recognition, measurement and derecognition

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 4(j)(ii) to the financial statements.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Restoration cost relating to an item of property, plant and equipment is capitalised only if such expenditure is expected to increase the future benefits from the existing property, plant and equipment beyond its previously assessed standard of performance.

Cost of properties under construction is stated at cost and borrowing cost for qualifying assets is capitalised in accordance with accounting policy on borrowing cost. It is reclassified to freehold land and building once it is available for use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in the income statements.

(ii) Depreciation

Freehold land has an unlimited useful life and therefore is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

Depreciation of other property, plant and equipment is calculated on a straight line basis to write off the cost of each asset to its residual value over the estimated useful life at the following annual rates:-

Buildings	2%
Plant, machinery, motor vehicles and renovation	10%-33%
Office furniture, fittings and equipment	10%-50%
Leasehold land and buildings	over the period of 45 to 99 years

The depreciable amount is determined after deducting the residual value.

The residual value, depreciation method and useful lives are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

(iii) Changes in estimates

The MFRS 116: Property, Plant and Equipment requires the review of the residual value and remaining useful life of an item of property, plant and equipment at least at each financial year end.

In the previous financial year, a subsidiary company whose principal business is providing premium limousine services, has reviewed and revised the residual values of the motor vehicles so as to reflect the future economic benefits derived from their use. The revision has been accounted for prospectively as a change in accounting estimate and as a result, the depreciation charge for the Group decreased by RM1,148,068 for the previous financial year.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Investment properties

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both. These include land held for a currently undetermined future use.

Investment properties are initially measured at cost. The cost of investment properties includes expenditure that is directly attributable to the acquisition of the assets. Subsequent to initial recognition, investment properties are stated at fair value, which is determined by the Directors by reference to market evidence of transacted prices for similar properties and valuation performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair value of investment properties are included in the income statements in the financial year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on retirement or disposal of an investment property are recognised in the income statements in the financial year in which they arise.

Investment properties under construction are measured at cost. These properties are measured at fair value upon them being brought into use.

Land held for development with no significant development activity is accounted for as an investment property.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change.

(d) Financial assets

Financial assets are recognised when the Group and the Company become a party to the contractual provisions of the financial instrument.

Financial assets are measured initially at fair value plus transaction costs, except for financial assets carried at fair value through profit or loss, which are measured initially at fair value. All financial assets except for those at fair value through profit or loss are subject to review of impairment loss at the reporting date.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired or when the financial assets and all subsequent risks and rewards are transferred. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that have been recognised in other comprehensive income is recognised in the income statements.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit and loss, loans and receivables, held to maturity investments and available for sale investments.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial assets (cont'd)

(i) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition. Financial assets held for trading are financial assets acquired principally for the purpose of selling in the near future.

Financial assets held for trading include derivatives entered into by the Group that do not meet the hedge accounting criteria.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in the income statements. Net gains or losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in the income statements as part of other losses or other income.

Financial assets at fair value through profit or loss that are held primarily for trading purposes are presented as current whereas financial assets that are not held for trading purposes are presented as non-current based on the settlement date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market. The Group's and the Company's loans and receivables comprise of receivables, deposits with licensed banks and financial institutions and cash and bank balances.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less allowance for impairment loss. Discounting is omitted where the effect of discounting is immaterial. Gains and losses are recognised in the income statements when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the reporting date which are classified as non-current.

(iii) Held to maturity investments

Financial assets that are non-derivative in nature with fixed and determinable payments and fixed maturity are classified as held to maturity investments when the Group and the Company have the intention and ability to hold the investments to maturity.

Subsequent to initial recognition, held to maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in income statements when the held to maturity investments are derecognised or impaired, and through the amortisation process.

Held to maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial assets (cont'd)

(iv) Available for sale investments

Available for sale investments are non-derivative financial assets that are designated as available for sale or are not classified in any other categories of financial assets. The Group's and the Company's available for sale investments comprise of investments in quoted and unquoted shares held for long term and club memberships.

Available for sale investments are measured at fair value subsequent to the initial recognition. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income and reported within the available for sale investments fair value reserve within equity, except for impairment losses, foreign exchange differences on monetary assets and interest calculated using the effective interest method which are recognised in the income statements. When the asset is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the income statements and presented as a reclassification adjustment within other comprehensive income.

Interest income calculated using the effective interest method is recognised in the income statements. Dividends on available for sale equity investment are recognised in income statements when the rights to receive payment are established.

Available for sale investments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available for sale investments are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in market place concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date that the Group and the Company commit to purchase or sell the asset.

(e) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(f) Subsidiary companies

Subsidiary companies are entities that are controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. Besides, the Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the ability to direct the activities of the investee that significantly affect the investee's return.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Subsidiary companies (cont'd)

Investments in subsidiary companies, which are eliminated on consolidation, are stated at cost in the Company's financial statements less impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. The policy for the recognition and measurement of impairment losses is in accordance with Note 4(j)(ii) to the financial statements.

On the disposal of investment in subsidiary companies, the difference between net disposal proceeds and their carrying amounts is recognised in the income statements.

(g) Associate companies and joint ventures

Associate companies are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not in control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiary companies.

Investments in associate companies and joint ventures are accounted for in the statements of financial position using the equity method. Under the equity method, the investment in an associate company or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate company or joint venture since the acquisition date. Goodwill relating to the associate companies or joint ventures is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The income statements reflect the Group's share of the results of operations of the associate companies and joint ventures. Any change in statements of comprehensive income of these investees is presented as part of the Group's statements of comprehensive income. In addition, where there has been a change recognised directly in the equity of an associate company or a joint venture, the Group recognises its share of such change, when applicable, in the statements of changes in equity. Unrealised gains or losses on transactions between the Group and its associate companies and joint ventures are eliminated to the extent of the Group's interest in the associate companies or joint ventures. When the Group's share of losses exceeds its interest in an associate company or joint venture, the Group does not recognise further losses except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate company or joint venture.

The most recent available financial statements of the associate companies and joint ventures are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Where necessary, adjustments are made to these financial statements to ensure consistency of the accounting policies used with those of the Group.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Associate companies and joint ventures (cont'd)

After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss on its investment in the associate company or joint venture. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate company or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of these associate companies or joint ventures and its carrying value. Impairment loss is recognised in income statements.

The Group continues to use the equity method when an investment in an associate company becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate company. There is no remeasurement to fair value such changes in ownership interests.

When the Group's interest in an associate company decreases but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest due to disposal of interest is recognised in income statements. Any gains or losses previously recognised in statements of comprehensive income are also reclassified proportionately to the income statements if that gain or loss would be required to be reclassified to income statements on the disposal of the related assets or liabilities.

Upon loss of significant influence or joint control over the associate company or joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate company or joint venture upon loss of significant influence or joint control and the fair value of the retained investment against proceeds from disposal is recognised in income statements.

In the Company's separate statements of financial position, investments in associate companies and joint ventures are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is charged or credited to income statements.

(h) Intangible assets

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses.

The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortised on a straight-line basis over their estimated economic useful lives and assessed for impairment whenever there is an indication the intangible asset may be impaired. The amortisation period and amortisation method for an intangible asset with a finite useful life are reviewed at least once at each reporting date.

Intangible assets with infinite useful lives are not amortised but tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at the cash generating unit level. The useful life of an intangible asset with an infinite life is also reviewed annually to determine whether the useful life assessment continues to be supportable.

(i) <u>Intangible assets - Stock broking dealer's license</u>

The stock broking dealer's license was acquired by M & A Securities Sdn. Bhd., a wholly-owned subsidiary company of the Company, to operate as a "1+1 Broker" and the acquisition cost is recognised as an intangible asset in the statements of financial position.

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Intangible assets (cont'd)

(i) Intangible assets - Stock broking dealer's license (cont'd)

The useful life of the stock broking dealer's license is reassessed to be infinite and therefore is not amortised. The useful life of the intangible asset is reviewed annually to determine whether the infinite useful life assessment continues to be supportable. If not, the change in useful life from infinite to finite is made on a prospective basis.

The intangible asset is stated at cost less accumulated impairment losses. The intangible asset is tested for impairment annually, or more frequently if the event and circumstances indicates that the carrying value may be impaired. The policy for the recognition and measurement of impairment losses is in accordance with Note 4(j)(ii) to the financial statements.

(ii) Intangible assets - Development expenditure

Intangible asset arising from development or from the development phase of an internal project is recognised if all of the following have been demonstrated:-
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical feasibilty, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible assets during its development.

The amount initially recognised for expenditure incurred on development activities is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Expenditure incurred on development activities that do not meet these criteria are expensed to the income statements when incurred.

The expenditure on development activities are stated at cost less accumulated amortisation and impairment losses. The expenditure is to be amortised on a straight line basis over the expected useful lives of between 2 to 3 years.

The policy for recognition and measurement of impairment losses is in accordance with Note 4(j)(ii) to the financial statements.

(iii) Intangible assets - Trademarks

The initial cost incurred on the search, application for registration and certification for the rights to use a trademark is capitalised, and is stated at cost less accumulated amortisation and impairment losses. The trademark is assessed to have a finite useful life and is amortised on a straight-line basis over 10 years, being the validity period of the certificate of registration of the trademark granted.

The policy for recognition and measurement of impairment losses is in accordance with Note 4(j)(ii) to the financial statements.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Goodwill

Goodwill acquired in a business combination represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets acquired and the liabilities assumed of a subsidiary company at the date of acquisition.

Goodwill arising on the acquisition of subsidiary companies is presented separately in the consolidated statements of financial position while goodwill arising on the acquisition of associate companies and joint ventures is included in the carrying amount of the investment in associate company and joint ventures.

Goodwill on consolidation is stated at cost less impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the goodwill may be impaired. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from synergies of the business combination.

An impairment loss is recognised in the income statements when the carrying amount of the cash generating unit including goodwill exceeds the recoverable amount of the cash generating unit. Recoverable amount of the cash generating unit is the higher of the cash generating unit's fair value less cost to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the cash generating unit and then to the other assets of the cash generating unit proportionately on the basis of the carrying amount of each asset in the cash generating unit.

Impairment loss recognised on goodwill is not reversed in the event of an increase in recoverable amount in subsequent periods.

(j) Impairment of assets

(i) Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the receivables and default or significant delay in payments. For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio over the average credit period and the observable changes in national or local economic conditions that correlate with default in receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in the income statements.

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of assets (cont'd)

(i) Impairment of financial assets (cont'd)

(a) Trade and other receivables and other financial assets carried at amortised cost (cont'd)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in the income statements.

(b) Available for sale investments

In the case of equity instruments classified as available for sale, significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor and the disappearance of an active trading market are considerations to determine whether there is objective evidence that available for sale investments are impaired. If any such evidence exists, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statements, is removed from equity and recognised in income statements. Impairment losses recognised in the income statements on equity instruments are not reversed through the income statements in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income.

For debt securities, if any such evidence exists, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statements is removed from equity and recognised in income statements. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occuring after the impairment loss was recognised in income statements, the impairment loss is reversed through the income statements.

(ii) Impairment of non-financial assets

At each reporting date, the Group and the Company review the carrying amounts of their non-financial assets to determine whether there is any indication of impairment.

If any such indication exists, or when annual impairment testing for a non-financial asset is required, the recoverable amount is estimated and an impairment loss is recognised whenever the recoverable amount of the non-financial asset is less than its carrying amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use.

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the non-financial asset.

An impairment loss is recognised in the income statements.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Impairment of assets (cont'd)

(ii) Impairment of non-financial assets (cont'd)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses for a non-financial asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the non-financial asset recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss be recognised previously.

All reversals of impairment losses are recognised as income in the income statements. After such a reversal, the depreciation and amortisation of non-financial assets charges are adjusted in future periods to allocate the revised carrying amount of the asset, less any residual value, on a systematic basis over its remaining useful lives.

(k) Property development costs

When property is under development, the Directors have to consider whether the contract comprises a contract to construct a property or a contract for the sale of a completed property.

When a contract is judged to be for the construction of property whereby the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser and when the financial outcome of a development activity can be reliably estimated, property development revenue and expenditure are recognised using the percentage of completion method as construction progresses. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs. In applying this method, only those costs that reflect actual development work performed are included as property development costs incurred. Where the financial outcome of a development activity cannot be reliably estimated, development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

When the contract is judged to be for the sale of a completed property, property development revenue and expenditure are recognised when significant risks and rewards of ownership of the real estate have been transferred to the purchaser.

Property development expenditure comprise cost of land and all related costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Any expected loss on a development project, including costs to be incurred over the defect liability period is recognised as an expense immediately.

(l) Inventories

Inventories comprising raw materials, work-in-progress, finished goods, goods purchased for resale and completed development properties held for sale are stated at the lower of cost and net realisable value.

Cost is determined using first in first out method, weighted average cost method or by specific identification. The cost of raw materials comprises costs of purchase. The cost of finished goods and work-in-progress comprise cost of raw materials, direct labor, other direct costs and appropriate proportions of production overheads based on normal operating capacity. The cost of completed development properties held for sale under inventories comprises cost associated with the acquisition of land and construction costs, other direct costs and appropriate proportion of common costs.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Inventories (cont'd)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to completion and the estimated costs incurred in marketing, selling and distribution.

(m) Cash and cash equivalents

Cash and cash equivalents comprise of cash and bank balances, bank overdrafts and deposits placed with licensed banks and financial institutions that are free from encumbrances and short-term highly liquid investments which have an insignificant risk of change in value.

The Group has excluded dealer's representatives' security deposits and clients' monies held in trust by the stock broking subsidiary company and cash and deposits pledge to licensed banks and financial institutions from its cash and cash equivalents.

(n) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities are recognised in the statements of financial position when the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(i) <u>Financial liabilities at fair value through profit or loss</u>

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group that do not meet the hedge accounting criteria.

(ii) <u>Other financial liabilities</u>

The Group's and the Company's other financial liabilities include trade payables, other payables and accruals, hire purchase payables, loans and borrowings and amount due to subsidiary and associate companies.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Loans and borrowings are classified as current liabilities unless the Group and the Company have unconditional rights to defer settlement of the liability for at least 12 months after the reporting date.

For other financial liabilities, gains or losses are recognised in income statements when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statements.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in the income statements immediately.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in income statements when the changes arise.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

(p) Equity instruments

(i) Share capital, share premium and treasury shares

Ordinary shares are classified as equity which are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are approved for payment.

The transaction cost of an equity transaction which comprise only those incremental external costs directly attributable to the equity transaction are accounted for as a deduction from share premium.

When issued shares of the Company are repurchased, the consideration paid, including directly attributable transaction costs is presented as a change in equity. Repurchased shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in the income statements on the sale, reissuance or cancellation of treasury shares.

When treasury shares are distributed as share dividends, the cost of the treasury shares is applied as a reduction of the share premium account or distributable reserves, or both.

(ii) Redeemable preference shares ("RPS")

During the financial year, the Company issued 132,601,268 RPS with 265,202,536 free detachable Warrants attached to the RPS issued.

The RPS issued by the Company are regarded as compound instrument, consisting of a liability component and an equity component. The component of RPS that exhibits characteristics of a liability is recognised as a financial liability in the statements of financial position. The fair value of the liability component is calculated based on the present value of the discounted cash flows of the RPS and RPS dividend over the term of the RPS, using the weighted average cost of borrowings of the Company. The dividends on the RPS are recognised as interest expense in income statements using the effective interest rate method.

The equity component is represented by the fair value of the Warrants, of which the fair value is allocated based on the difference between the gross proceeds from the issuance of the RPS and the fair value of the RPS, net of deferred tax. The accounting policy for Warrants is in accordance with Note 4(p)(iv) to the financial statements.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Equity instruments (cont'd)

(iii) Redeemable convertible preference shares ("RCPS")

The RCPS issued by a subsidiary company is regarded as a liability component due to the terms of its issuance and is recognised as a financial liability in the statements of financial position, net of transaction costs. The dividends on those shares are recognised as interest expense in income statements using the effective interest rate method.

(iv) Warrants

The Warrants issued by the Company is recognised as equity instrument in the statements of financial position. Its value is determined based on the difference between the gross proceeds from the issuance of the RPS and the fair value of the RPS, net of deferred tax and is classified as warrants reserve in equity.

The issuance of ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares in the Company. The proceeds are credited to share capital and share premium if any. The warrants reserve in relation to the unexercised warrants will be reversed upon expiry of the warrants.

(q) Non-controlling interests

Non-controlling interests in the consolidated statements of financial position consist of their share of the fair values of identifiable assets and liabilities of the acquiree and advances received from the non-controlling interests.

Non-controlling interests are presented in the consolidated statements of financial position and statements of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented on the face of the consolidated income statements as an allocation of the total profit or loss for the period between the non-controlling interests and the owners of the Company.

Changes in the Group's ownership interest in a subsidiary company that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary company are allocated to the non-controlling interests even if it results in the non-controlling interests carrying a deficit balance.

(r) Hire purchase payables

The cost of property, plant and equipment acquired under hire purchase arrangements are capitalised. The depreciation policy on these property, plant and equipment is similar to that of the Group's property, plant and equipment depreciation policy. Outstanding obligation due under the hire purchase arrangements after deducting finance expenses are included as liabilities in the financial statements. Finance charges on hire purchase arrangements are allocated to income statements over the period of the respective agreements.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Provision for liabilities

Provision for liabilities are recognised when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation.

(t) Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of financial position and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

(u) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised in the statements of financial position, initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as expenses in the income statements over the period of the guarantee. If the debtor fails to make payment relating to financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder the associated loss, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount initially recognised less cumulative amortisation.

As at the end of the reporting period, no values were placed on corporate guarantees provided by the Company to secure bank facilities granted to its subsidiary and associated companies as the banking facilities are adequately secured and the value of the credit enhancement provided by the corporate guarantee is minimal.

(v) Income tax and deferred tax

Income tax on the income statements for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted or substantively enacted at the reporting date.

Current tax is recognised in the income statements except to the extent that the tax relates to items recognised outside the income statements, either in other comprehensive income or directly in equity.

Deferred tax is provided for, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary differences arise from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Income tax and deferred tax (cont'd)

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in the income statements, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authorities.

(w) Revenue recognition

(i) Sales of goods and trading activities

Revenue from sale of goods and trading activities is measured at the fair value of the consideration receivable and is recognised upon delivery of product and customer acceptance, if any, net of discount and sales returns. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(ii) Sale of securities

Revenue from sale of securities are recognised based on the contracted value.

(iii) Revenue from broking activities

Revenue from broking activities are recognised upon execution of contract. Brokerage income is accounted for before dealer's representatives' commissions and incentives.

(iv) Rental income

Rental income from investment properties are recognised in income statements on a straight-line basis over the specific tenure of the respective leases. The aggregate cost of incentives provided to lessee is recognised as a reduction of rental income over the lease term on a straight-line basis.

(v) Dividend income

Dividend income is recognised when the right to receive payment has been established and no significant uncertainty existed with regard to its receipt.

(vi) Interest income

Interest income is recognised on accruals basis unless recoverability is in doubt, in which case the recognition of interest is suspended. Subsequent to suspension, interest is recognised on receipt basis.

Interest income from investments in bonds, loan stocks and other income generating investments are recognised on a time proportion basis that takes into account the effective yield of the assets.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(w) Revenue recognition (cont'd)

(vii) Revenue from services and fee income

Revenue from services is recognised when services are rendered and invoice issued. Revenue is recognised net of sales and good and service tax, where applicable.

Fee from advisory and corporate finance activities, revenue on fee income from sale of customised goods and services and contract maintenance are recognised upon completion of each stage of the engagement.

(viii) All other revenues are recognised when the right to receive payment is established and to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(x) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is also the functional currency of the Company.

(ii) Foreign currency translation and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates at the dates of initial transaction.

Exchange differences arising on the settlement of monetary items and on the translation of monetary items are included in the income statements for the period. Exchange differences arising on the translation of non-monetary items carried at fair value are included in the income statements for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign operations

For the purposes of consolidation, net assets of the foreign subsidiary companies are translated into Ringgit Malaysia at the exchange rate ruling at the reporting date. Income and expenses of the foreign subsidiary companies are translated at average exchange rates for the financial year, which is taken as a close approximation of the exchange rates applicable at the date of the transactions. All resulting exchange differences arising from these translations are recognised in other comprehensive income and accumulated under exchange translation reserve in equity. The exchange translation reserve is reclassified from equity to the income statements on disposal of the foreign operation.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(y) Operating leases

Leases of assets where substantially all the risks and rewards of ownership of the assets remain with the lessor are accounted for as operating leases. Operating lease payments are recognised as an expense in the income statements on a straight-line basis over the term of the relevant leases.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the income statements immediately. The aggregate benefit of incentives provided by the lessor, if any, is recognised as a reduction of rental expense on a straight-line basis over the term of the lease.

(z) Borrowing costs

All borrowing costs are expensed to the income statements using the effective interest method, in the period in which they are incurred except to the extent that they are capitalised as part of the cost of a qualifying asset if the cost is directly attributable to the acquisition, construction or production of the qualifying asset.

Capitalisation of borrowing costs commences when the activities to prepare the qualifying asset for its intended use or sale are in progress and the expenditure and borrowing costs are incurred. Borrowing costs are capitalised until the asset is substantially completed for its intended use or sale. Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(aa) Employee benefits

(i) Short term employee benefits

Wages, salaries, allowances, bonuses, incentives and social security contributions are recognised as expenses in the financial year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

Such contribution is recognised as an expense in the income statements as incurred. As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiary companies make contributions to their respective countries statutory pension schemes.

(bb) Segmental reporting

The Group prepares segmental reporting wherein the operating segments are identified on the basis of internal reports on the operating segments of the Group that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and to assess their performance.

In identifying the operating segments, the management generally follows the Group's classification of operating segments, which represent the main products and services provided by the Group. Each of these operating segments is managed separately as each of these segments requires different technologies and resources. All inter segment transfers are carried out on negotiated basis.

4 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(cc) Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements ("the reporting entity"). A related party transaction is a transfer of resources, services or obligations between the reporting entity and its related party, regardless of whether a price is charged.

A person or a close member of that person's family is related to the reporting entity if that person:-
- has control or joint control over the reporting entity;
- has significant influence over the reporting entity; or
- is a member of the key management personnel of the reporting entity.

An entity is related to the reporting entity if any of the following conditions applies:-
- the entity and the reporting entity are members of the same group;
- one entity is an associate or joint venture of the reporting entity;
- both the entities are joint ventures of the same third party;
- one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- the entity is controlled or jointly-controlled by a person identified in the preceding paragraph above; or
- a person who has control or joint control over the reporting entity has significant influence over the entity or is a member of the key management personnel of the entity.

5 MFRSs

The accounting policies adopted by the Group and the Company are consistent with those of the previous financial year and in conformity with the applicable MFRSs issued by the Malaysian Accounting Standards Board ("MASB").

(a) Adoption of new and revised standards that are effective

At the beginning of the financial year, the Group and the Company adopted amendments to MFRSs and IC Interpretations issued by the MASB which are relevant to the Group and the Company for the financial year beginning on or after 1 July 2014.

The amendments to the Standards and IC Interpretations did not have material impact to the financial statements except for the following changes which require additional disclosures to the financial statements.

<u>Amendments to MFRS 136 - Recoverable Amount Disclosures for Non-Financial Assets</u>

The amendments to MFRS 136 clarify that the Group and the Company are required to disclose the recoverable amount of an asset (or cash generating unit) whenever an impairment loss has been recognised or reversed in the period. In addition, the amendments introduce several new disclosures that are required when the recoverable amount of impaired assets is based on fair value less costs of disposal. The new disclosures include additional information about fair value measurement including the applicable level of the fair value hierarchy, key assumptions made and description of any valuation technique used.

These additional disclosures are in line with the disclosure required by MFRS 13 Fair Value Measurements.

The amendments affected disclosures in the financial statements only and do not have material financial impact on the financial statements of the Group and of the Company.

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

5 MFRSs (CONT'D)

(b) New and revised standards that are issued but not yet effective

At the date of authorisation of these financial statements, certain new Standards, Amendments to Standards and Annual Improvements to Standards have been issued by the MASB but are not yet effective, and have not been early adopted by the Group and the Company. Management anticipates that all relevant pronouncements will be adopted in the Group's and the Company's accounting policies for the first period beginning after the effective date of the pronouncements. The initial application of these new Standards, Amendments to Standards and Annual Improvements to Standards are not expected to have any material financial impact on the financial statements of the Group and of the Company, except for those discussed below:-

Amendments to MFRS 9 Financial Instruments

MFRS 9 Financial Instruments issued by MASB on 17 November 2014 is equivalent to IFRS 9 Financial Instruments issued by the IASB in July 2014. This Standard replaces MFRS 139 : Financial Instruments - Recognition and Measurement and all previous version of MFRS 9. This standard introduces a number of improvements such as classification and measurement model, single forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.

Classification and measurement

Financial instruments is classified and measured according to the entity's business model and cash flow characteristics of the instruments held. If the instrument is held to collect its contractual cash flows, the financial asset is measured at amortised cost. However, if the financial instrument is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, it is measured at fair value in the statements of financial position and amortised cost information is provided through income statements. If the business model of the entity is neither one of the above, fair value is provided both in the income statements and in the statements of financial position.

New expected loss impairment model

The Standard introduces a new expected loss impairment model requiring more timely recognition of expected credit losses by an entity. This new forward looking model requires an entity to recognise expected credit losses when financial instruments are first recognised and to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. It replaces the approach of recognising credit losses when an event triggers it has occurred.

This Standard will come into effect for annual periods beginning on or after 1 January 2018 with early adoption permitted. Retrospective application is required, but comparative information is not compulsory. The Group and the Company are currently assessing the impact of the adoption of this Standard in relation to the new requirements for classification and measurement and impairment.

6 PROPERTY, PLANT AND EQUIPMENT

Group

2015 Cost	Land and buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Renovation RM'000	Office furniture, fittings and equipment RM'000	Total RM'000
At beginning of financial year	24,110	390	75,885	7,494	14,937	122,816
Additions	4,218	–	45,176	279	856	50,529
Transfer to investment properties	(974)	–	–	–	–	(974)
Disposals	–	–	(13,510)	–	(5)	(13,515)
Acquisition of a subsidiary company	–	–	–	–	6	6
Disposal of subsidiary companies	–	–	(90)	(139)	(7,115)	(7,344)
Written off	–	–	–	(76)	(341)	(417)
Exchange differences	268	35	3,509	37	71	3,920
At end of financial year	27,622	425	110,970	7,595	8,409	155,021
Accumulated depreciation						
At beginning of financial year	1,497	370	26,232	3,035	11,858	42,992
Charge for the financial year	330	17	14,598	655	1,315	16,915
Disposals	–	–	(9,148)	–	(5)	(9,153)
Disposal of subsidiary companies	–	–	(2)	(139)	(6,469)	(6,610)
Written off	–	–	–	(20)	(308)	(328)
Exchange differences	17	33	730	14	54	848
At end of financial year	1,844	420	32,410	3,545	6,445	44,664
Net carrying amount as at 30 June 2015	25,778	5	78,560	4,050	1,964	110,357

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Analysis of land and buildings:-

Group (cont'd) 2015 Cost	Freehold land and buildings RM'000	Short term leasehold land and building RM'000	Long term leasehold land and building RM'000	Capital work-in-progress RM'000	Total RM'000
At beginning of financial year	4,893	2,961	16,256	–	24,110
Additions	–	–	–	4,218	4,218
Transfer to investment properties	(974)	–	–	–	(974)
Exchange differences	–	268	–	–	268
At end of financial year	3,919	3,229	16,256	4,218	27,622
Accumulated depreciation					
At beginning of financial year	832	138	527	–	1,497
Charge for the financial year	81	69	180	–	330
Exchange differences	–	17	–	–	17
At end of financial year	913	224	707	–	1,844
Net carrying amount as at 30 June 2015	3,006	3,005	15,549	4,218	25,778

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (cont'd)

2014 **Cost**	**Land and buildings** **RM'000**	**Plant and machinery** **RM'000**	**Motor vehicles** **RM'000**	**Renovation** **RM'000**	**Office furniture, fittings and equipment** **RM'000**	**Total** **RM'000**
At beginning of financial year	22,242	378	54,039	6,921	8,970	92,550
Additions	–	41	26,924	694	804	28,463
Transfer from investment properties	1,850	–	–	–	–	1,850
Transfer to investment properties	(55)	–	–	–	–	(55)
Disposals	–	(31)	(5,535)	(91)	–	(5,657)
Acquisition of subsidiary companies	–	–	131	139	7,079	7,349
Written off	–	–	–	(179)	(1,933)	(2,112)
Exchange differences	73	2	326	10	17	428
At end of financial year	24,110	390	75,885	7,494	14,937	122,816
Accumulated depreciation						
At beginning of financial year	1,182	351	21,729	2,435	7,132	32,829
Charge for the financial year	328	21	8,871	643	867	10,730
Transfer to investment properties	(14)	–	–	–	–	(14)
Disposals	–	(3)	(4,547)	(21)	–	(4,571)
Acquisition of subsidiary companies	–	–	82	138	5,766	5,986
Written off	–	–	–	(161)	(1,906)	(2,067)
Exchange differences	1	1	97	1	(1)	99
At end of financial year	1,497	370	26,232	3,035	11,858	42,992
Net carrying amount as at 30 June 2014	22,613	20	49,653	4,459	3,079	79,824

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Analysis of land and buildings:-

Group (cont'd) 2014 Cost	Freehold land and builings RM'000	Short term leasehold land and building RM'000	Long term leasehold land and building RM'000	Total RM'000
At beginning of financial year	3,098	2,888	16,256	22,242
Transfer from investment properties	1,850	–	–	1,850
Transfer to investment properties	(55)	–	–	(55)
Exchange differences	–	73	–	73
At end of financial year	4,893	2,961	16,256	24,110
Accumulated depreciation				
At beginning of financial year	770	70	342	1,182
Charge for the financial year	76	67	185	328
Transfer to investment properties	(14)	–	–	(14)
Exchange differences	–	1	–	1
At end of financial year	832	138	527	1,497
Net carrying amount as at 30 June 2014	4,061	2,823	15,729	22,613

6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company

2015 Cost	Motor vehicles RM'000	Renovation RM'000	Furniture and fittings RM'000	Computer equipment RM'000	Office equipment RM'000	Total RM'000
At beginning of financial year	**332**	**108**	**534**	**106**	**190**	**1,270**
Additions	**–**	**–**	**–**	**–**	**1**	**1**
Disposal	**(185)**	**–**	**–**	**–**	**–**	**(185)**
Written off	**–**	**–**	**(33)**	**–**	**(6)**	**(39)**
At end of financial year	**147**	**108**	**501**	**106**	**185**	**1,047**
Accumulated depreciation						
At beginning of financial year	**227**	**108**	**368**	**97**	**163**	**963**
Charge for the financial year	**29**	**–**	**33**	**3**	**6**	**71**
Disposal	**(185)**	**–**	**–**	**–**	**–**	**(185)**
Written off	**–**	**–**	**(33)**	**–**	**(6)**	**(39)**
At end of financial year	**71**	**108**	**368**	**100**	**163**	**810**
Net carrying amount as at 30 June 2015	**76**	**–**	**133**	**6**	**22**	**237**
2014						
Cost						
At beginning of financial year	332	108	534	103	190	1,267
Additions	–	–	–	3	–	3
At end of financial year	332	108	534	106	190	1,270
Accumulated depreciation						
At beginning of financial year	198	87	335	88	152	860
Charge for the financial year	29	21	33	9	11	103
At end of financial year	227	108	368	97	163	963
Net carrying amount as at 30 June 2014	105	–	166	9	27	307

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6 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) The net carrying amount of property, plant and equipment pledged to licensed financial institutions for banking facilities granted to the Group are as follows:-

	Group	
	2015	2014
	RM'000	RM'000
Freehold land and buildings	**3,006**	4,061
Short term leasehold land and building	**3,005**	2,823
Long term leasehold land and building	**15,549**	15,729
	21,560	22,613

(b) The net carrying amount of property, plant and equipment acquired under hire purchase arrangements are as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Motor vehicles	**62,907**	45,813	**76**	105

7 INVESTMENT PROPERTIES

Group	Freehold land RM'000	Freehold land and buildings RM'000	Long term leasehold land and buildings RM'000	Freehold land and buildings under construction RM'000	Land held for development RM'000	Total RM'000
2015						
At beginning of financial year	**12,920**	**52,942**	**41,037**	**14,817**	**38,000**	**159,716**
Additions	**–**	**–**	**–**	**6,388**	**–**	**6,388**
Transfer from property, plant and equipment	**–**	**974**	**–**	**–**	**–**	**974**
Fair value gain/(loss)	**1,080**	**(2,851)**	**2,732**	**–**	**–**	**961**
Exchange differences	**–**	**2,983**	**602**	**251**	**–**	**3,836**
Net carrying amount as at 30 June 2015						
- At valuation	**14,000**	**54,048**	**44,371**	**–**	**38,000**	**150,419**
- At cost	**–**	**–**	**–**	**21,456**	**–**	**21,456**
	14,000	**54,048**	**44,371**	**21,456**	**38,000**	**171,875**

7 INVESTMENT PROPERTIES (CONT'D)

Group (cont'd)	Freehold land RM'000	Freehold land and buildings RM'000	Long term leasehold land and buildings RM'000	Freehold land and buildings under construction RM'000	Land held for development RM'000	Total RM'000
2014						
At beginning of financial year	12,920	54,898	36,508	9,106	38,000	151,432
Additions	–	–	88	5,711	–	5,799
Transfer from property, plant and equipment	–	41	–	–	–	41
Transfer to property, plant and equipment	–	(1,850)	–	–	–	(1,850)
Fair value (loss)/gain	–	(1,052)	4,277	–	–	3,225
Exchange differences	–	905	164	–	–	1,069
Net carrying amount as at 30 June 2014						
- At valuation	12,920	52,942	41,037	–	38,000	144,899
- At cost	–	–	–	14,817	–	14,817
	12,920	52,942	41,037	14,817	38,000	159,716

(a) The rental income and associated direct operating expenses of the investment properties are disclosed in Note 32, Note 33 and Note 36 to the financial statements.

(b) The carrying amount of investment properties pledged to licensed financial institutions for banking facilities granted to the Group are as follows:-

	Group 2015 RM'000	Group 2014 RM'000
Freehold land and buildings	**67,518**	65,412
Long term leasehold land and buildings	**44,283**	40,949
	111,801	106,361

(c) The following table provides an analysis of the fair value hierarchy of investment properties that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 based on degree to which the fair value is observable:-

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Financial Statements (Cont'd)
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7 INVESTMENT PROPERTIES (CONT'D)

(c) The following table provides an analysis of the fair value hierarchy of investment properties that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 based on degree to which the fair value is observable (cont'd):-

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2015				
Investment properties				
Freehold land	**–**	**14,000**	**–**	**14,000**
Freehold land and buildings	**–**	**54,048**	**–**	**54,048**
Long term leasehold land and buildings	**–**	**44,371**	**–**	**44,371**
Land held for development	**–**	**38,000**	**–**	**38,000**
	–	**150,419**	**–**	**150,419**
2014				
Investment properties				
Freehold land	–	12,920	–	12,920
Freehold land and buildings	–	52,942	–	52,942
Long term leasehold land and buildings	–	41,037	–	41,037
Land held for development	–	38,000	–	38,000
	–	144,899	–	144,899

The Level 2 fair value measurements are derived from the following valuation methods adopted to determine the fair value of the investment properties:-

(i) Sales comparison method entails analysing the recent transactions and asking prices of similar property in and around the locality for comparison purposes with adjustments made to differences in location, visibility, size and tenure etc.

(ii) Investment method entails determining the net annual income by deducting annual outgoings from gross annual income and capitalising the net income by suitable rate of return consistent with the type and investment to arrive at the market value of the investment properties.

(iii) Reference to market evidence of transacted prices for similar properties using comparable prices adjusted for specific market factors such as nature, location and condition of the investment properties.

(d) The title deed to certain leasehold land has yet to be issued by the relevant land authority.

(e) The amount of borrowing costs capitalised during the year was RM87,000 (2014: RM37,000). The rate used to determine the amount of borrowing costs eligible for capitalisation was 4.45% to 6.54% (2014: 6.20%), which is the effective interest rate of the specific borrowing.

8 AVAILABLE FOR SALE INVESTMENTS

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Unquoted investment outside Malaysia, at cost	**18,640**	14,422	**–**	–
Unquoted investment in Malaysia, at cost	**5,000**	5,000	**–**	–
Quoted securities in Malaysia, at valuation	**23,364**	84,598	**–**	–
Other investments in Malaysia, at cost	**751**	751	**345**	345
Other investments outside Malaysia, at cost	**1,697**	1,697	**622**	622
	49,452	106,468	**967**	967
Less:				
Accumulated amortisation	**(200)**	(200)	**–**	–
Accumulated impairment	**(2,009)**	(27)	**(27)**	(27)
	47,243	106,241	**940**	940
Market value of quoted securities in Malaysia	**23,364**	84,598	**–**	–

Quoted securities in Malaysia with market value of RM16,530,000 (2014: RM58,960,000) and unquoted investment outside Malaysia with cost of RM11,539,000 (2014: RM11,304,000) have been charged to licensed financial institutions for credit facility granted to the Company and a subsidiary company.

Impairment on available for sale investments

The Group assesses at each reporting date whether there is objective evidence that an impairment loss has been incurred on available for sale investment that does not have a quoted price in an active market and that is not carried at fair value because its fair value cannot be reliably measured; wherein the available for sale investment will be carried at cost less impairment. The amount of the impairment loss is measured as the difference between the carrying amount of the available for sale investment and its realisable value. The Group uses both observable and unobservable inputs to estimate the realisable value. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the realisable value is less than its carrying amount.

During the financial year, the Group had identified an impairment of RM1,982,000 (2014: RM27,000) on unquoted investments held as available for sale and had recognised the impairment loss in the income statements.

The movement of the impairment account used to record impairment is as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
At beginning of financial year	**27**	1,500	**27**	–
Charge for the financial year	**1,982**	27	**–**	27
Written off	**–**	(1,500)	**–**	–
At end of financial year	**2,009**	27	**27**	27

Notes to the Financial Statements (Cont'd)
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9 HELD TO MATURITY INVESTMENTS

	Group	
	2015	2014
	RM'000	RM'000
Non-current (maturity later than 1 year)		
Unquoted corporate bonds outside Malaysia		
- At cost	**48,410**	30,084
Add/(Less):		
Accretion of discount	**(1,124)**	(94)
Amortisation of premium	**617**	–
Accumulated impairment	**(2,270)**	–
Net carrying amount as at 30 June	**45,633**	29,990
Current (maturity within 1 year)		
Unquoted corporate bonds outside Malaysia		
- At cost	**6,008**	6,008
Add/(Less):		
Exchange differences	**970**	196
Accumulated impairment	**–**	(29)
Net carrying amount as at 30 June	**6,978**	6,175
	52,611	36,165

The Group's investments in unquoted corporate bonds outside Malaysia amounting to RM52,611,000 (2014: RM36,165,000) have been charged to certain licensed financial institutions for credit facilities granted to the Group.

The effective interest rate per annum for held to maturity investments are 3.10% to 8.00% (2014: 3.10% to 10.25%).

Impairment on held to maturity investments

The Group assesses at each reporting date whether there is objective evidence that an impairment loss on held to maturity investments carried at amortised cost has been incurred. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the reference value obtained from licensed financial institutions at the reporting date. In making this judgement, the Group evaluates, among other factors, the duration and/or extent to which the reference value of the investment is less than its carrying amount.

During the financial year, the Group had identified an impairment of RM2,270,000 (2014: Nil) on unquoted corporate bonds and had recognised the impairment loss in the income statements.

The movement of the impairment account used to record impairment is as follows:-

	Group	
	2015	2014
	RM'000	RM'000
At beginning of financial year	**29**	270
Charge for the financial year	**2,270**	–
Writeback during the financial year	**(29)**	(241)
At end of financial year	**2,270**	29

10 SUBSIDIARY COMPANIES

		Company	
		2015	2014
		RM'000	RM'000
(a)	Unquoted shares, at cost	**202,676**	201,949
	Equity loan (Note 10(c))	**174,210**	–
	Redeemable convertible preference shares (Note 10(d))	**353,000**	–
	Less: Accumulated impairment loss	**(34,696)**	(34,996)
		695,190	166,953

The movement of the impairment account used to record impairment is as follows:-

	Company	
	2015	2014
	RM'000	RM'000
At beginning of financial year	**34,996**	36,616
Charge for the financial year	**–**	1,380
Writeback during the financial year	**–**	(3,000)
Written off	**(300)**	–
At end of financial year	**34,696**	34,996

The Group's and the Company's equity interest in the subsidiary companies, their respective principal activities and countries of incorporation are shown in Note 51 to the financial statements. The Company does not have any subsidiary companies which are controlled with less than a majority of voting rights and the Group does not have any material non-controlling interests.

(b) Amount due from/(to) subsidiary companies

	Company	
	2015	2014
	RM'000	RM'000
Amount due from subsidiary companies	**240,867**	702,931
Less: Allowance for impairment	**(8,262)**	(8,775)
	232,605	694,156

The amount due from subsidiary companies are interest bearing (except for certain advances which are interest free), unsecured and are repayable on demand.

The amount due to subsidiary companies are interest free, unsecured and are repayable on demand.

Notes to the Financial Statements (Cont'd)
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10 SUBSIDIARY COMPANIES (CONT'D)

(b) Amount due from/(to) subsidiary companies (cont'd)

The movement of the allowance account used to record the impairment is as follows:-

	Company	
	2015	2014
	RM'000	RM'000
At beginning of financial year	**8,775**	9,337
Charge for the financial year	**155**	–
Writeback during the financial year	**(668)**	(562)
At end of financial year	**8,262**	8,775

(c) Equity loan

During the financial year, an amount of RM174,210,000 (2014: Nil) due from certain subsidiary companies were reclassified as equity loan as the amount are not expected to be repayable within the next twelve months and is equity in nature. The fair value of this amount cannot be reliably measured, and consequently, the amount has been measured at cost.

(d) Redeemable convertible preference shares ("RCPS")

During the financial year:-

(i) arising from the rights issue of 132,601,268 redeemable preference shares ("RPS") of RM1.00 each by the Company, the Company had utilised RM65,000,000 of the rights issue proceeds to finance capital injection into two (2) wholly owned subsidiary companies by way of investment in 65,000,000 units of RCPS in the two (2) subsidiary companies at an issue price of RM1.00 each.

(ii) an amount of RM288,000,000 (2014: Nil) due from certain subsidiary companies were capitalised by way of investment in RCPS upon the allotment of 288,000,000 units of RCPS by the subsidiary companies to the Company at an issue price of RM1.00 each.

11 ASSOCIATE COMPANIES

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
(a) Quoted shares, at cost	**94,986**	44,141	**–**	–
Unquoted shares, at cost	**31,315**	19,203	**262**	262
Group's share of post acquisition profits less losses	**85,973**	75,513	**–**	–
Group's share of post acquisition reserves	**13,219**	3,088	**–**	–
Unrealised profit on transactions with associated companies	**(429)**	–	**–**	–
	225,064	141,945	**262**	262
Less:				
Accumulated impairment	**(216)**	(214)	**(216)**	(214)
	224,848	141,731	**46**	48

	Group	
	2015	2014
	RM'000	RM'000
Represented by:-		
Share of net assets	**196,864**	130,616
Goodwill on acquisition	**27,984**	11,115
	224,848	141,731
Market value of quoted shares in Malaysia	**642,911**	517,492

The movement of the impairment account used to record the impairment is as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
At beginning of financial year	**214**	200	**214**	200
Charge for the financial year	**2**	14	**2**	14
At end of financial year	**216**	214	**216**	214

The Group's and the Company's equity interest in the associate companies, their respective principal activities and countries of incorporation are shown in Note 52 to the financial statements.

(b) The amount due from associate companies are unsecured, interest free (except for certain advances which are interest bearing) and are repayable on demand.

Notes to the Financial Statements (Cont'd)
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11 ASSOCIATE COMPANIES (CONT'D)

(c) The summarised financial information in respect of the Group's major associate companies are as follows:-

Financial positions as at 30 June 2015	**Inari Amertron Berhad Group RM'000**	**Melium Holdings Sdn. Bhd. Group RM'000**	**Winfields Development Sdn. Bhd. Group RM'000**	**Other associate companies RM'000**	**Total RM'000**
Assets and liabilities					
Non-current assets	205,320	27,543	87,615	19,818	340,296
Current assets	631,363	105,671	440,516	109,117	1,286,667
Non-current liabilities	(71,415)	(12,320)	(6,167)	(10,407)	(100,309)
Current liabilities	(228,286)	(67,623)	(493,510)	(68,218)	(857,637)
Net assets	536,982	53,271	28,454	50,310	669,017
Carrying amount of the proportion of the Group's ownership	146,038	22,821	11,382	16,623	196,864
Financial performance for financial year ended 30 June 2015					
Results					
Revenue	933,099	170,044	4,397	20,114	1,127,654
Attributable to owners of the investee:					
Profit/(Loss) for the financial year	152,535	2,347	(10,872)	(14,670)	129,340
Other comprehensive income	4,571	–	1,233	1,718	7,522
Total comprehensive income/(loss)	157,106	2,347	(9,639)	(12,952)	136,862
Group's share of:-					
Profit/(Loss) for the financial year	41,484	1,017	(4,349)	(4,787)	33,365
Other comprehensive income	1,207	–	493	398	2,098
Total comprehensive income/(loss)	42,691	1,017	(3,856)	(4,389)	35,463
Dividend received	15,395	–	–	–	15,395

11 ASSOCIATE COMPANIES (CONT'D)

(c) The summarised financial information in respect of the Group's major associate companies are as follows (cont'd):-

Financial positions as at 30 June 2014	**Inari Amertron Berhad Group RM'000**	**Melium Holdings Sdn. Bhd. Group RM'000**	**Winfields Development Sdn. Bhd. Group RM'000**	**Other associate companies RM'000**	**Total RM'000**
Assets and liabilities					
Non-current assets	145,319	27,687	73,061	5,382	251,449
Current assets	351,856	86,430	346,124	79,087	863,497
Non-current liabilities	(69,104)	(15,514)	(9,561)	(20,315)	(114,494)
Current liabilities	(169,899)	(48,305)	(371,531)	(52,393)	(642,128)
Net assets	258,172	50,298	38,093	11,761	358,324
Carrying amount of the proportion of the Group's ownership	85,440	21,804	15,237	8,135	130,616
Financial performance for financial year ended 30 June 2014					
Results					
Revenue	793,655	168,377	5,996	32,928	1,000,956
Attributable to owners of the investee:					
Profit/(Loss) for the financial year	99,220	2,040	31,154	(2,686)	129,728
Other comprehensive loss	(3,383)	–	(57)	(117)	(3,557)
Total comprehensive income/(loss)	95,837	2,040	31,097	(2,803)	126,171
Group's share of:-					
Profit/(Loss) for the financial year	32,793	885	12,462	(908)	45,232
Other comprehensive loss	(1,019)	–	(23)	(35)	(1,077)
Total comprehensive income/(loss)	31,774	885	12,439	(943)	44,155
Dividend received	9,913	–	–	–	9,913

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12 JOINT VENTURES

		Group	
		2015	2014
		RM'000	RM'000
(a)	Unquoted shares, at cost	**–**	–*
	Group's share of post acquisition profits and reserves	**–**	–
		–	–

* *represents RM1*

The Group's equity interest in the joint ventures, their respective principal activities and countries of incorporation are shown in Note 53 to the financial statements.

(b) The summarised financial information of the joint ventures not adjusted for the proportion of ownership interest held by the Group are as follows:-

	Group	
	2015	2014
	RM'000	RM'000
Assets and liabilities		
Current assets	**–**	1,251
Current liabilities	**–**	(124)
Net assets	**–**	1,127
Results		
Revenue	**–**	–
Loss for the financial year	**–**	(353)

During the financial year, the Group received final cash distribution amounting to RM263,000 from the joint ventures. Subsequent to the final distribution, the joint ventures have been placed under members' voluntary liquidation.

(c) The joint ventures did not have any contingent liabilities as at 30 June 2015 and 30 June 2014.

Notes to the Financial Statements (Cont'd)
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13 INTANGIBLE ASSETS

Group 2015	Stock broking dealer's license RM'000	Development expenditure capitalised RM'000	Trademarks RM'000	Total RM'000
Cost				
At beginning of financial year	**45,500**	**165**	**17**	**45,682**
Written off	**–**	**(35)**	**(11)**	**(46)**
At end of financial year	**45,500**	**130**	**6**	**45,636**
Accumulated amortisation				
At beginning of financial year	**7,053**	**165**	**13**	**7,231**
Charge for the financial year	**–**	**–**	**1**	**1**
Written off	**–**	**(35)**	**(11)**	**(46)**
At end of financial year	**7,053**	**130**	**3**	**7,186**
Accumulated impairment losses				
At beginning and end of financial year	**12,400**	**–**	**–**	**12,400**
Net carrying amount				
as at 30 June 2015	**26,047**	**–**	**3**	**26,050**
2014				
Cost				
At beginning of financial year	45,500	430	17	45,947
Disposal	–	(265)	–	(265)
At end of financial year	45,500	165	17	45,682
Accumulated amortisation				
At beginning of financial year	7,053	297	13	7,363
Charge for the financial year	–	1	–	1
Disposal	–	(133)	–	(133)
At end of financial year	7,053	165	13	7,231
Accumulated impairment losses				
At beginning and end of financial year	12,400	–	–	12,400
Net carrying amount				
as at 30 June 2014	26,047	–	4	26,051

Notes to the Financial Statements (Cont'd)
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13 INTANGIBLE ASSETS (CONT'D)

Impairment testing of stock broking dealer's license

The stock broking dealer's license had been allocated to the stock broking subsidiary company's stock broking business as a cash generating unit ("CGU"), a reportable segment for impairment testing. The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period and a terminal value beyond the five-year period with an assumed growth rate of 9% (2014: 9%) in perpetuity approved by the management of the stock broking subsidiary company. The discount rate applied to the cash flow projections is 9% (2014: 9%). The recoverable amount of the CGU is compared to the total carrying amount of the dealer's license.

Key assumptions used in value in use calculation of CGU

The key assumptions on which the management of the stock broking subsidiary company has based its cash flow projections to undertake impairment testing of the stock broking dealer's license are set out below:-

(a) **Budgeted gross brokerage rate and gross margin rate**

This is determined based on the CGU's past performance and the management of the stock broking subsidiary company's expectation of the performance of the local stock market index and market development.

(b) **Operational costs**

Other operational costs are expected to increase in line with expected inflation and expansion of the stock broking business.

14 DEFERRED TAX ASSETS/(LIABILITIES)

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
At beginning of financial year	**(2,068)**	3,076	**(40)**	(104)
Recognised in income statements (Note 39)	**(20)**	(5,137)	**267**	64
Recognised in equity (Note 28(a))	**(1,460)**	–	**(1,460)**	–
Exchange differences	**(57)**	(7)	**–**	–
At end of financial year	**(3,605)**	(2,068)	**(1,233)**	(40)
Presented as follows:-				
Deferred tax assets	**2,056**	1,733	**–**	–
Deferred tax liabilities	**(5,661)**	(3,801)	**(1,233)**	(40)
	(3,605)	(2,068)	**(1,233)**	(40)

14 DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components of deferred tax assets and liabilities during the financial year are as follows:-

Deferred tax assets

Group 2015	Unutilised tax losses RM'000	Unabsorbed capital allowances RM'000	Temporary differences between depreciation and capital allowances RM'000	Other timing differences RM'000	Total RM'000
At beginning of financial year	**825**	**219**	**689**	**–**	**1,733**
Recognised in income statements	**(818)**	**50**	**39**	**1,029**	**300**
Exchange differences	**–**	**–**	**23**	**–**	**23**
At end of financial year	**7**	**269**	**751**	**1,029**	**2,056**
2014					
At beginning of financial year	2,923	1,018	184	–	4,125
Recognised in income statements	(2,098)	(799)	505	–	(2,392)
At end of financial year	825	219	689	–	1,733

The unutilised tax losses and unabsorbed capital allowances are available for offset against future taxable profits. The utilisation of the deferred tax assets is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences.

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14 DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components of deferred tax assets and liabilities during the financial year are as follows (cont'd):-

Deferred tax liabilities

	Real Property Gains Tax on fair value adjustment of investment properties RM'000	Temporary differences between depreciation and capital allowances RM'000	Warrant reserves RM'000	Total RM'000
Group				
2015				
At beginning of financial year	**2,475**	**1,326**	**–**	**3,801**
Recognised in income statements	**298**	**289**	**(267)**	**320**
Recognised in equity	**–**	**–**	**1,460**	**1,460**
Exchange differences	**–**	**80**	**–**	**80**
At end of financial year	**2,773**	**1,695**	**1,193**	**5,661**
2014				
At beginning of financial year	5	1,044	–	1,049
Recognised in income statements	2,470	275	–	2,745
Exchange differences	–	7	–	7
At end of financial year	2,475	1,326	–	3,801
Company				
2015				
At beginning of financial year	**–**	**40**	**–**	**40**
Recognised in income statements	**–**	**–**	**(267)**	**(267)**
Recognised in equity	**–**	**–**	**1,460**	**1,460**
At end of financial year	**–**	**40**	**1,193**	**1,233**
2014				
At beginning of financial year	–	104	–	104
Recognised in income statements	–	(64)	–	(64)
At end of financial year	–	40	–	40

14 DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

As at reporting date, the Group has deferred tax assets (stated at gross) not recognised in the financial statements as follows:-

	Group	
	2015	2014
	RM'000	RM'000
Temporary differences between depreciation and capital allowances	**24**	160
Unutilised tax losses	**(73,042)**	(70,000)
Unabsorbed capital allowances	**(6,655)**	(6,800)
Other timing differences	**(35)**	(48)
	(79,708)	(76,688)

The above unutilised tax losses and unabsorbed capital allowances are available for offset against future taxable profits. Deferred tax assets in respect of these items have not been recognised as it was not certain that future taxable profit will be available against which the Group can utilise the benefits.

15 PROPERTY DEVELOPMENT COSTS

	Group	
	2015	2014
	RM'000	RM'000
Development costs:-		
At beginning of financial year	**9,567**	9,350
Addition during the financial year	**193**	217
At end of financial year	**9,760**	9,567

16 INVENTORIES

	Group	
	2015	2014
	RM'000	RM'000
Unsold units of apartments and houses	**8,041**	8,342
Electronic, multimedia and computer devices, components and peripherals	**–**	1,408
Wines	**3,817**	3,818
Others	**41**	41
	11,899	13,609

Notes to the Financial Statements (Cont'd)
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17 TRADE RECEIVABLES

	Group	
	2015	2014
	RM'000	RM'000
Trade receivables	**318,295**	415,651
Less: Allowance for impairment	**(14,673)**	(74,583)
	303,622	341,068

Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

The ageing analysis of the Group's trade receivables is as follows:-

	Group	
	2015	2014
	RM'000	RM'000
Neither past due nor impaired	**251,882**	286,837
1 to 30 days past due not impaired	**1,998**	1,750
31 to 60 days past due not impaired	**637**	2,641
61 to 90 days past due not impaired	**1,083**	951
91 to 120 days past due not impaired	**1,950**	228
More than 121 days past due not impaired	**46,072**	48,661
	51,740	54,231
Impaired	**14,673**	74,583
	318,295	415,651

Trade receivables that are neither past due nor impaired are creditworthy debtors with insignificant losses noted. These trade receivables amounting to RM223,154,000 (2014: RM251,630,000) are secured in nature.

Trade receivables that are past due but not impaired amounting to RM48,894,000 (2014: RM49,047,000) are secured in nature. The remaining balance of trade receivables of RM2,846,000 (2014: RM5,184,000) that are past due but not impaired are unsecured in nature and the management is of the view these debts are recoverable and it relates to a number of independent customers from whom there is no recent history of default.

Trade receivables that are impaired amounting to RM14,673,000 (2014: RM74,583,000) relate to receivables that are in significant financial difficulties and have defaulted on repayments. These receivables are not secured by any collateral.

The carrying amount of the collateral represents an approximation of fair value of the assets at the reporting date.

17 TRADE RECEIVABLES (CONT'D)

The movement of the allowance account used to record impairment is as follows:-

	Group	
	2015	2014
	RM'000	RM'000
At beginning of financial year	**74,583**	74,236
Charge for the financial year	**337**	3,300
Acquisition of a subsidiary company	**–**	168
Disposal of subsidiary companies	**(168)**	–
Written off	**(60,148)**	(2,485)
Writeback during the financial year	**(41)**	(661)
Exchange differences	**110**	25
At end of financial year	**14,673**	74,583

18 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Sundry receivables	**15,831**	11,420	**25**	137
Deposits paid	**4,308**	8,342	**729**	718
Prepayments	**3,029**	2,501	**63**	35
	23,168	22,263	**817**	890
Less: Allowance for impairment	**(845)**	(987)	**–**	–
	22,323	21,276	**817**	890

The Group's and the Company's sundry receivables are creditworthy debtors with insignificant losses noted and are repayable on demand. The Group's and the Company's deposits paid are not impaired.

The movement of the allowance account used to record the impairment is as follows:-

	Group	
	2015	2014
	RM'000	RM'000
At beginning of financial year	**987**	921
Charge for the financial year	**9**	21
Written off	**(128)**	–
Exchange differences	**(23)**	45
At end of financial year	**845**	987

Notes to the Financial Statements (Cont'd)
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19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2015	2014
	RM'000	RM'000
Quoted securities, at market value		
- in Malaysia	**192,051**	153,642
- outside Malaysia	**99,029**	134,532
	291,080	288,174

The Group's financial assets at fair value through profit or loss amounting to RM141,107,000 (2014: RM133,659,000) are pledged to certain licensed banks and financial institutions for banking facilities granted to the Group.

20 DEPOSITS WITH LICENSED BANKS AND FINANCIAL INSTITUTIONS

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Deposits placed with:-				
- licensed banks	**185,257**	162,428	**16,471**	1,073
- licensed financial institutions	**299,749**	157,157	**–**	–
	485,006	319,585	**16,471**	1,073

Deposits placed with licensed banks and financial institutions amounting to RM334,424,000 (2014: RM190,054,000) of the Group are pledged to licensed banks and financial institutions as security for banking and credit facilities granted to the Group.

Deposits placed with licensed bank amounting to RM1,102,000 (2014: RM1,073,000) of the Company are pledged as security for banking and credit facilities granted to the Company.

Dealer's representatives' deposits and clients' trust monies received of RM114,026,000 (2014: RM90,242,000) are excluded from deposits with licensed banks and financial institutions of the Group in accordance with Financial Reporting Standards Implementation Committee Consensus 18.

The effective interest rate for deposits with licensed banks and financial institutions of the Group and of the Company range from 0.01% to 3.60% (2014: 0.001% to 3.16%) and 2.70% (2014: 2.20% to 2.85%) per annum respectively.

21 CASH AND BANK BALANCES

Included in the cash and bank balances of the Group are:-

(a) an amount of RM457,000 (2014: RM1,115,000) maintained pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are restricted from use in other operations. The withdrawal of funds from the housing development accounts are restricted to property development costs incurred in respect of the development projects.

(b) an amount of RM25,184,000 (2014: RM8,701,000) pledged to certain licensed banks and financial institutions for banking facilities granted to the Group.

Dealer's representatives' deposits and clients' trust monies received of RM2,850,000 (2014: RM3,900,000) are excluded from cash and bank balances of the Group in accordance with Financial Reporting Standards Implementation Committee Consensus 18.

22 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

The non-current assets classifed as held for sale in the preceding financial year are as follows:-

Group 2014 Cost	Leasehold land and buildings under construction RM'000	Total RM'000
At beginning of financial year	1,700	1,700
Disposal	(1,700)	(1,700)
Net carrying amount as at 30 June 2014	–	–

23 SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2015	2014	**2015**	2014
	Unit'000	Unit'000	**RM'000**	RM'000
Authorised:-				
Ordinary shares of RM1 each				
At beginning of financial year	**1,500,000**	1,500,000	**1,500,000**	1,500,000
Reclassification to redeemable preference shares (Note 28(a))	**(2,000)**	–	**(2,000)**	–
At end of financial year	**1,498,000**	1,500,000	**1,498,000**	1,500,000
Redeemable preference shares of RM0.01 each				
Reclassification from ordinary shares/ At end of financial year	**200,000**	–	**2,000**	–
	1,698,000	1,500,000	**1,500,000**	1,500,000
Issued and fully paid up:-				
Ordinary shares of RM1 each				
At beginning and end of financial year	**693,334**	693,334	**693,334**	693,334

The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

During the year, the Company reclassified its authorised share capital from RM1,500,000,000 divided into 1,500,000,000 ordinary shares of RM1.00 each to RM1,500,000,000 divided into 1,498,000,000 ordinary shares of RM1.00 each and 200,000,000 RPS of RM0.01 each.

Notes to the Financial Statements (Cont'd)
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24 TREASURY SHARES

	Group and Company			
	Number of shares		Amount	
	2015	2014	**2015**	2014
	Unit'000	Unit'000	**RM'000**	RM'000
At beginning of financial year	**29,127**	23,156	**13,522**	10,146
Shares repurchased classified as treasury shares	**1,200**	5,971	**977**	3,376
At end of financial year	**30,327**	29,127	**14,499**	13,522

The shareholders of the Company had by an ordinary resolution passed at the Annual General Meeting held on 17 December 2014, approved the Company's plan to purchase its own shares up to a maximum of 69,333,363 ordinary shares of RM1 each representing approximately 10% of the total issued and fully paid up share capital of the Company.

The Directors of the Company are of the opinion that the share buy-back is in the best interests of the Company and its shareholders.

During the current and preceding financial year, the Company bought back its issued ordinary shares from the open market as follows:-

			Purchase price per share		
	No. of shares	Total cost	Highest	Lowest	Average
		RM	RM	RM	RM
Balance as at 1 July 2013	23,156,191	10,145,844	0.86	0.24	0.44
Purchase during the preceding financial year					
- September 2013	600,500	322,029	0.54	0.51	0.54
- October 2013	5,370,600	3,054,723	0.61	0.55	0.57
Balance as at 30 June 2014	29,127,291	13,522,596	0.86	0.24	0.46
Purchase during the financial year					
- December 2014	**400,000**	**315,350**	**0.82**	**0.76**	**0.79**
- January 2015	**800,000**	**661,546**	**0.89**	**0.78**	**0.83**
Balance as at 30 June 2015	**30,327,291**	**14,499,492**	**0.89**	**0.24**	**0.48**

The share buy-back transactions were financed by internal generated funds of the Company. The shares bought back are being held as treasury shares in accordance with the provision of Section 67A of the Companies Act, 1965.

25 RESERVES

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Non-distributable:-				
Share premium	**47,751**	47,751	**47,751**	47,751
Available for sale investments fair value reserve	**15,002**	52,820	**–**	–
Exchange translation reserve	**17,407**	5,335	**–**	–
Warrants reserve	**4,622**	–	**4,622**	–
Other reserves	**11,279**	3,394	**–**	–
	96,061	109,300	**52,373**	47,751

Share premium

Share premium represents the excess of the consideration received over the nominal value of shares issued by the Company. It is not to be distributed by way of cash dividends and its utilisation shall be in the manner as set out in Section 60(3) of the Companies Act, 1965.

Available for sale investments fair value reserve

Available for sale investments fair value reserve represents the cumulative fair value changes of available for sale equity investments until they are disposed of or impaired.

Exchange translation reserve

The exchange translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency and the Group's equity share of certain associate companies' exchange translation reserve.

Warrants reserve

The warrants reserve is in respect of the allocated fair value of the 265,202,536 warrants issued by the Company during the current financial year pursuant to the Rights Issue of 132,601,268 redeemable preference shares ("RPS") at an issue price of RM1.00 each on the basis of one RPS for every five (5) ordinary shares of RM1.00 in the Company held by the entitled shareholders together with 265,202,536 free warrants in the Company on the basis of two (2) free warrants for every one (1) RPS subscribed.

The fair value is allocated based on the difference between the gross proceeds from the issuance of the RPS and the fair value of the RPS, net of deferred tax.

Notes to the Financial Statements (Cont'd)
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25 RESERVES (CONT'D)

Warrants reserve (cont'd)

The salient terms of the warrants are as follows:-

(i) The warrants may be exercised into ordinary shares in the Company any time during the tenure of the warrant of five (5) years including and commencing from the issue date of the warrants and ending on the expiry date, 25 February 2020.

(ii) Each warrant carries the entitlement to subscribe one (1) new ordinary share of RM1.00 each in the Company at the exercise price of RM1.00 which shall be satisfied fully in cash or by way of surrendering one (1) RPS by the warrant holders at 100% of the issue price of the RPS for the exercise of the warrant in lieu of the exercise price of RM1.00 per warrant, subject to adjustments in accordance with the Deed Poll.

(iii) The warrant holders are not entitled to any voting rights or participation in any dividends, rights, allotments and/or other distributions in the Company until and unless such holder of warrants exercise their warrants into new ordinary shares in the Company.

(iv) All new ordinary shares to be issued arising from the exercise of the warrants shall upon allotment, rank pari passu in all respects with the existing ordinary shares in the Company, save and except that such new shares will not entitled its holders to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to the shareholders prior to the relevant date of allotment of the new ordinary shares arising from the exercise of the warrants.

(v) Where a resolution has been passed for a member's voluntary winding-up, compromise or arrangement to which the warrant holders or some persons designated by them for such purposes by a special resolution will be a party, the terms of such winding-up, compromise or arrangement will be binding on all the warrant holders.

(vi) Subject to the provisions in the Deed Poll, the exercise price and the number of warrants held by each warrant holder may from time to time be adjusted in the event of any alteration to the share capital of the Company.

(vii) The rights attached to the warrants which are not exercised during the exercise period will lapse thereafter.

As at the end of the reporting period, the entire 265,202,536 warrants that were issued remained unexercised.

Other reserves

Other reserves refer to the Group's equity share of certain associate companies' capital and other reserves.

26 LOANS AND BORROWINGS

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Current				
Unsecured				
Term loan	**104**	83	**–**	–
Secured				
Bank overdrafts	**29,701**	51,061	**–**	–
Term loans	**314,539**	120,831	**–**	–
Revolving credit facilities	**21,700**	56,900	**2,700**	51,300
	366,044	228,875	**2,700**	51,300
Non-current				
Unsecured				
Term loan	**42**	128	**–**	–
Secured				
Term loans	**13,588**	16,150	**–**	–
	13,630	16,278	**–**	–
	379,674	245,153	**2,700**	51,300

The maturity of the loans and borrowings as at the reporting date are as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
On demand or within 1 year	**366,044**	228,875	**2,700**	51,300
More than 1 year and less than 2 years	**4,487**	3,888	**–**	–
More than 2 years and less than 5 years	**3,795**	6,453	**–**	–
More than 5 years	**5,348**	5,937	**–**	–
	379,674	245,153	**2,700**	51,300

The loans and borrowings of the Group are secured against the followings:-

(i) fixed charge over certain landed properties of the Group;
(ii) certain quoted and unquoted securities, fixed deposits and bank balances of the Group;
(iii) corporate guarantee of the Company;
(iv) deeds of assignment over the rights, titles and interests of certain properties of the Group;
(v) assignment of rental proceeds of certain landed properties of the Group;
(vi) power of attorney in favor of the financial institutions over the properties; and
(vii) personal guarantee extended by a Director of a subsidiary company.

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26 LOANS AND BORROWINGS (CONT'D)

The loans and borrowings of the Company are secured against the followings:-

(i) fixed charge over landed properties held by certain subsidiary companies;
(ii) quoted securities held by certain subsidiary companies;
(iii) certain fixed deposit of the Company;
(iv) a deed of assignment over certain landed properties held by a subsidiary company; and
(v) assignment of rental proceeds of landed properties held by certain subsidiary companies.

The effective interest rates per annum on the loans and borrowings as at the reporting date were as follows:-

	Group		Company	
	2015	2014	**2015**	2014
Bank overdrafts	**1.60%-9.35%**	7.85%-9.10%	**–**	–
Term loans	**0.26%-7.35%**	0.35%-7.10%	**–**	–
Revolving credit facilities	**5.19%-6.35%**	4.89%-5.98%	**5.19%-6.35%**	4.89%-5.98%

27 HIRE PURCHASE PAYABLES

	Group		Company	
	2015 RM'000	2014 RM'000	**2015 RM'000**	2014 RM'000
Payable within 1 year	**20,216**	11,850	**30**	30
Payable after 1 year but not later than 5 years	**39,511**	28,431	**48**	78
Payable after 5 years	**393**	470	**–**	–
	60,120	40,751	**78**	108
Less: Interest in suspense	**(4,488)**	(3,565)	**(4)**	(8)
Present value of hire purchase payables	**55,632**	37,186	**74**	100
Present value of hire purchase payables				
- within 1 year	**18,195**	10,332	**28**	26
- after 1 year but not later than 5 years	**37,052**	26,394	**46**	74
- after 5 years	**385**	460	**–**	–
Present value of hire purchase payables	**55,632**	37,186	**74**	100

Hire purchase payables of the Group and the Company are secured by the related assets acquired under the finance leases.

The effective interest rate per annum for hire purchase payables were as follows:-

	Group		Company	
	2015	2014	**2015**	2014
Hire purchase payables	**2.01%-5.43%**	2.41%-9.50%	**4.59%**	4.59%

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28 PREFERENCE SHARES

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Redeemable preference shares ("RPS") issued by the Company (Note 28(a))	**127,631**	–	**127,631**	–
Redeemable convertible preference shares ("RCPS") issued by a subsidiary company (Note 28(b))	**1,611**	–	**–**	–
	129,242	–	**127,631**	–

	Group and Company			
	Number of RPS of RM0.01 each		Amount	
(a) RPS	**2015**	2014	**2015**	2014
	Unit'000	Unit'000	**RM'000**	RM'000
Authorised:-				
Reclassification from ordinary shares/ At end of financial year (Note 23)	**200,000**	–	**2,000**	–
Issued at RM1.00 each and fully paid:-				
132,601,268 RPS issued during the financial year	**132,601**	–	**132,601**	–
Less: Equity component of RPS				
- Fair value of 265,202,536 free warrants recognised in equity under warrants reserve			**4,622**	–
- Effects of deferred tax liability			**1,460**	–
			6,082	–
RPS - liability component at initial recognition			**126,519**	–
Accumulated RPS dividends recognised in income statements during the financial year			**2,914**	–
Accumulated RPS dividends paid during the financial year			**(1,802)**	–
RPS - liability component at end of financial year			**127,631**	–

During the financial year, the Company issued a total of 132,601,268 Redeemable Preference Shares ("RPS") with a nominal value of RM0.01 each at an issue price of RM1.00 per RPS together with 265,202,536 free warrants in the Company, on the basis of two (2) free warrants for every one (1) RPS subscribed. The warrants are convertible into ordinary shares of the Company at an exercise price of RM1.00 per warrant. The salient terms of the warrants are disclosed in Note 25 to the financial statements.

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28 PREFERENCE SHARES (CONT'D)

(a) RPS (cont'd)

The salient terms of the RPS are as follows:-

(i) The RPS is not convertible into ordinary shares of the Company.

(ii) The RPS carries the right to receive cumulative gross preferential dividend out of distributable profits of the Company at a dividend rate per annum of four (4) sen on the issue price per RPS, payable semi-annually in arrears on 30 June and 31 December each year. The last dividend payment shall be made on the maturity date.

(iii) The tenure of the RPS is for five (5) years from the date of issuance of RPS.

(iv) The RPS is redeemable at 100% of the issue price of the RPS at any time during the tenure of the RPS at the option of the Company as issuer. The Company may redeem the RPS on pro-rated basis at the issue price commencing from the date of issue of the RPS up to the maturity date.

(v) In events of default, the RPS holders may at their discretion, require the Company to redeem the RPS at the issue price together with accrued but unpaid dividend in the event the Company become insolvent or is unable to pay its debts as they fall due or ceasing or threatening to cease carrying on its business or a substantial part of its business, or breaching the terms of the RPS. The RPS holders shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings of the Company.

(vi) The RPS holders are not entitled to any voting rights or participation in any rights, allotments and/or other distributions in the Company, except in the following circumstances:-

(a) where the dividend or part of the dividend on the RPS has been declared but remains unpaid for more than six (6) months;

(b) on a proposal to reduce the Company's share capital;

(c) on a proposal for the disposal of the Group's assets, business and undertakings in excess of 25% of the Group's net assets based on the last audited financial statements;

(d) upon any resolution which varies or is deemed to vary the rights and privileges attaching to the RPS;

(e) upon any resolution for the winding-up of the Company; and

(f) other circumstances as may be provided under law and applicable to preference shares and/or preference shareholders from time to time.

(b) RCPS

	Group	
	2015	2014
	RM'000	RM'000
RCPS issued by a subsidiary company to:-		
Non-controlling interests	**1,611**	–

28 PREFERENCE SHARES (CONT'D)

(b) RCPS (cont'd)

During the financial year, Roset Limousine Services Pte. Ltd., an indirect owned subsidiary company issued 3,000,000 RCPS at SGD1.00 each to its shareholders.

The salient terms of the RCPS are as follows:-

(i) the RCPS carries the rights to receive cumulative preferential dividend of 8% per annum payable semi-annually;

(ii) the tenure of the RCPS is for four (4) years from the date of subscription with one (1) year extension from maturity date subject to mutual and written agreement by the RCPS shareholders; and

(iii) any RCPS not redeemed at the end of the tenure shall be converted into ordinary shares on the basis of 1 ordinary share for every 1 RCPS.

29 DERIVATIVE FINANCIAL LIABILITIES

	Group	
	2015	2014
	RM'000	RM'000
Negative fair value on:-		
Currency forward contracts and options	**7,010**	963
Other equity related contracts	**2,155**	2,910
	9,165	3,873

As at the reporting date, the contracted underlying principal amount of the Group's currency forward contracts and options and equity related contracts are RM60,605,000 (2014: RM93,425,000).

30 TRADE PAYABLES

Margin creditors, clients' trust monies and dealer's representatives' security deposits amounting to RM116,876,000 (2014: RM94,142,000) are excluded from trade payables of the Group in accordance with Financial Reporting Standards Implementation Committee Consensus 18.

31 OTHER PAYABLES AND ACCRUALS

Other payables and accruals consist of the followings:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Accrued expenses	**10,227**	13,747	**367**	418
Deposits received	**3,632**	3,055	**–**	–
Accrued interest expenses	**298**	73	**–**	–
Other payables	**14,299**	27,716	**12**	27
	28,456	44,591	**379**	445

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32 REVENUE

Significant categories of revenue recognised during the financial year are as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Sale of financial assets at fair value through profit or loss and other instruments	**306,850**	177,700	**–**	–
Car rental	**32,774**	22,666	**–**	–
Interest income	**21,507**	25,206	**–**	–
Brokerage commissions	**19,095**	23,279	**–**	–
Sale of goods and services	**10,121**	5,550	**–**	–
Management, advisory and consultancy fees	**9,785**	9,259	**492**	492
Rental income from letting of properties	**3,726**	3,718	**–**	–
Dividend income	**702**	653	**6,625**	2,980
Sale of properties and car parks	**622**	4,160	**–**	–
Others	**1,620**	4,329	**–**	–
	406,802	276,520	**7,117**	3,472

33 COST OF SALES

Included in cost of sales are, amongst other items, the followings:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Allowance for obsolete inventories	**116**	392	**–**	–
Cost of inventories recognised in cost of sales	**1,551**	7,915	**–**	–
Depreciation of property, plant and equipment	**13,983**	8,665	**–**	–
Direct operating expenses arising from investment properties:-				
- rental generating properties	**11**	6	**–**	–
Allowance for diminution in value of inventories	**–**	86	**–**	–
Rental of motor vehicles	**–**	3	**–**	–
Writeback of allowance for diminution in value of inventories	**(26)**	(6)	**–**	–

34 OTHER INCOME

Included in other income are, amongst other items, the followings:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Accretion of discounts on held to maturity investments	**95**	152	**–**	–
Allowance for doubtful debts no longer required	**41**	661	**668**	562
Bad debts recovered	**–**	3,600	**–**	–
Excess of cash distribution over investment cost in joint ventures	**263**	–	**–**	–
Fair value gain on investment properties	**961**	3,225	**–**	–
Fair value gain on derivatives	**–**	16,304	**–**	–
Gain on disposal of intangible asset	**–**	264	**–**	–
Gain on capital repayment from an associate company	**–**	–	**–**	178
Gain on disposal of subsidiary companies	**1,213**	–	**–**	–
Gain on disposal of available for sale investments	**60,482**	15,150	**–**	–
Gain on disposal of property, plant and equipment	**1,756**	1,308	**18**	–
Gain on disposal of non-current assets classified as held for sale	**–**	1,060	**–**	–
Gain on fair value changes of financial assets at fair value through profit or loss	**–**	41,312	**–**	–
Gross dividend from financial assets at fair value through profit or loss:-				
- quoted in Malaysia	**1,556**	1,433	**–**	–
- quoted outside Malaysia	**4,843**	4,487	**–**	–
Gross dividend from available for sale investments:-				
- quoted in Malaysia	**2,207**	1,655	**–**	–
- unquoted in Malaysia	**5,000**	–	**–**	–
- unquoted outside Malaysia	**746**	802	**–**	–
Gross dividend from other investments:-				
- unquoted in Malaysia	**2,895**	–	**–**	–
Interest income from:-				
- deposits with licensed banks and financial institutions	**8,209**	5,199	**777**	179
- associate companies	**–**	32	**–**	–
- subsidiary companies	**–**	–	**7,363**	5,014
- loans and receivables	**539**	425	**–**	–
- held to maturity investments	**1,368**	1,787	**–**	–
- others	**297**	29	**–**	–

Notes to the Financial Statements (Cont'd)
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34 OTHER INCOME (CONT'D)

Included in other income are, amongst other items, the followings (cont'd):-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Excess of fair value over investment cost on acquisition of additional interest in subsidiary companies	**15**	194	**–**	–
Rental income	**55**	52	**–**	–
Realised foreign exchange gains	**–**	2,136	**–**	–
Unrealised foreign exchange gain	**–**	5,980	**–**	1,360
Waiver of debts by a subsidiary company	**–**	–	**324**	–
Writeback of provision for impairment loss on investment in a subsidiary company	**–**	–	**–**	3,000
Writeback of impairment of held to maturity investments	**29**	241	**–**	–

35 ADMINISTRATION EXPENSES

Included in administration expenses are, amongst other items, the followings:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Auditors' remuneration:-				
SJ Grant Thornton				
Statutory audit fees				
- current financial year	**204**	192	**32**	32
- underprovision in previous financial year	**5**	11	**–**	4
Other external auditors				
Statutory audit fees				
- current financial year	**124**	86	**–**	–
- overprovision in previous financial year	**(37)**	(2)	**–**	–
Depreciation of property, plant and equipment	**343**	307	**71**	103
Rental of premises	**1,367**	1,142	**384**	372
Rental of motor vehicles	**3**	–	**–**	–
Hire of equipment	**6**	–	**–**	–

36 OTHER OPERATING EXPENSES

Included in other operating expenses are, amongst other items, the followings:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Impairment of available for sale investments	**1,982**	27	**–**	27
Allowance for doubtful debts	**346**	3,321	**155**	–
Amortisation of intangible assets	**1**	1	**–**	–
Amortisation of premium on held to maturity investments	**39**	4	**–**	–
Auditors' remuneration:-				
SJ Grant Thornton				
Statutory audit fees				
- current financial year	**71**	71	**–**	–
Other external auditors				
Statutory audit fees				
- current financial year	**7**	6	**–**	–
- underprovision in previous financial year	**–**	6	**–**	–
Bad debts written off	**48**	961	**380**	–
Depreciation of property, plant and equipment	**2,589**	1,758	**–**	–
Direct operating expenses arising from investment properties:-				
- rental generating properties	**985**	845	**–**	–
- non-rental generating properties	**74**	72	**–**	–
Fair value loss on derivatives	**5,248**	-	**–**	–
Goodwill written off	**4**	-	**–**	–
Hire of equipment	**355**	393	**–**	–
Impairment of held to maturity investments	**2,270**	-	**–**	–
Inventories written off	**–**	5	**–**	–
Lease rental	**803**	-	**–**	–
Loss on fair value changes of financial assets at fair value through profit or loss	**17,909**	-	**–**	–
Property, plant and equipment written off	**89**	45	**–**	–
Provision for impairment loss on investment in subsidiary companies	**–**	–	**–**	1,380
Provision for impairment loss on investment in associate company	**2**	14	**2**	14
Realised foreign exchange loss	**12,123**	–	**–**	–
Rental of motor vehicle	**–**	1	**–**	–
Rental of premises	**589**	548	**–**	–
Unrealised foreign exchange loss	**19,118**	–	**826**	–

Notes to the Financial Statements (Cont'd)
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37 FINANCE COSTS

Finance costs comprise of the following interest expenses:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Interest expenses:-				
- term loans	**5,902**	4,498	**–**	–
- bank overdrafts	**865**	1,167	**–**	–
- revolving credit facilities	**2,842**	1,990	**2,184**	1,599
- hire purchase payables	**2,108**	1,425	**4**	5
- Dividends on RPS	**2,914**	–	**2,914**	–
	14,631	9,080	**5,102**	1,604

38 EXCEPTIONAL ITEM

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Effects of dilution of equity interests in associate companies	**(7,155)**	(145)	**–**	–

39 TAX EXPENSE

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Income tax:-				
Provision for current financial year				
- Malaysian income tax	**6,871**	5,161	**769**	115
- Overseas income tax	**244**	152	**–**	–
(Over)/Underprovision in previous financial year				
- Malaysian income tax	**(707)**	17	**23**	31
Deferred tax (Note 14):-				
Transfer to deferred taxation	**(398)**	2,419	**(278)**	–
Under/(Over) provision in previous financial year	**109**	212	**–**	(64)
Effect of changes in tax rates	**11**	36	**11**	–
Deferred Real Property Gains Tax	**298**	2,470	**–**	–
	6,428	10,467	**525**	82

39 TAX EXPENSE (CONT'D)

The reconciliation of income tax expense on profit before tax with the applicable statutory income tax rate is as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Profit before tax	**98,911**	171,151	**1,143**	4,399
Income tax at the Malaysian statutory tax rate of 25% (2014: 25%)	**24,728**	42,788	**286**	1,100
Tax effects in respect of:-				
Non-allowable expenses	**9,557**	5,606	**2,076**	642
Income not subject to tax	**(28,202)**	(39,452)	**(1,871)**	(1,627)
Deferred Real Property Gains Tax on fair value adjustment of investment properties	**298**	2,470	**–**	–
Effect of different tax rates in other countries	**(428)**	(721)	**–**	–
Effect of changes in tax rates	**11**	36	**11**	–
Overseas tax paid on dividend income	**307**	510	**–**	–
Utilisation of previously unrecognised deferred tax assets	**(394)**	(1,391)	**–**	–
Deferred taxation not recognised in the financial statements	**1,149**	392	**–**	–
Tax expenses for current financial year	**7,026**	10,238	**502**	115
(Over)/Underprovision for tax expense in previous financial year	**(707)**	17	**23**	31
Under/(Over)provision for deferred taxation in previous financial year	**109**	212	**–**	(64)
Total tax expense for the financial year	**6,428**	10,467	**525**	82
Unutilised tax losses carried forward subject to agreement of the tax authorities	**73,083**	73,313	**–**	–
Unabsorbed capital allowances carried forward subject to agreement of the tax authorities	**8,237**	8,088	**–**	–

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40 EARNINGS PER SHARE

Basic earnings per share

Earnings per share for the financial year has been calculated based on the Group's profit for the financial year attributable to the owners of the Company of RM91,129,000 (2014: RM160,404,000) divided by the weighted average number of ordinary shares in issue during the financial year of 663,573,000 ordinary shares (2014: 665,649,000 ordinary shares), after taking into consideration the movement of shares bought back by the Company.

Diluted earnings per share

The diluted earnings per ordinary share is not presented as the average market value of the ordinary shares of the Company is lower than the exercise price for the outstanding RCPS and warrants. Therefore, there is no dilutive equity instruments that give rise to diluted effect to the earnings per share.

41 DIRECTORS' REMUNERATION

The aggregate remuneration paid and payable to the Directors of the Company for the financial year, categorised into the appropriate components are as follows:-

	Group		Company	
	2015 RM'000	2014 RM'000	**2015 RM'000**	2014 RM'000
Executive Directors:-				
Salaries and other emoluments	**1,770**	5,327	**186**	240
Defined contribution plan	**85**	124	**44**	72
Benefits-in-kind	**23**	23	**23**	23
	1,878	5,474	**253**	335
Non-executive Directors:-				
Salaries and other emoluments	**1,433** *	2,221 *	**–**	–
Defined contribution plan	**69**	71	**–**	–
Fees - current financial year	**64**	64	**64**	64
- overprovision in previous financial year	**(64)**	–	**(64)**	–
Benefits-in-kind	**11**	29	**11**	14
	1,513	2,385	**11**	78
	3,391	7,859	**264**	413

* This includes the aggregate remuneration of Non-Executive Directors of the Company who are Executive Directors of certain subsidiary companies.

42 STAFF COSTS

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Salaries, bonus, wages and allowances	**34,402**	32,289	**3,386**	3,520
Social security cost	**147**	127	**17**	19
Defined contribution plan	**3,395**	2,788	**407**	446
Other staff related expenses	**52**	52	**–**	–
	37,996	35,256	**3,810**	3,985

Included in staff costs of the Group and of the Company are executive and non-executive Directors' remuneration amounting to RM3,357,000 (2014: RM7,807,000) and RM230,000 (2014: RM376,000) respectively as disclosed in Note 41 to the financial statements.

43 DIVIDENDS

	Group and Company	
	2015	2014
	RM'000	RM'000
Interim single-tier dividend of 1 sen per ordinary share paid on 25 February 2015	**6,630**	–
Interim single-tier dividend of 1 sen per ordinary share paid on 24 February 2014	**–**	6,642
	6,630	6,642

Notes to the Financial Statements (Cont'd)
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44 INFORMATION ON THE ACQUISITION OF SUBSIDIARY COMPANIES/NEWLY INCORPORATED SUBSIDIARY COMPANY AND SUMMARY EFFECT OF ACQUISITION OF SUBSIDIARY COMPANIES

(a) Details of the subsidiary companies acquired by the Group during the financial year are as follows:-

(i) Special Windfall Sdn. Bhd.

On 1 July 2014, Topacres Sdn. Bhd. ("TSB"), a wholly-owned subsidiary company, had subscribed for 300,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per ordinary share and 2,700,000 redeemable preference shares ("RPS") of RM0.01 each at an issue price of RM1.00 per RPS representing 60% of the enlarged share capital of Special Windfall Sdn. Bhd. ("SWSB") for a total subscription price of RM3.0 million. SWSB is a private limited company incorporated in Malaysia on 16 July 2012 and its principal activity is investment holding.

On 29 October 2014, TSB subscribed for additional 27,000 ordinary shares of RM1.00 each at an issue price of RM1.00 per ordinary share in SWSB and on the same date, the RPS was fully redeemed by SWSB.

(ii) ECI Communications Sdn Bhd

On 9 January 2015, J & C Pacific Sdn Bhd ("J&C"), an indirect subsidiary of the Company entered into a Share Sale Agreement to acquire 91,250 ordinary shares of RM1.00 each, representing 91.25% of the issued and paid up share capital of ECI Communications Sdn Bhd ("ECI") for a total purchase consideration of RM91,250. Upon completion of the acquisition, ECI became a 46.54% indirectly owned subsidiary of the Company via J&C. ECI is a private limited company incorporated in Malaysia on 20 June 2012. The principal activities of ECI are the provision of multimedia and communication services.

(b) Details of the newly incorporated subsidiary company during the financial year is as follows:-

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.

(c) Details of the subsidiary company acquired by the Group in the preceding financial year are as follows:-

The Company's wholly-owned subsidiary company, Insas Technology Berhad ("ITB") had on 15 April 2013 acquired 450,000 ordinary shares of RM1.00 each, representing 36% equity interest in the share capital in J&C Pacific Sdn. Bhd. ("J&C") for a cash consideration of RM2.0 million. On 6 May 2014, ITB acquired additional 187,500 ordinary shares of RM1.00 each, representing 15% equity interest in J&C for a cash consideration of RM1.0 million, and J&C became a 51% owned subsidiary company of the Group.

J&C is a private limited company incorporated under the Companies Act 1965. The principal activities of J&C are provision of mobile telecommunication products and services and mobile airtime reload services.

44 INFORMATION ON THE ACQUISITION OF SUBSIDIARY COMPANIES/NEWLY INCORPORATED SUBSIDIARY COMPANY AND SUMMARY EFFECT OF ACQUISITION OF SUBSIDIARY COMPANIES (CONT'D)

(d) The effect of the acquisition of SWSB and ECI (2014: Acquisition of J&C) on the financial results of the Group during the financial year are as follows:-

	Group	
	2015	2014
	RM'000	RM'000
Revenue	**187**	1,371
Cost of sales	**(186)**	(1,098)
Gross profit	**1**	273
Other income	**35**	283
Administration expenses	**(206)**	(586)
Other operating expenses	**(2)**	(107)
Finance costs	**–**	(1)
Loss before tax	**(172)**	(138)
Tax expense	**(11)**	–
Loss after tax	**(183)**	(138)
Attributable to:-		
Owners of the Company	**(102)**	(70)
Non-controlling interests	**(81)**	(68)

If the acquisition had taken place at the beginning of the financial year, the Group's profit, net of tax and non-controlling interests, would have been RM91,177,000 (2014: RM160,763,000) and the Group's revenue would have been RM407,878,000 (2014: RM282,247,000).

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44 INFORMATION ON THE ACQUISITION OF SUBSIDIARY COMPANIES/NEWLY INCORPORATED SUBSIDIARY COMPANY AND SUMMARY EFFECT OF ACQUISITION OF SUBSIDIARY COMPANIES (CONT'D)

(e) The fair value of assets acquired and liabilities assumed from the acquisition of SWSB and ECI (2014: Acquisition of J&C) are as follows:-

	Group	
	2015	2014
	RM'000	RM'000
Net assets acquired:-		
Property, plant and equipment	**6**	1,363
Inventories	**4**	1,575
Trade receivables	**385**	5,179
Other receivables, deposits and prepayments	**558**	1,062
Tax recoverable	**–**	54
Cash and bank balances	**391**	890
Trade payables	**(655)**	(107)
Other payables and accruals	**(19)**	(2,025)
Hire purchase payables	**–**	(30)
Non-controlling interests	**(241)**	(3,901)
Group's share of net assets at date of acquisition	**429**	4,060
Goodwill on acquisition	**4**	–
Negative goodwill on acquisition	**(15)**	(194)
Cost of investment accounted for under equity accounting	**–**	(2,000)
Share of post acquisition profits on acquisition date	**–**	(866)
Purchase consideration	**418**	1,000
Less: Cash and cash equivalents acquired	**(391)**	(890)
Net cash outflow on acquisition of equity interest in subsidiary companies	**27**	110

45 INFORMATION ON THE DISPOSAL OF SUBSIDIARY COMPANIES AND SUMMARY EFFECT OF DISPOSAL OF SUBSIDIARY COMPANIES

(a) Details of the subsidiary companies disposed by the Group during the financial year are as follows:-

On 23 June 2015, ITB entered into a Share Sale Agreement with Numoni Pte Ltd ("Numoni") for the disposal of ITB's 51% equity interest in J&C Pacific Sdn. Bhd. for a total consideration of RM6,120,000 to be satisfied by the issue of 694,487 Convertible Preference Shares ("CPS") in the capital of Numoni at an issue price of S$3.30 each.

(b) The details of net assets disposed and cash flow as at the date of disposal of J&C (2014: no disposal of subsidiary company) are as follows:-

	Group 2015 RM'000
Net assets disposed:-	
Property, plant and equipment	**734**
Inventories	**539**
Trade receivables	**8,056**
Other receivables, deposits and prepayments	**541**
Tax recoverable	**202**
Cash and bank balances	**508**
Trade payables	**(4)**
Other payables and accruals	**(1,789)**
Non-controlling interest	**(4,309)**
Group's share of net assets disposed	**4,478**
Gain on disposal of subsidiary companies	**1,642**
Proceeds from disposals	**6,120**
Less: Proceeds satisfied by the exchange of shares in Numoni	**(6,120)**
Less: Cash and cash equivalents disposed	**(508)**
Net cash outflow on disposal of equity interest in subsidiary companies	**(508)**

46 CONTINGENT LIABILITIES

	Company 2015 RM'000	Company 2014 RM'000
Unsecured:-		
Guarantees to secure banking and credit facilities granted to subsidiary and associate companies	**214,365**	114,715

The corporate guarantees do not have a determinable effect on the terms of the credit facilities due to the banks and financial institutions requiring the Company to provide guarantee as a pre-condition for approving the credit facilities granted to the subsidiary and associate companies. The actual terms of the credit facilities are likely to be the best indicator of "at market" terms and hence the fair value of the credit facilities are equal to the credit facilities amount received by the subsidiary and associate companies. As such, there is no value on the corporate guarantee to be recognised in the financial statements.

Notes to the Financial Statements (Cont'd)
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47 CAPITAL COMMITMENTS

	Group 2015 RM'000	Group 2014 RM'000
Authorised and contracted for:		
- Acquisition of investment properties	**34,942**	23,858
- Acquisition of property, plant and equipment	**4,657**	9,883
- Acquisition of derivative financial instruments	**60,605**	93,425
- Investment commitments in relation to available for sale investments	**30,621**	–
	130,825	127,166

48 LEASE COMMITMENTS

(a) Operating lease commitments - as lessee

Future lease payments in respect of non-cancellable operating leases as at the reporting date and payable:-

	Group 2015 RM'000	Group 2014 RM'000
Not later than 1 year	**723**	71
Later than 1 year but not later than 5 years	**248**	6
	971	77

(b) Operating lease commitments - as lessor

The Group has entered into property leases on its investment properties. The non-cancellable leases are for lease terms of between 1 and 3 years. These leases include a market review clause to enable revision of the rental charge upon renewal of the lease based on prevailing market rates.

As at the reporting date, commitments in respect of non-cancellable operating leases of the Group's investment properties to third parties are as follows:-

	Group 2015 RM'000	Group 2014 RM'000
Not later than 1 year	**560**	365
Later than 1 year but not later than 5 years	**234**	36
	794	401

(c) Finance lease commitment

The future minimum lease payments under finance leases are disclosed in Note 27 to the financial statements.

49 SEGMENTAL INFORMATION

(a) Operating Segments

2015	Financial services and credit & leasing RM'000	Property investment and development RM'000	Investment holding and trading RM'000	Retail trading and car rental RM'000	Information technology related services RM'000	Elimination RM'000	Group RM'000
Revenue							
External revenue	48,135	3,062	272,634	34,641	48,330	–	406,802
Inter-segment revenue	3,182	577	8,023	186	12,887	(24,855)	–
Total segment revenue	51,317	3,639	280,657	34,827	61,217	(24,855)	406,802
Results							
Interest income	1,700	231	15,298	27	1,842	(8,685)	10,413
Finance costs	(8,441)	(766)	(11,891)	(2,821)	(1,097)	10,385	(14,631)
Depreciation and amortisation	(1,162)	(57)	(409)	(14,530)	(797)	–	(16,955)
Share of profit less losses of associate companies	–	(2,631)	(4,351)	1,017	39,330	–	33,365
Tax expense	(4,272)	(35)	(2,024)	(632)	535	–	(6,428)
Other non-cash expenses (i)	(2,525)	(33)	(48,208)	(71)	(3,555)	–	(54,392)
Segment profit/(loss)	9,664	(465)	(5,022)	2,495	85,811	–	92,483
Assets							
Investments in associate companies	–	4,770	11,461	23,682	184,935	–	224,848
Additions to non-current assets (ii)	944	5,030	77,400	44,340	65,028	–	192,742
Segment assets	459,275	112,637	991,601	139,931	238,307	–	1,941,751
Liabilities							
Segment liabilities	75,615	6,483	482,642	68,913	37,805	–	671,458

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49 SEGMENTAL INFORMATION (CONT'D)

(a) Operating Segments (cont'd)

2014	Financial services and credit & leasing RM'000	Property investment and development RM'000	Investment holding and trading RM'000	Retail trading and car rental RM'000	Information technology related services RM'000	Elimination RM'000	Group RM'000
Revenue							
External revenue	57,342	5,553	185,621	22,988	5,016	–	276,520
Inter-segment revenue	4,711	700	4,323	169	10,342	(20,245)	–
Total segment revenue	62,053	6,253	189,944	23,157	15,358	(20,245)	276,520
Results							
Interest income	1,212	286	11,035	16	1,056	(6,133)	7,472
Finance costs	(10,318)	(767)	(5,514)	(1,650)	(789)	9,958	(9,080)
Depreciation and amortisation	(969)	(262)	(382)	(8,794)	(328)	–	(10,735)
Share of profit less losses of associate companies	–	(824)	12,451	885	32,720	–	45,232
Tax expense	(6,658)	(778)	(2,679)	(396)	44	–	(10,467)
Other non-cash expenses (i)	(3,294)	(6)	(27)	(86)	(1,583)	–	(4,996)
Segment profit/(loss)	20,365	(1,313)	91,568	1,804	48,260	–	160,684
Assets							
Investments in associate companies	–	2,930	15,316	22,665	100,820	–	141,731
Additions to non-current assets (ii)	937	2,957	19,470	27,022	20,357	–	70,743
Segment assets	384,289	110,892	863,685	92,245	155,941	–	1,607,052
Liabilities							
Segment liabilities	104,217	8,512	222,253	46,295	22,957	–	404,234

49 SEGMENTAL INFORMATION (CONT'D)

(a) Operating Segments (cont'd)

Segment revenue, expenses and results include transfers between segments. The prices charged on inter segment transactions are on negotiated basis. These transactions are eliminated on consolidation.

The Group is organised into five main operating segments. The main operating segments of the Group and their respective business activities are:-

Operating segment	Business activities
Financial services and credit & leasing	Stock broking and dealing in securities, provision of corporate finance and advisory services, credit and leasing and granting of loans and other related financing activities, provision of share registration services, management services and nominee agents.
Property investment and development	Property development, property holding and investments and project and property management.
Investment holding and trading	Investment holding and trading of quoted securities and other related financial instruments.
Retail trading and car rental	Cars and limousines for hire/rental, wine merchant, retail and trading of high fashion wear, leather goods and other lifestyle-related products and operating food and beverages outlets.
Information technology related services	Manufacture of wireless microwave telecommunication products, wireless broadcast card and provision of electronic manufacturing services, manufacture of light emitting diode, electronics and optical fiber cable devices, research and resale of all kind of optoelectronic devices, design and development of software and web applications and provision of telecommunication and networking services, manufacture, sale and distribution of mobile wireless and fixed line broadband solutions, devices and related peripherals, electronic components sourcing, computer hardware dealers and maintenance, trading of multimedia and electronic products and IT consultancy services.

49 SEGMENTAL INFORMATION (CONT'D)

(a) Operating Segments (cont'd)

(i) Other material non-cash expenses consist of the following items:-

	2015 RM'000	2014 RM'000
Impairment of available for sale investments	**1,982**	27
Effects of dilution of equity interests in associate companies	**7,155**	145
Impairment of held to maturity investments	**2,270**	–
Allowance for doubtful debts	**346**	3,321
Allowance for obsolete inventories	**116**	392
Allowance for diminution in value of inventories	**–**	86
Bad debts written off	**48**	961
Fair value loss on derivatives	**5,248**	–
Loss on fair value changes of financial assets at fair value through profit or loss	**17,909**	–
Inventories written off	**–**	5
Loss on redemption of held to maturity investments	**109**	-
Property, plant and equipment written off	**89**	45
Provision for impairment loss on investment in an associate company	**2**	14
Unrealised foreign exchange loss	**19,118**	–
	54,392	4,996

(ii) Additions to non-current assets consist of the following items:-

	2015 RM'000	2014 RM'000
Property, plant and equipment	**50,529**	28,463
Investment properties	**6,388**	5,799
Available for sale investments	**3,692**	3,430
Held to maturity investments	**67,338**	13,196
Associate companies	**64,795**	19,855
	192,742	70,743

49 SEGMENTAL INFORMATION (CONT'D)

(b) Geographical Information

Revenue and non-current assets information based on geographical location of the customers and assets respectively are as follows:-

	Revenue RM'000	Non-current assets RM'000
2015		
Malaysia	**128,867**	427,603
Overseas	**277,935** *	198,403 *
	406,802	626,006
2014		
Malaysia	**88,549**	374,726
Overseas	**187,971**	168,827 *
	276,520	543,553

* Comprised predominantly of Singapore and Hong Kong

Non-current assets information presented above consist of the following items as presented in the consolidated statements of financial position:-

	2015 RM'000	2014 RM'000
Property, plant and equipment	**110,357**	79,824
Investment properties	**171,875**	159,716
Available for sale investments	**47,243**	106,241
Held to maturity investments	**45,633**	29,990
Associate companies	**224,848**	141,731
Intangible assets	**26,050**	26,051
	626,006	543,553

(c) Information about major customer

The Group does not have any revenue from a single external customer which represents 10% or more of the Group's revenue.

Notes to the Financial Statements (Cont'd)
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50 RELATED PARTY DISCLOSURES

(a) Outstanding balances arising from related party transactions

The outstanding balances arising from related party transactions as at the reporting date were disclosed in Note 10 (b) and Note 11(b) to the financial statements.

(b) The Group has the following transactions with the following related parties at negotiated terms agreed between the parties during the financial year:-

	Group	
	2015	2014
	RM'000	RM'000
Fees (charged by)/charged to Syarikat Agensi Pekerjaan ER Services Sdn Bhd, a company related to certain Directors of the Company:-		
- human resources administration services fees	**(57)**	(51)
- secretarial services charges	**1**	1
Refurbishment and maintenance works provided to companies related to Directors of the Company and a subsidiary company		
- Immobillaire Holdings Sdn. Bhd.	**50**	42
- Baktihan Sdn. Bhd.	**127**	73
- Winfields Development Sdn. Bhd.	**44**	33
Sales of goods and services to Inari Amertron Berhad Group ("Inari"), an associate company where Insas Berhad Group is a substantial shareholder of Inari		
- manufacturing services fee	**–**	49
- rental income	**48**	44
- network repair services	**18**	24
- packing services	**587**	693
- secretarial, share registration and other related services	**22**	29
- professional fee income	**1,701**	633
Interest charged to associate companies	**1,385**	61
Rental of premises charged to an associate company, Numoni Malaysia Sdn. Bhd.	**14**	–
Secretarial fees charged to other associate companies*	**34**	30

50 RELATED PARTY DISCLOSURES (CONT'D)

(c) The Company has the following transactions with the following related corporations during the financial year:-

	Company 2015 RM'000	Company 2014 RM'000
Management fees charged to subsidiary companies*	**492**	492
Dividends received from subsidiary companies:-		
- Insas Technology Berhad	**580**	580
- M&A Securities Sdn. Bhd.	**3,445**	2,400
- Gryphon Asset Management Sdn. Bhd.	**575**	–
- Insas Pacific Rent-A-Car Sdn. Bhd.	**25**	–
- Insas Credit & Leasing Sdn. Bhd.	**2,000**	–
Capital repayment from an associate company, Gleneagles Medical Centre (Kuala Lumpur) Sdn. Bhd.	**–**	1,100
Secretarial and retainer fees paid and payable to a subsidiary company, Megapolitan Management Services Sdn. Bhd.	**73**	56
Website maintenance and support fees paid and payable to a subsidiary company, Vigtech Labs Sdn. Bhd.	**2**	2
Email and network maintenance fee paid and purchase of hardware and software from a subsidiary company, Langdale Systems Sdn. Bhd.	**39**	43
Interest charged to subsidiary companies*	**7,363**	5,014
Bad debt written off on amount due from dormant subsidiary companies*	**380**	–
Corporate advisory fee paid to a subsidiary company, M&A Securities Sdn. Bhd.	**350**	–
Underwriting commission paid to M&A Securities Sdn. Bhd.	**386**	–
Waiver of debts by a subsidiary company*	**324**	–

* The transactions are disclosed in aggregate as it is immaterial to disclose individually.

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

50 RELATED PARTY DISCLOSURES (CONT'D)

(d) Remuneration of key management personnel

The remuneration of Directors and other members of key management during the financial year were as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Salaries, bonus and allowances	**8,896**	11,764	**186**	240
Defined contribution plan	**665**	675	**44**	72
Social security cost	**7**	7	**–**	–
Benefits-in-kind	**65**	66	**23**	23
	9,633	12,512	**253**	335

Included in the total compensation of key management personnel were:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Executive Directors' remuneration (Note 41)	**1,878**	5,474	**253**	335

Other members of key management personnel comprise Executive Directors of the Group and persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

51 LIST OF SUBSIDIARY COMPANIES

Name of companies	% Effective equity interest 2015	% Effective equity interest 2014	Principal activities	Country of incorporation
Cellar-One Sdn. Bhd.	**100**	100	Wine merchant	Malaysia
Insas Logistics (S) Pte. Ltd. *	**100**	100	Car rental and logistics services	Singapore
Dellmax Worldwide Sdn. Bhd.	**69.3**	69.3	Investment holding	Malaysia
Delta Crest (M) Sdn. Bhd.	**100**	100	Property investment	Malaysia
Delta Crest (KL) Sdn. Bhd.	**55**	55	Property investment holding and development	Malaysia
Desa Juara Sdn. Bhd.	**100**	100	Property development	Malaysia
Filmont Holdings Sdn. Bhd. (formerly known as Filmont Development Sdn. Bhd.)	**100**	100	Investment holding and property investment	Malaysia

51 LIST OF SUBSIDIARY COMPANIES (CONT'D)

Name of companies	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Gryphon Asset Management Sdn. Bhd.	**100**	100	Dormant	Malaysia
Hastanas Development Sdn. Bhd.	**78.8**	78.8	Property development (ceased operations)	Malaysia
Insas Construction Sdn. Bhd.	**100**	100	Construction, landscaping, renovation and other related works	Malaysia
Insas Corporate Services Sdn. Bhd.	**100**	100	Provision of management services and investment holding	Malaysia
Insas Credit & Leasing Sdn. Bhd.	**100**	100	Credit and leasing and other related financing activities	Malaysia
Insas Plaza Sdn. Bhd.	**100**	100	Investment holding, investment trading, property investment, project and property management and commission agent	Malaysia
Insas Project Management Sdn. Bhd.	**100**	100	Property and project management and consultants (dormant)	Malaysia
Insas Properties Sdn. Bhd.	**90**	90	Investment holding and property investment	Malaysia
Insas Property Management Sdn. Bhd.	**90**	90	Property and project management	Malaysia
Insas (S) Pte. Ltd.*	**100**	–	Investment holding	Singapore
Insas Technology Berhad	**100**	100	Investment holding and provision of management services, provision of information technology and consultancy services and trading of electronic and telecommunications related products	Malaysia
Insas Technology Pte. Ltd.*	**100**	100	Investment holding	Singapore
Insas Pacific Rent-A-Car Sdn. Bhd.	**100**	100	Car rental services	Malaysia
Langdale E3 Pte. Ltd.*	**100**	100	Provide telecommunication services, electronic components sourcing and distribution and sale of mobile wireless and fixed line broadband solutions, devices and related peripherals	Singapore

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

51 LIST OF SUBSIDIARY COMPANIES (CONT'D)

Name of companies	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Langdale Systems Sdn. Bhd.	**100**	100	Computer trading and software consultation	Malaysia
Lifestyle-One Sdn. Bhd.	**100**	100	Investment holding	Malaysia
M & A Futures Sdn. Bhd.	**100**	100	Dormant	Malaysia
M & A Financial Services Inc.	**100**	100	Investment holding (ceased operations)	British Virgin Islands
M & A Nominee (Asing) Sdn. Bhd.	**100**	100	Nominee agent and registration services	Malaysia
M & A Nominee (Tempatan) Sdn. Bhd.	**100**	100	Nominee agent and registration services	Malaysia
M & A Research Sdn. Bhd.	**100**	100	Management and investment research services (ceased operations)	Malaysia
M & A Securities Sdn. Bhd.	**100**	100	Stock broking and dealing in securities and provision of corporate finance and advisory services	Malaysia
M & A Securities (HK) Limited*	**100**	100	Stockbroking (ceased operations)	Hong Kong
Magxo Sdn. Bhd.	**100**	100	Mobile virtual network operations (ceased operations)	Malaysia
Insas Logistics (M) Sdn. Bhd. (formerly known as Megapolitan Nominees (Tempatan) Sdn. Bhd.)	**100**	100	Investment holding	Malaysia
Megapolitan Management Services Sdn. Bhd.	**100**	100	Provision of corporate secretarial, share registration and management services	Malaysia
Media Lang Limited*	**100**	100	Investment in securities and trading of multimedia and electronic products	Hong Kong
Montania Development Sdn. Bhd.	**100**	100	Property investment	Malaysia
Montego Assets Limited	**100**	100	Investment holding and trading	British Virgin Islands
Montego (S) Pte. Ltd.*	**100**	100	Investment holding, investment trading and investment and rental of properties	Singapore
Montego Management Services Pte. Ltd.*	**100**	100	Investment holding and provision of management services	Singapore

51 LIST OF SUBSIDIARY COMPANIES (CONT'D)

Name of companies	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Noble Builders Sdn. Bhd.	**100**	100	Dormant	Malaysia
Parkfair Development Sdn. Bhd.	**90**	90	Investment holding	Malaysia
Premium-One Sdn. Bhd.	**100**	100	Dormant	Malaysia
Premium Realty Sdn. Bhd.	**100**	100	Investment holding and property investment	Malaysia
Premium Yield Sdn. Bhd.	**78.8**	78.8	Investment holding	Malaysia
Roset Limousine Services Pte. Ltd.*	**51**	51	Provision of premium limousine services and cars for hire	Singapore
Segar Raya Development Sdn. Bhd.	**71.1**	71.1	Real property and housing developer	Malaysia
Southgroup Investments Limited*	**100**	100	Investment holding	Hong Kong
Special Windfall Sdn. Bhd.	**60**	–	Investment holding	Malaysia
Teraju Usaha Sdn. Bhd.	**100**	100	Provision of consultancy and advisory services, commission agent and property investment	Malaysia
Topacres Sdn. Bhd.	**100**	100	Investment holding	Malaysia
Valencia Homes Sdn. Bhd.	**90**	90	Property development and investment	Malaysia
Vigcashlimited LLC	**100**	100	Provision of secure payment gateway services for e-commerce communities (dormant)	Mongolia
VigSys Sdn. Bhd.	**100**	100	Manufacture and distribution of mobile wireless and fixed line broadband solutions, devices and related peripherals	Malaysia
VigTech Labs Sdn. Bhd.	**100**	100	Design and development of software and web applications and provision of communication and networking services	Malaysia
Xotapoint Sdn. Bhd.	**100**	100	Dormant	Malaysia
Xota Communications Sdn. Bhd.	**100**	100	Dormant	Malaysia

* Companies not audited by SJ Grant Thornton

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52 LIST OF ASSOCIATE COMPANIES

Name of companies	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Centreplus Sdn. Bhd.	**35**	35	Improving and leasing of landed property	Malaysia
Cool Inspirations Sdn. Bhd.	**43.4**	43.4	Property investment and investment holding	Malaysia
Diffusion Fashions Sdn. Bhd.	**43.4**	43.4	Retailer of high fashion products	Malaysia
Dome Cafe Sdn. Bhd.	**43.4**	43.4	Operating food and beverages restaurants	Malaysia
Gleneagles Medical Centre (Kuala Lumpur) Sdn. Bhd.*	**20**	20	Under members' voluntary liquidation	Malaysia
Island Cafe Sdn. Bhd.	**30.3**	30.3	Operating food and beverages restaurants	Malaysia
Lifestyle Inspirations Sdn. Bhd. (formerly known as Lifestyle Foods Sdn. Bhd.)	**43.4**	43.4	Operating food and beverages restaurants	Malaysia
Melium Holdings Sdn. Bhd.	**43.4**	43.4	Investment holding	Malaysia
Melium Sdn. Bhd.	**43.4**	43.4	Retailer of high fashion products	Malaysia
Melium Aseana Sdn. Bhd.	**43.4**	43.4	Trading of Asian made products	Malaysia
Fancy Connections Sdn. Bhd.	**30.3**	30.3	Investment holding	Malaysia
Rising Inspiration Sdn. Bhd.	**43.4**	43.4	Retailer of high fashion products	Malaysia
PT Melium Nusantara*	**22.8**	30.3	Property investment holding and development	Indonesia
Smooth Inspiration Sdn. Bhd.**	**43.4**	43.4	Operating food and beverages restaurants	Malaysia
Inari Amertron Berhad	**27.2**	33.1	Investment holding and provision of management services	Malaysia
Inari Technology Sdn. Bhd.	**27.2**	33.1	Manufacture of wireless microwave telecommunication products, wireless broadcast cards and provision of electronic manufacturing services	Malaysia
Inari International Limited	**27.2**	33.1	Investment holding	Cayman Islands
Amertron Inc. (Global) Limited@	**27.2**	33.1	Investment holding	Cayman Islands

Notes to the Financial Statements (Cont'd)
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52 LIST OF ASSOCIATE COMPANIES (CONT'D)

Name of companies	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Amertron Incorporated[@]	**27.2**	33.1	Manufacture electronics and optical fiber cable devices	Philippines
Amertron Technology (Kunshan) Co. Ltd.[@]	**27.2**	33.1	Manufacture light emitting diode, research and resale of all kind of optoelectronic devices	The People's Republic of China
Inari South Keytech Sdn. Bhd.	**27.2**	33.1	Design, develop and manufacture fiber optic connector	Malaysia
Inari Global (HK) Limited	**27.2**	33.1	Dormant	British Virgin Islands
Ceedtec Sdn. Bhd.	**13.9**	16.9	Designing, marketing and distribution of electronic products	Malaysia
Ceedtec Technology Sdn. Bhd.	**13.9**	16.9	Manufacture of testing equipment for semiconductor and related products	Malaysia
Simfoni Bistari Sdn. Bhd.	**27.2**	33.1	Investment holding and property investment	Malaysia
Inari Semiconductor Labs Sdn. Bhd. (formerly known as Hektar Haruman Sdn. Bhd.)	**27.2**	–	Manufacture of semiconductor related products	Malaysia
Hektar Teknologi Sdn. Bhd. (formerly known as Dufu Dyna-Edge Sdn. Bhd.)	**27.2**	–	Property investment	Malaysia
Sengenics Sdn. Bhd.*	**20**	20	Provision of cytogenetic and molecular diagnostic products and services and related R&D activities	Malaysia
Sengenics International Pte. Ltd.*	**20**	20	Research and experimental development on biotechnology	Singapore
Sengenics (B) Sdn. Bhd.*	**20**	–	Develop and implement biotechnology projects, supply of products and consultation services related to R&D activities	Brunei

Notes to the Financial Statements (Cont'd)
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52 LIST OF ASSOCIATE COMPANIES (CONT'D)

Name of companies	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Winfields Development Sdn. Bhd.	**40**	40	Investment holding and rental of properties	Malaysia
Winfields Development Pte. Ltd.*	**40**	40	Investment holding in properties and trading of securities and other financial instruments	Singapore
Montprimo Sdn. Bhd.*	**45**	45	Investment holding and real property and housing development	Malaysia
Bandar Kinrara Properties Sdn. Bhd.*	**45**	45	Property development	Malaysia
Montprimo Property Management Sdn. Bhd.*	**45**	45	Property management, consultancy and advisory services	Malaysia
Regular Project Management Sdn. Bhd.*	**45**	45	Project management, consultancy and advisory services	Malaysia
Montprimo Desa JV Sdn. Bhd.*	**–**	45	Dormant	Malaysia
Score Project Management Sdn. Bhd.*	**45**	45	Project management, consultancy and advisory services	Malaysia
PRAC Logistics Sdn. Bhd.*	**45**	45	Dormant	Malaysia
True Acres Sdn. Bhd.	**40.1**	40.1	Investment holding	Malaysia
Numoni Pte. Ltd.*	**26.2**	29.4	Investment holding, manufacture and sale of self-service terminals and transaction processing systems	Singapore
Numoni Singapore Pte. Ltd.*	**26.2**	29.4	Sale of prepaid airtime from self-service kiosk	Singapore
Numoni Technology Pte. Ltd.*	**26.2**	29.4	Regional sale of self-service kiosk and payment solution	Singapore
PT Numoni Indonesia*	**26.2**	29.4	Sale of prepaid airtime from self-service kiosks	Indonesia
Numoni Malaysia Sdn. Bhd.*	**26.2**	29.4	Mobile telecommunication services	Malaysia

52 LIST OF ASSOCIATE COMPANIES (CONT'D)

Name of companies	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Microfinance Maximum Savings Bank, Inc.*	**13.6**	–	Thrift bank	Phillippines
PT Numoni Nusantara Indonesia*	**26.2**	–	Dormant	Indonesia
Numoni (HK) Limited*	**14.4**	–	Provision of simple and effective "ready to go" and "easy-to-use" end-to-end solution for a range of transactions and payment management	Hong Kong
J&C Collaboration Sdn. Bhd.*	**26.2**	51	Provision of content information, communication and connectivity technology solutions and services	Malaysia
J&C Pacific Sdn. Bhd.*	**26.2**	51	Provide mobile telecommunication products and services and mobile airtime reload services	Malaysia
ECI Communications Sdn. Bhd.*	**23.9**	–	Provision of multimedia and communication services	Malaysia

* Companies not audited by SJ Grant Thornton.
** Companies not audited by SJ Grant Thornton in prior financial year.
@ Companies audited by other member firm of Grant Thornton International Limited.

53 LIST OF JOINT VENTURES

Name of entities	% Effective equity interest 2015	2014	Principal activities	Country of incorporation
Chantrey House LLP*	**50**	50	In members' voluntary liquidation	United Kingdom
Eccleston Belgravia LLP*	**49.8**	49.8	In members' voluntary liquidation	United Kingdom

* Entities not audited by SJ Grant Thornton.

Notes to the Financial Statements (Cont'd)
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54 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(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 at an issue price of RM1.00 per RPS 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. TWSB is the registered owner of a piece of freehold land in Bandar Nilai Utama, Daerah Seremban, Negeri Sembilan measuring approximately 41,476 square metres. 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 in SWSB and on the same date, the RPS was fully redeemed by SWSB.

(ii) 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 of the Company at an extraordinary general meeting of the Company 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.

(iii) On 23 June 2015, Insas Technology Berhad ("ITB"), a wholly-owned subsidiary company together with the 49% minority shareholders of J&C Pacific Sdn. Bhd. ("J&C"), entered into a Share Sale Agreement ("SSA") with Numoni Pte Ltd ("Numoni"), an indirect 21.26% owned associate company, for the proposed disposal of 1,250,000 ordinary shares of RM1.00 each representing the entire issued and paid up share capital of J&C to Numoni at a total consideration of RM12 million, to be satisfied by the issue of 1,361,740 Series A1 Convertible Preference Shares ("CPS") in the capital of Numoni at an issue price of S$3.30 each.

Pursuant to the SSA, ITB shall sell its entire 637,500 ordinary shares representing 51% equity interest in J&C to Numoni for a sale consideration of RM6.12 million to be satisfied by the issue of 694,487 CPS ("Disposal").

Numoni is a private limited company incorporated in Singapore on 1 January 2012 and its principal activities are investment holding, manufacture and sale of self-service terminals and transaction processing systems.

Upon completion of the Disposal, the Group will hold an indirect interest of 26.56% in the enlarged issued and paid-up share capital of Numoni, and J&C will cease to be a subsidiary company and will become an indirect associate company of the Group.

55 SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

(i) On 15 July 2015, Mr Wong Yew Kiang ("WYK"), the Managing Director and a 39% shareholder of Roset Limousine Services Pte Ltd ("Roset"), has exercised the option pursuant to a Share Sale Agreement dated 15 April 2011 between WYK and Insas Pacific Rent-A-Car Sdn. Bhd. ("IPRAC") to buy back 15,303 ordinary shares representing 10% of the total issued ordinary share capital of Roset for a cash consideration of S$18,978 ("Share Buyback"). Arising from the Share Buyback, IPRAC's equity interest in Roset has been diluted from 51% to 41%.

Roset is a private limited company incorporated in Singapore on 1 June 2004 and its principal activities are the provision of premium limousines services and cars for hire.

(ii) On 30 September 2015, Montego Management Services Pte. Ltd. ("Montego"), a private limited company incorporated in Singapore and a wholly owned subsidiary of the Company has entered into a share sale agreement with WYK and A.B. Melwani Pte. Ltd. for the acquisition of 180,614 ordinary shares representing 59% equity interest in Roset not owned by the Group at a purchase price of SGD1,151,667, which is arrived at based on the audited net tangible assets of Roset as at 30 June 2015. The purchase price will be satisfied by the issuance of 1,151,667 new ordinary shares in the capital of Montego at the issue price of SGD1 per share.

On the same date, the Group implemented an internal restructuring of the car rental and logistic division wherein the Group's 100% interest in IPRAC and Insas Logistics (S) Pte. Ltd. ("ILS"), will be transferred and consolidated under Montego. Upon completion of the proposed acquisition of Roset and the internal restructuring, the Group will hold 79.5% equity interest in Montego and Roset, IPRAC and ILS will become 100% owned subsidiaries of Montego.

56 FINANCIAL INSTRUMENTS

(a) Financial risk management and policies

The Group and the Company are exposed to financial risks arising from the use of financial instruments. The Group's and the Company's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing their interest rate, credit, foreign currency exchange, liquidity and market risks. The Group and the Company operate within guidelines approved by the Board and the Group's and the Company's policies are not to engage in speculative transactions.

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group and the Company are not significantly exposed to interest rate risk except for the floating rate borrowings. The interest rates applicable on the Group's amount due from associate companies, held to maturity investments, trade receivables, deposits placed with licensed banks and financial institutions, other payables, hire purchase payables, and preference shares are mainly fixed rate in nature and are not exposed to interest rate risk.

Notes to the Financial Statements (Cont'd)
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56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(i) Interest rate risk (cont'd)

The interest rate profiles of the Group's and of the Company's financial assets and financial liabilities that are exposed to interest rate risk are set out as follows:-

2015 Group	Floating rates instruments RM'000	Fixed rates instruments RM'000	Total RM'000	Effective interest rate during the year % per annum
Financial assets				
Amount due from associate companies	–	10,448	10,448	8% - 22%
Held to maturity investments	–	52,611	52,611	3.10% - 8.00%
Trade receivables	–	189,074	189,074	2.85% - 15.00%
Deposits placed with licensed banks and financial institutions	–	485,006	485,006	0.01% - 3.60%
Financial liabilities				
Loans and borrowings	379,674	–	379,674	0.26% - 9.35%
Hire purchase payables	–	55,632	55,632	2.01% - 5.43%
Preference shares	–	129,242	129,242	4.00% - 8.00%
Company				
Financial assets				
Amount due from subsidiary companies	–	196,546	196,546	2.85% - 22.00%
Deposits placed with licensed banks	–	16,471	16,471	2.70%
Financial liabilities				
Loans and borrowings	2,700	–	2,700	5.19% - 6.35%
Hire purchase payables	–	74	74	4.59%
Preference shares	–	127,631	127,631	4.00%

56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(i) Interest rate risk (cont'd)

The interest rate profiles of the Group's and of the Company's financial assets and financial liabilities that are exposed to interest rate risk are set out as follows (cont'd):-

2014 Group	Floating rates instruments RM'000	Fixed rates instruments RM'000	Total RM'000	Effective interest rate during the year % per annum
Financial assets				
Amount due from an associate company	–	3,150	3,150	12.00%
Held to maturity investments	–	36,165	36,165	3.10% - 10.25%
Trade receivables	–	210,364	210,364	6.30% - 15.00%
Deposits placed with licensed banks and financial institutions	–	319,585	319,585	0.001% - 3.16%
Financial liabilities				
Other payables	–	18,345	18,345	7.50% - 8.50%
Loans and borrowings	245,153	–	245,153	0.35% - 9.10%
Hire purchase payables	–	37,186	37,186	2.41% - 9.50%
Company				
Financial assets				
Amount due from subsidiary companies	–	196,748	196,748	1.80% - 12.00%
Deposits placed with licensed banks	–	1,073	1,073	2.20% - 2.85%
Financial liabilities				
Loans and borrowings	51,300	–	51,300	4.89% - 5.98%
Hire purchase payables	–	100	100	4.59%

Notes to the Financial Statements (Cont'd)
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56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(i) Interest rate risk (cont'd)

The Group's and the Company's exposure to interest rate risk for a 1% (2014: 1%) increase/(decrease) in interest rate on the financial assets and liabilities with floating interest rates at the reporting date would result in a corresponding effect to the profit for the financial year as follows:-

	Profit for the financial year RM'000
Group	
2015	
Variable rates	
- increase by 1%	**(3,797)**
- decrease by 1%	**3,797**
2014	
Variable rates	
- increase by 1%	(2,452)
- decrease by 1%	2,452
Company	
2015	
Variable rates	
- increase by 1%	**(27)**
- decrease by 1%	**27**
2014	
Variable rates	
- increase by 1%	(513)
- decrease by 1%	513

The assumed movement in interest rate of 1% for the interest rate sensitivity analysis is based on the prudent estimate of the current market environment.

(ii) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group and the Company do not have significant concentration of credit risk with any single counterparty.

The Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of trade and other receivables and amount due from subsidiary companies and associate companies in the statements of financial position.

The credit risk for cash and cash equivalents are considered negligible since the counterparties are reputable banks with high credit rating.

56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(ii) Credit risk (cont'd)

Trade and other receivables

The Group's normal trade credit terms to trade receivables ranges from 30 to 90 days (2014: 30 to 90 days) except for a subsidiary company whose credit terms is 3 market days according to the Bursa Malaysia Securities Berhad's Fixed Delivery and Settlement System Trading Rules. The Group's normal credit term in relation to rental receivables is 7 days (2014: 7 days). Other credit terms are assessed and approved on a case-by-case basis. As at the reporting date, the management is of the opinion that all necessary impairment that is required has been provided for and the trade receivables that have not been impaired are creditworthy debtors whereby impairment is not needed.

Other receivables which are neither past due nor impaired refers to balances that are deemed recoverable.

Intercompany advances

The Group provides advances to its associate companies and controls the credit risk via monitoring procedures.

The Company provides advances to its associate and subsidiary companies and controls the credit risk via monitoring procedures.

As at the reporting date, there was no indication of default on payment for advances granted to the associate and subsidiary companies and adequate impairment have been accounted for those impaired balances due from the associate and subsidiary companies.

Investments and other financial assets

The Group and the Company hold securities and cash deposits placed with sound credit rating couterparties and financial institutions.

As at reporting date, there was no indication that any investments and cash deposits are not recoverable.

Financial guarantees

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain associate and subsidiary companies and monitored the results of repayments by the subsidiary companies closely. As at the reporting date, there was no indication that any associate and subsidiaries company will default on payment.

(iii) Foreign currency exchange risk

Foreign currency exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group and the Company are exposed to foreign currency risk on their sales, purchases, investments and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are principally Hong Kong Dollar, Australian Dollar, Singapore Dollar, US Dollar, Sterling Pound and Euro Dollar.

The Group is also exposed to currency translation risk arising from its net assets of the respective foreign subsidiary companies.

Notes to the Financial Statements (Cont'd)
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56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(iii) Foreign currency exchange risk (cont'd)

The net unhedged financial assets and liabilities of companies within the Group and the Company that are not denominated in their respective functional currencies are as follows:-

2015	US Dollar RM'000	Singapore Dollar RM'000	Euro Dollar RM'000	Sterling Pound RM'000	Australian Dollar RM'000	Hong Kong Dollar RM'000	Other currencies RM'000	Total RM'000
Group								
Available for sale investments	11,539	4,099	–	2,176	314	–	–	18,128
Held to maturity investments	47,272	2,104	–	–	3,235	–	–	52,611
Trade receivables	2,349	3,642	5	355	–	371	–	6,722
Amount due from associate companies	934	369	–	–	–	–	–	1,303
Other receivables, deposits and prepayments	62	2,420	34	10	337	47	–	2,910
Financial assets at fair value through profit or loss	34,550	21,440	–	4,010	–	32,578	6,451	99,029
Deposits with licensed banks and financial institutions	5,355	–	160	101,139	221,080	–	–	327,734
Cash and bank balances	3,971	9,856	16,354	6,489	12,192	(6,555)	379	42,686
Loans and borrowings	(307,832)	(71,919)	–	–	30,144	6,337	–	(343,270)
Derivative financial liabilities	(1,869)	(121)	(1,966)	(10)	(4,616)	(583)	–	(9,165)
Trade payables	(2,311)	(2,038)	–	–	–	–	–	(4,349)
Hire purchase payables	–	(25,353)	–	–	–	–	–	(25,353)
Other payables and accruals	(100)	(5,258)	–	(31)	–	(65)	–	(5,454)
Net financial (liabilities)/assets	(206,080)	(60,759)	14,587	114,138	262,686	32,130	6,830	163,532
Company								
Available for sale investments	–	–	–	595	–	–	–	595
Cash and bank balances	–	–	–	–	96	–	–	96
Amount due from subsidiary companies	–	12	–	–	–	–	–	12
Amount due to subsidiary companies	–	(28)	–	–	–	(53,795)	–	(53,823)
Net financial (liabilities)/assets	–	(16)	–	595	96	(53,795)	–	(53,120)

56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(iii) Foreign currency exchange risk (cont'd)

The net unhedged financial assets and liabilities of companies within the Group and the Company that are not denominated in their respective functional currencies are as follows (cont'd):-

2014	US Dollar RM'000	Singapore Dollar RM'000	Euro Dollar RM'000	Sterling Pound RM'000	Australian Dollar RM'000	Hong Kong Dollar RM'000	Other currencies RM'000	Total RM'000
Group								
Available for sale investments	11,304	3,703	–	595	290	–	–	15,892
Held to maturity investments	27,768	1,944	–	–	6,453	–	–	36,165
Trade receivables	1,126	2,764	4	253	–	108	–	4,255
Other receivables, deposits and prepayments	150	1,698	34	8	302	32	–	2,224
Financial assets at fair value through profit or loss	29,757	19,075	–	12,024	–	69,002	4,674	134,532
Deposits with licensed banks and financial institutions	499	662	2,357	37,665	141,848	–	–	183,031
Cash and bank balances	4,255	5,223	788	2,107	10,168	581	174	23,296
Loans and borrowings	(112,646)	(46,669)	(7,300)	–	43,922	(45,431)	–	(168,124)
Derivative financial liabilities	(180)	(2,811)	–	–	18	(900)	–	(3,873)
Trade payables	(76)	(702)	–	–	–	–	–	(778)
Hire purchase payables	–	(9,571)	–	–	–	–	–	(9,571)
Other payables and accruals	(1,338)	(1,974)	(438)	(30)	–	(67)	–	(3,847)
Net financial (liabilities)/assets	(39,381)	(26,658)	(4,555)	52,622	203,001	23,325	4,848	213,202
Company								
Available for sale investments	–	–	–	595	–	–	–	595
Cash and bank balances	–	–	–	–	13	–	–	13
Amount due from subsidiary companies	2,021	11,790	825	(8,481)	(772)	5,364	7,248	17,995
Amount due to subsidiary companies	–	–	–	–	–	(45,768)	–	(45,768)
Net financial assets/(liabilities)	2,021	11,790	825	(7,886)	(759)	(40,404)	7,248	(27,165)

Notes to the Financial Statements (Cont'd)
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56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(iii) Foreign currency exchange risk (cont'd)

A 5% (2014: 5%) strengthening/weakening of Ringgit Malaysia ("RM") against the following major foreign currencies at the reporting date would (decrease)/increase the Group's and the Company's equity and profit for the financial year by the amounts shown below with all other variables held constant:-

		Group's equity and profit for the financial year RM'000	Company's equity and profit for the financial year RM'000
2015			
US Dollar/RM	- strengthening	**(10,304)**	**–**
	- weakening	**10,304**	**–**
Singapore Dollar/RM	- strengthening	**(3,038)**	**(1)**
	- weakening	**3,038**	**1**
Euro Dollar/RM	- strengthening	**729**	**–**
	- weakening	**(729)**	**–**
Sterling Pound/RM	- strengthening	**5,707**	**30**
	- weakening	**(5,707)**	**(30)**
Australian Dollar/RM	- strengthening	**13,134**	**5**
	- weakening	**(13,134)**	**(5)**
Hong Kong Dollar/RM	- strengthening	**1,607**	**(2,690)**
	- weakening	**(1,607)**	**2,690**
2014			
US Dollar/RM	- strengthening	(1,969)	101
	- weakening	1,969	(101)
Singapore Dollar/RM	- strengthening	(1,333)	590
	- weakening	1,333	(590)
Euro Dollar/RM	- strengthening	(228)	41
	- weakening	228	(41)
Sterling Pound/RM	- strengthening	2,631	(394)
	- weakening	(2,631)	394
Australian Dollar/RM	- strengthening	10,150	(38)
	- weakening	(10,150)	38
Hong Kong Dollar/RM	- strengthening	1,166	(2,020)
	- weakening	(1,166)	2,020

The assumed movement in foreign currency exchange rate of 5% for the foreign currency exchange rate sensitivity analysis is based on the prudent estimate of the current market environment.

(iv) Liquidity risk

Liquidity risk is the risk that the Group and the Company are unable to meet their financial obligations when they fall due as a result of shortage of funds. The Group's and the Company's liquidity risk exposure mainly arise from various payables, derivative liabilities, loans and borrowings, preference shares and amount due to subsidiary companies.

56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(iv) Liquidity risk (cont'd)

The Group and the Company monitor and maintain sufficient level of cash and cash equivalent to ensure adequate financing of the Group's and the Company's operations. The Group and the Company also ensures the availability of funding through adequate amount of committed credit facilities.

The normal trade credit terms granted to the Group ranges from 30 to 90 days (2014: 30 to 90 days) except for a subsidiary company whose credit terms is 3 market days according to the Bursa Malaysia Securities Berhad's Fixed Delivery and Settlement System Trading Rules.

The table below summarised the maturity profile of the Group's and of the Company's financial liabilities based on contractual undiscounted repayment obligations:-

	Less than 1 year RM'000	2 to 5 years RM'000	After 5 years RM'000	Total RM'000
2015				
Group				
Financial liabilities				
Derivative financial liabilities	**9,165**	**–**	**–**	**9,165**
Trade and other payables	**91,782**	**–**	**–**	**91,782**
Loans and borrowings	**366,556**	**9,068**	**5,576**	**381,200**
Hire purchase payables	**20,216**	**39,511**	**393**	**60,120**
Preference shares	**5,992**	**155,645**	**–**	**161,637**
Company				
Financial liabilities				
Amount due to subsidiary companies	**68,584**	**–**	**–**	**68,584**
Other payables	**379**	**–**	**–**	**379**
Loans and borrowings	**2,700**	**–**	**–**	**2,700**
Hire purchase payables	**30**	**48**	**–**	**78**
Preference shares	**5,319**	**152,015**	**–**	**157,334**
2014				
Group				
Financial liabilities				
Derivative financial liabilities	3,873	–	–	3,873
Trade and other payables	114,209	–	–	114,209
Loans and borrowings	229,505	11,539	7,404	248,448
Hire purchase payables	11,850	28,431	470	40,751
Company				
Financial liabilities				
Amount due to subsidiary companies	61,789	–	–	61,789
Other payables	445	–	–	445
Loans and borrowings	51,300	–	–	51,300
Hire purchase payables	30	78	–	108

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

56 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial risk management and policies (cont'd)

(v) Market risk

Market risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market price of quoted securities held as available for sale investments and financial assets/liabilities at fair value through profit or loss.

	Group	
	2015	2014
	RM'000	RM'000
Available for sale investments		
- quoted securities in Malaysia	**23,364**	84,598
Financial assets at fair value through profit or loss		
- quoted securities in Malaysia	**192,051**	153,642
- quoted securities outside Malaysia	**99,029**	134,532
	291,080	288,174
Derivative financial liabilities	**9,165**	3,873

If prices of quoted securities and financial derivatives change by 5% (2014: 5%) with other variables held constant, the effects of the change on profit for the financial year and equity will be as below:-

Group	Profit for the financial year RM'000	Equity for the financial year RM'000
2015		
Available for sale investments		
- increase by 5%	**–**	**1,168**
- decrease by 5%	**–**	**(1,168)**
Financial assets at fair value through profit or loss and financial derivatives		
- increase by 5%	**14,096**	**–**
- decrease by 5%	**(14,096)**	**–**
2014		
Available for sale investments		
- increase by 5%	–	4,230
- decrease by 5%	–	(4,230)
Financial assets at fair value through profit or loss and financial derivatives		
- increase by 5%	14,215	–
- decrease by 5%	(14,215)	–

The assumed movement in market price of quoted securities and financial derivatives of 5% for the market price sensitivity analysis is based on the prudent estimate of the current market environment.

56 FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values of financial instruments

Fair value is the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced and liquidation sale.

(i) Financial instruments not carried at fair value but fair value is disclosed

The Group and the Company do not have any financial instruments not carried at fair value but fair value is disclosed.

(ii) Financial instruments not carried at fair value

Financial assets of the Group and of the Company that are not carried at fair value or whose carrying amounts are not approximation of fair value at the reporting date are as follows:-

		Group		Company	
	Note	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
2015					
Financial assets					
Available for sale investments					
- unquoted investments in Malaysia	8	**5,000**	*	–	–
- unquoted investments outside Malaysia	8	**16,659**	*	–	–
- other investments	8	**2,220**	*	**940**	*
Held to maturity investments					
- unquoted corporate bonds outside Malaysia	9	**52,611**	*	–	–
2014					
Financial assets					
Available for sale investments					
- unquoted investments in Malaysia	8	5,000	*	–	–
- unquoted investments outside Malaysia	8	14,422	*	–	–
- other investments	8	2,221	*	940	*
Held to maturity investments					
- unquoted corporate bonds outside Malaysia	9	36,165	*	–	–

Notes to the Financial Statements (Cont'd)
- 30 JUNE 2015

56 FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair values of financial instruments (cont'd)

(ii) Financial instruments not carried at fair value (cont'd)

Financial assets of the Group and of the Company that are not carried at fair value or whose carrying amounts are not approximation of fair value at the reporting date are as follows (cont'd):-

* Fair value information has not been disclosed and is carried at cost less impairment, if any, because fair value cannot be measured reliably and/or it is impractical to use valuation techniques to estimate the fair value reliably as a result of significant variability in the inputs of the valuation technique. The Group and the Company do not intend to dispose off these instruments in the near future.

(iii) Financial instruments carried at fair value

Financial assets and liabilities of the Group that are carried at fair value are as follows:-
- Available for sale investments - quoted securities in Malaysia
- Financial assets at fair value through profit or loss
- Derivatives financial liabilities

Other than the above, the carrying amounts of the remaining financial instruments in the statements of financial position are reasonable approximation of fair values due to their relatively short term nature and the insignificant impact of discounting.

The following methods and assumptions summarised are used to determine the fair values of each class of financial instruments:-

(i) Quoted securities

The fair values of quoted securities is determined by reference to their published market closing price or the quoted closing bid price at the reporting date.

(ii) Derivatives

The fair values of outstanding derivative transactions are obtained from major financial institutions.

(iii) Financial assets and liabilities with short term maturity

The carrying amounts of these financial assets and liabilities at the reporting date are reasonable approximation of their fair values due to their short term nature and therefore have insignificant impact on discounting.

(iv) Other fixed interest rates financial assets and liabilities

The fair value of these financial assets and liabilities are estimated by discounted future cash flow at market incremental lending rate for similar investment and borrowing arrangements at the reporting date.

56 FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy of financial instruments

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the fair value is observable.

(i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(iii) Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2015				
Available for sale investments				
Quoted securities	**23,364**	**–**	**–**	**23,364**
Financial assets at fair value through profit or loss				
Quoted securities	**291,080**	**–**	**–**	**291,080**
	314,444	**–**	**–**	**314,444**
Derivative financial liabilities	**–**	**9,165**	**–**	**9,165**
2014				
Available for sale investments				
Quoted securities	84,598	–	–	84,598
Financial assets at fair value through profit or loss				
Quoted securities	288,174	–	–	288,174
	372,772	–	–	372,772
Derivative financial liabilities	–	3,873	–	3,873

Policy on transfer between levels

The fair value of the financial instruments to be transferred between levels are determined as of the date of the event or change in circumstances that caused the transfer.

There is no transfer between Level 1, 2 and 3 during the reporting period.

56 FINANCIAL INSTRUMENTS (CONT'D)

(d) Measurement of fair values of financial instruments

The following table show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used:-

Financial instruments carried at fair value

Type of financial instrument carried at fair value	:	Derivative financial liabilities
Valuation techniques	:	Market comparison technique. The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect transactions in similar instruments.
Significant unobservable inputs	:	Not applicable
Inter-relationship between significant unobservable inputs and fair value measurement	:	Not applicable

57 FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

The Group and the Company do not have any non-financial assets measured at fair value, other than investment properties which have been disclosed in Note 7 to the financial statements.

58 CAPITAL MANAGEMENT

The primary objective of capital management is to ensure that an entity maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group and the Company manage their capital structure to safeguard their ability to continue as a going concern in order to maintain investors, creditors and market confidence and to sustain future business development. The Group's and the Company's overall strategy remain unchanged from the previous financial year. There were no externally imposed capital requirements that the Group and the Company need to be in compliance with for the financial years ended 30 June 2015 and 30 June 2014 except for the stockbroking subsidiary company which is supervised by the Securities Commission and Bursa Malaysia Securities Berhad and is required to maintain a number of minimum capital adequacy requirements, which the stockbroking subsidiary company has complied with.

The Group and the Company monitor capital using a gearing ratio, which is derived by dividing the amount of borrowings over equity. The Group's and the Company's policy is to keep the gearing ratio within manageable ratio.

The Group's and the Company's gearing ratio are summarised as below:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Total interest bearing borrowings	**564,548**	282,339	**130,405**	51,400
Total equity attributable to owners of the Company	**1,265,770**	1,195,681	**751,026**	753,393
Gearing ratio	**0.45**	0.24	**0.17**	0.07

SUPPLEMENTARY INFORMATION
- 30 June 2015

REALISED AND UNREALISED PROFITS AND LOSSES

On 25 March 2010 and 20 December 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued directives to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the retained earnings or accumulated losses as at the end of the reporting period, into realised or unrealised profits or losses.

The breakdown of the Group's and of the Company's retained earnings into realised and unrealised profits are analysed as follows:-

	Group		Company	
	2015	2014	**2015**	2014
	RM'000	RM'000	**RM'000**	RM'000
Total retained earnings of the Company and its subsidiary companies				
- Realised	**317,407**	198,890	**20,418**	24,510
- Unrealised	**62,872**	117,406	**(600)**	1,320
	380,279	316,296	**19,818**	25,830
Total share of retained earnings of associate companies				
- Realised	**86,280**	67,520	**–**	–
- Unrealised	**(307)**	7,993	**–**	–
	85,973	75,513	**–**	–
Add: Consolidated adjustments	**24,622**	14,760	**–**	–
Total retained earnings as per consolidated financial statements	**490,874**	406,569	**19,818**	25,830

The determination of realised and unrealised profits is complied based on Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

LIST OF PROPERTIES

- held by Insas Berhad Group as at 30 June 2015

Location/Address	Description / Existing use	Area	Tenure	Approximate age of buildings (years)	Date of acquisition	Date of valuation	Net book value RM'000
M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh, Perak	10 storey corporate office block lease out and for use as office premise	10,484 sq feet (Land area)	Freehold	17	18-Jan-1995	30-Jun-2015	11,771
6, Jalan 31/70A, Desa Sri Hartamas 50480 Kuala Lumpur	4 storey shophouse leased out	1,765 sq feet (Land area)	Freehold	18	31-Oct-2001	30-Jun-2015	4,000
Block 45 & 47, The Boulevard Offices Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur	2 blocks of 11 storey shop offices leased out and for use as office premise	54,277 sq feet	Leasehold (unexpired lease period of 87 years)	13	17-Jun-2002	30-Jun-2015	52,527
21, Plaza Crystalville 1 Jalan 23/70A, Desa Sri Hartamas 50480 Kuala Lumpur	3 storey shop office leased out	4,620 sq feet	Freehold	14	3-Jan-2000	30-Jun-2015	3,600
R-3A-1, D'Aman Ria Apartment, Jalan PJU 1A/41 Ara Jaya, 47301 Petaling Jaya, Selangor	1 unit apartment for lease	1,133 sq feet	Freehold	12	22-Jun-2007	30-Jun-2015	530
8A, Orange Grove Road #11-03, D'Grove Villas Singapore	Apartment for lease	2,701 sq feet	Freehold	22	14-Feb-1996	30-Jun-2015	14,577
5, Draycott Drive #15-02, The Arc at Draycott Singapore	Apartment for lease	1,270 sq feet	Freehold	7	27-Nov-2008	30-Jun-2015	7,709
21 Claymore Road #07-02, The Tate Residences Singapore	Apartment for lease	1,894 sq feet	Freehold	5	24-Feb-2010	30-Jun-2015	12,615
Flat A, 23rd Floor, York Place 22 Johnston Road Hong Kong	Apartment for lease	981 sq feet	Leasehold	5	31-Jul-2009	30-Jun-2015	7,308
H S (D) 11371, No. P T 14461 Bukit Tinggi Resort Mukim and District of Bentung Pahang	Vacant land for development	130 acres	Freehold	Not applicable	24-Oct-1995	30-Jun-2015	38,000
Lot No. 51979, Geran No. 43962 Mukim and District of Kuala Lumpur	Vacant land for development	24,380 sq feet	Freehold	Not applicable	18-May-2004	30-Jun-2015	14,000
Ampang Putra Residensi Jalan Ampang Putra 6, 68000 Ampang, Selangor	23 units of apartments & 2 units retail shop held for sale and for lease	26,951 sq feet	Leasehold (unexpired lease period of 90 years)	5	7-May-2010 3-Sep-2010	–	6,626
Lot No. 2-12, 2-13, 2-18, 2-19, 2-31 & 2-32 No. 65, Jalan 1/17, Fadason Business Centre Taman Fadason, Off Jalan Kepong, 52000 Kuala Lumpur	6 units retail shop offices held for sale	4,200 sq feet	Leasehold	4	11-Jul-2011	–	1,504
D-07-1, D-07-2, D-07-3, Block D, Plaza Kelana Jaya Jalan SS7/13A, 47301 Petaling Jaya, Selangor	3 storey shop office	4,387 sq feet	Freehold	4	17-Mar-2011	30-Jun-2015	2,250
53, Ubi Avenue 1 #03-47, Paya Ubi Industrial Park Singapore 408934	1 unit office premise	3,121 sq feet	Leasehold (unexpired lease period of 42 years)	18	28-May-2012	–	3,005

List of Properties (Cont'd)
- held by Insas Berhad Group as at 30 June 2015

Location/Address	Description / Existing use	Area	Tenure	Approximate age of buildings (years)	Date of acquisition	Date of valuation	Net book value RM'000
Parcel No. A-21-02 and A-22-02 H S (D) 259911, No. P T 5981, Village of Kinrara District of Petaling, Selangor	2 units apartments under construction	3,057 sq feet	Freehold	Not applicable	24-Jul-2012	–	507
Lot No. 24, H S (D) 276425, No. P T 79872 Mukim and District of Petaling, Selangor	2 1/2 storey semi-detached house under construction	4,908 sq feet	Freehold	Not applicable	1-Jun-2012	–	2,422
Unit No: C10 and C11 Aurora Place Unit No: A-17-01, A-17-02, A-17-03, A-17-03A, A-18-03A, A-18-05, and A-18-06 Aurora Place H S (D) 119460 No. P T 15146, (formerly known as Geran 42277, Lot No. 36101) Mukim of Petaling, Kuala Lumpur.	2 units of 5 storey shop offices and 7 units of SOVO under construction	17,657 sq feet 6,967 sq feet	Freehold Freehold	Not applicable Not applicable	28-Dec-2012 31-Mar-2014	– –	4,995 1,257
Lot No: 7, 8, 15, 18 & 28 H S (D) 276442 No. P T 79889, H S (D) 276441 No. P T 79888, H S (D) 276434 No. P T 79881, H S (D) 276431 No. P T 79878, and H S (D) 276452 No. P T 79899 Mukim and District of Petaling, Selangor	5 units of 2 1/2 storey semi-detached houses under construction	17,168 sq feet	Freehold	Not applicable	11-Mar-2013	–	7,925
38 Jln Pemimpin #07-08 M38 Singapore 577178	1 unit of factory/ showroom in M38 Building under construction	2,906 sq feet	Freehold	Not applicable	17-Jul-2014	–	4,348
38 Jln Pemimpin #07-09 M38 Singapore 577178	1 unit of factory/ showroom in M38 Building under construction	2,820 sq feet	Freehold	Not applicable	25-Jun-2014	–	4,218

ANALYSIS OF SHAREHOLDINGS
as at 28 October 2015

ORDINARY SHARES

Authorised capital	:	RM1,498,000,000
Issued and fully paid-up capital	:	RM663,006,342 (excluding 30,327,291 treasury shares)
Class of shares	:	Ordinary shares of RM1.00 each
Voting rights	:	One vote per ordinary share

ANALYSIS BY SIZE OF HOLDINGS

Size of holdings	No. of shareholders	%	No. of shares of RM1.00 each	%
Less than 100	1,957	6.51	73,095	0.01
100 - 1,000	1,849	6.15	816,516	0.12
1,001 - 10,000	20,447	68.00	74,049,623	11.17
10,001 - 100,000	5,287	17.58	141,371,969	21.32
100,001 - 33,150,317	526	1.75	355,600,326	53.64
33,150,318 and above	2	0.01	91,094,813	13.74
	30,068	100.00	663,006,342	100.00

THIRTY LARGEST SHAREHOLDERS

	Name	No. of shares of RM1.00 each	%
1.	M & A Nominee (Asing) Sdn Bhd - Anglo Asia Investments Limited for M & A Investments International Limited	47,736,000	7.20
2.	Dato' Thong Kok Yoon	43,358,813	6.54
3.	Anglo Asia Investments Limited	29,800,073	4.50
4.	M & A Nominee (Asing) Sdn Bhd - M & A Investments Pte Ltd	27,670,755	4.17
5.	M & A Investments International Limited	22,089,038	3.33
6.	M & A Nominee (Tempatan) Sdn Bhd - Baktihan Sdn Bhd	21,746,400	3.28
7.	M & A Nominee (Asing) Sdn Bhd - M & A Investments International Ltd	19,380,136	2.92
8.	M & A Nominee (Asing) Sdn Bhd - Armadale Holdings Limited	16,601,520	2.50
9.	Immobillaire Holdings Sdn Bhd	13,538,635	2.04
10.	HSBC Nominees (Asing) Sdn Bhd - Exempt An for Credit Suisse (SG BR-TST-Asing)	9,439,020	1.42

Analysis of Shareholdings (Cont'd)
as at 28 October 2015

THIRTY LARGEST SHAREHOLDERS (CONT'D)

	Name	No. of shares of RM1.00 each	%
11.	Kim Poh Holdings Sdn Bhd	6,364,800	0.96
12.	Citigroup Nominees (Asing) Sdn Bhd - CBNY for Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	5,892,402	0.89
13.	UOB Kay Hian Nominees (Asing) Sdn Bhd - Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	5,879,415	0.89
14.	Citigroup Nominees (Asing) Sdn Bhd - CBNY for DFA Emerging Markets Small Cap Series	5,202,981	0.79
15.	Dato' Sri Thong Kok Khee	5,184,678	0.78
16.	M & A Nominee (Tempatan) Sdn Bhd - Titan Express Sdn Bhd	4,739,543	0.72
17.	Citigroup Nominees (Asing) Sdn Bhd - CBNY for Dimensional Emerging Markets Value Fund	4,501,400	0.68
18.	HLB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tan Geok Lian	3,200,000	0.48
19.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Loh Kuan Fong (8078549)	2,857,000	0.43
20.	HLB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Ah Chuan	2,449,300	0.37
21.	HSBC Nominees (Asing) Sdn Bhd - Exempt An for The Bank of New York Mellon (Mellon Acct)	2,371,628	0.36
22.	Cimsec Nominees (Asing) Sdn Bhd - Exempt An for CIMB Securities (Singapore) Pte Ltd (Retail Clients)	2,279,382	0.34
23.	Datin Tan Few Teng	2,189,344	0.33
24.	Perak Traders Holdings Sdn Bhd	2,169,548	0.33
25.	Citigroup Nominees (Asing) Sdn Bhd - UBS AG	2,136,714	0.32
26.	Cimsec Nominees (Tempatan) Sdn Bhd - CIMB Bank for Lau Joo Liang (MY 1789)	1,925,100	0.29
27.	Penny Khoo Soh Ping	1,912,000	0.29
28.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Yong Kwee Lian	1,900,000	0.29
29.	Cimsec Nominees (Asing) Sdn Bhd - CIMB for Loh Kim Kah (PB)	1,893,600	0.29
30.	HLB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Loh Kuan Fong	1,884,405	0.28
		318,293,630	48.01

Analysis of Shareholdings (Cont'd)
as at 28 October 2015

SUBSTANTIAL SHAREHOLDERS

Name of substantial shareholders		No. of shares of RM1.00 each	%
1.	Dato' Sri Thong Kok Khee *	166,064,962	25.05
2.	M & A Investments International Limited	124,420,289	18.77
3.	Dato' Thong Kok Yoon **	74,203,648	11.19

* Direct interest and deemed interest by virtue of his family members' interest and his substantial interest in M & A Investments International Limited, Immobillaire Holdings Sdn Bhd, Baktihan Sdn Bhd, Winfields Development Sdn Bhd and Montprimo Sdn Bhd pursuant to Section 134 and Section 6A of the Companies Act, 1965.

** Direct interest and deemed interest by virtue of his spouse's interest and his substantial interest in Titan Express Sdn Bhd, Perak Traders Holdings Sdn Bhd and Baktihan Sdn Bhd pursuant to Section 134 and Section 6A of the Companies Act, 1965.

ANALYSIS OF WARRANTS HOLDINGS
as at 28 October 2015

WARRANTS 2015/2020

No. of outstanding warrants	:	265,202,536
Exercise price per warrant	:	RM1.00
Expiry date of warrants	:	25 February 2020

ANALYSIS BY SIZE OF HOLDINGS

Size of holdings	No. of warrant holders	%	No. of warrants	%
Less than 100	57	1.07	1,926	0.00
100 - 1,000	928	17.40	565,424	0.21
1,001 - 10,000	2,926	54.88	11,035,924	4.16
10,001 - 100,000	1,158	21.71	39,857,204	15.03
100,001 - 13,260,126	260	4.88	150,199,534	56.64
13,260,127 and above	3	0.06	63,542,524	23.96
	5,332	100.00	265,202,536	100.00

THIRTY LARGEST WARRANT HOLDERS

	Name	No. of warrants	%
1.	Immobillaire Holdings Sdn Bhd	24,704,600	9.32
2.	M & A Nominee (Asing) Sdn Bhd - Anglo Asia Investments Limited for M & A Investments International Limited	21,494,400	8.10
3.	Dato’ Thong Kok Yoon	17,343,524	6.54
4.	M & A Nominee (Tempatan) Sdn Bhd - Baktihan Sdn Bhd	11,138,970	4.20
5.	M & A Nominee (Asing) Sdn Bhd - M & A Investments Pte Ltd	10,215,400	3.85
6.	M & A Investments International Limited	10,035,600	3.78
7.	M & A Nominee (Asing) Sdn Bhd - M & A Investments International Ltd	7,752,000	2.92
8.	UOB Kay Hian Nominees (Asing) Sdn Bhd - Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	7,427,304	2.80
9.	Wee Jui Jong	4,800,000	1.81
10.	Tan Soo Eng	3,000,000	1.13

Analysis of Warrants Holdings (Cont'd)
as at 28 October 2015

THIRTY LARGEST WARRANT HOLDERS (CONT'D)

	Name	No. of warrants	%
11.	Dato' Sri Thong Kok Khee	2,904,600	1.10
12.	Chin Nyuk Chin	2,832,200	1.07
13.	Kim Poh Holdings Sdn Bhd	2,545,920	0.96
14.	Lee Teik Aun	2,426,400	0.91
15.	Khoo Loon See	2,000,000	0.75
16.	Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ng Tiam Ming (008)	1,980,000	0.75
17.	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Loke See Ooi (CEB)	1,680,000	0.63
18.	RHB Capital Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Chee Hong Leong (CEB)	1,400,000	0.53
19.	Tan Chong Pen	1,350,000	0.51
20.	Chong Yong Fatt	1,280,000	0.48
21.	Looi Bian Cheong	1,271,600	0.48
22.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd - Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	1,156,200	0.44
23.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Ng Seng Giap	1,154,700	0.44
24.	Lim Ruey Chyi	1,150,520	0.43
25.	Chng Kim Chye	1,130,000	0.43
26.	Lee Yew Hui	1,100,000	0.41
27.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lim Jeh Ming	1,050,000	0.40
28.	Amsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lee Boon Siong	1,000,000	0.38
29.	Ng Ho Fatt	1,000,000	0.38
30.	Yong Kong Hai	1,000,000	0.38
		149,323,938	56.31

ANALYSIS OF RPS HOLDINGS
as at 28 October 2015

REDEEMABLE PREFERENCE SHARES ("RPS")

Authorised capital	:	RM2,000,000
Issued and fully paid-up capital	:	RM1,326,012.68
Class of shares	:	RPS of RM0.01 each

ANALYSIS BY SIZE OF HOLDINGS

Size of holdings	No. of RPS holders	%	No. of RPS of RM0.01 each	%
Less than 100	65	1.31	2,279	0.01
100 - 1,000	1,949	39.37	1,111,080	0.84
1,001 - 10,000	2,407	48.63	7,707,856	5.81
10,001 - 100,000	442	8.93	12,480,337	9.41
100,001 - 6,630,063	82	1.66	62,153,854	46.87
6,630,064 and above	5	0.10	49,145,862	37.06
	4,950	100.00	132,601,268	100.00

THIRTY LARGEST RPS HOLDERS

	Name	No. of RPS of RM0.01 each	%
1.	Immobillaire Holdings Sdn Bhd	13,097,500	9.88
2.	M & A Nominee (Asing) Sdn Bhd - Anglo Asia Investments Limited for M & A Investments International Limited	10,747,200	8.11
3.	M & A Nominee (Asing) Sdn Bhd - For Winfields Development Pte Ltd	8,676,800	6.54
4.	Dato' Thong Kok Yoon	8,671,762	6.54
5.	Onn Ping Lan	7,952,600	6.00
6.	M & A Nominee (Asing) Sdn Bhd - M & A Investments Pte Ltd	6,234,100	4.70
7.	Khoo Loon See	6,095,400	4.60
8.	M & A Nominee (Tempatan) Sdn Bhd - Baktihan Sdn Bhd	5,569,485	4.20
9.	M & A Investments International Limited	5,017,800	3.78
10.	M & A Nominee (Asing) Sdn Bhd - M & A Investments International Limited	4,376,000	3.30

Analysis of RPS Holdings (Cont'd)
as at 28 October 2015

THIRTY LARGEST RPS HOLDERS (CONT'D)

	Name	No. of RPS of RM0.01 each	%
11.	Looi Bian Cheong	3,330,100	2.51
12.	Gan Peoy Hong	2,386,800	1.80
13.	Dato' Sri Thong Kok Khee	2,100,000	1.58
14.	Kim Poh Holdings Sdn Bhd	1,272,960	0.96
15.	Teo Lay Choo	1,188,800	0.90
16.	Goh Siew Cheng	1,120,000	0.84
17.	Lucky Star Pte Ltd	1,016,000	0.77
18.	Ong Swee Keng	1,000,000	0.75
19.	M & A Nominee (Tempatan) Sdn Bhd - Titan Express Sdn Bhd	947,908	0.71
20.	Pang Choo Hiong	921,400	0.69
21.	Winfields Development Sdn Bhd	802,800	0.61
22.	Khoo Boon Chong	783,500	0.59
23.	HLIB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Lee Peng Chong (M)	711,500	0.54
24.	Khoo Boon Chong	700,000	0.53
25.	Teo Lay Hong	700,000	0.53
26.	Maybank Nominees (Tempatan) Sdn Bhd - Yap Koon Teck	625,000	0.47
27.	Teo Yong Fong	537,000	0.40
28.	M & A Nominee (Asing) Sdn Bhd - For Immobillaire Holdings Pte Ltd	500,000	0.38
29.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Beh Chan Pin	500,000	0.38
30.	Ng Ho Fatt	500,000	0.38
		98,082,415	73.97

STATEMENT OF DIRECTORS' INTEREST
- in the Company and its related corporation as at 28 October 2015

DIRECTORS' INTEREST IN ORDINARY SHARES

		Ordinary Shares of RM1.00 each			
		Direct Interest		Deemed Interest	
The Company – Insas Berhad		**Number**	**%**	**Number**	**%**
1.	Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP	121,992	0.02	–	–
2.	Dato' Sri Thong Kok Khee	5,184,678	0.75	160,880,284(1)	23.20
3.	Dato' Wong Gian Kui	395,678	0.06	1,076,564(2)	0.16
4.	Dato' Dr Tan Seng Chuan	–	–	–	–
5.	Ms Soon Li Yen	–	–	–	–
6.	Mr Oh Seong Lye	–	–	–	–
Subsidiary Company – Insas Properties Sdn Bhd					
1.	Dato' Wong Gian Kui	80,000	10.00	–	–
Subsidiary Company – Segar Raya Development Sdn Bhd					
1.	Dato' Wong Gian Kui	129,999	13.00	80,000(2)	8.00
Subsidiary Company – Premium Yield Sdn Bhd					
1.	Dato' Wong Gian Kui	–	–	49,999(2)	5.00
Subsidiary Company – Dellmax Worldwide Sdn Bhd					
1.	Dato' Wong Gian Kui	–	–	35,000(3)	35.00

By virtue of Dato' Sri Thong Kok Khee's interest in the shares of the Company, he is also deemed interested in the shares of its related corporations to the extent that the Company has an interest under Section 6A of the Companies Act, 1965.

Notes:

(1) Deemed interested by virtue of his family members' interest and his substantial interest in M & A Investments International Ltd, Immobillaire Holdings Sdn Bhd, Baktihan Sdn Bhd, Winfields Development Sdn Bhd and Montprimo Sdn Bhd.

(2) Deemed interested by virtue of his spouse's interest.

(3) Deemed interested by virtue of his interest in True Acres Sdn Bhd and his spouse's interest.

Statement of Directors' Interest (Cont'd)

- in the Company and its related corporation as at 28 October 2015

DIRECTORS' INTEREST IN WARRANTS

		Warrants 2015/2020			
		Direct Interest		Deemed Interest	
The Company – Insas Berhad		**Number**	**%**	**Number**	**%**
1.	Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP	–	–	–	–
2.	Dato' Sri Thong Kok Khee	2,904,600	1.10	86,390,370(1)	32.58
3.	Dato' Wong Gian Kui	142,664	0.05	74,600(2)	0.03
4.	Dato' Dr Tan Seng Chuan	–	–	–	–
5.	Ms Soon Li Yen	–	–	–	–
6.	Mr Oh Seong Lye	–	–	–	–

Notes:

(1) Deemed interested by virtue of his family members' interest and his substantial interest in M & A Investments International Ltd, Immobillaire Holdings Sdn Bhd, Baktihan Sdn Bhd and Montpimo Sdn Bhd.

(2) Deemed interested by virtue of his spouse's interest.

DIRECTORS' INTEREST IN REDEEMABLE PREFERENCE SHARES

		Redeemable Preference Shares of RM0.01 each			
		Direct Interest		Deemed Interest	
The Company – Insas Berhad		**Number**	**%**	**Number**	**%**
1.	Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP	–	–	–	–
2.	Dato' Sri Thong Kok Khee	2,100,000	1.58	55,706,385(1)	42.01
3.	Dato' Wong Gian Kui	71,332	0.05	37,300(2)	0.03
4.	Dato' Dr Tan Seng Chuan	–	–	–	–
5.	Ms Soon Li Yen	–	–	–	–
6.	Mr Oh Seong Lye	–	–	–	–

Notes:

(1) Deemed interested by virtue of his family members' interest and his substantial interest in M & A Investments International Ltd, Immobillaire Holdings Sdn Bhd, Immobillaire Holdings Pte Ltd, Baktihan Sdn Bhd, Winfields Development Sdn Bhd, Winfields Development Pte Ltd and Montprimo Sdn Bhd.

(2) Deemed interested by virtue of his spouse's interest.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifty-Third Annual General Meeting of the Company will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on **Thursday, 17 December 2015** at **11.00 a.m.** for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2015 and the Reports of the Directors and Auditors thereon. — **Please see Explanatory Note 1**

2. To approve the payment of Directors' fees of RM64,320 for the financial year ended 30 June 2015. — **Resolution 1**

3. To re-elect the following Directors retiring pursuant to Article 96 of the Company's Articles of Association:-

   3.1 Mr Oh Seong Lye — **Resolution 2**
   3.2 Ms Soon Li Yen — **Resolution 3**

4. To re-appoint Messrs. SJ Grant Thornton as Auditors of the Company and to authorise the Directors to fix their remuneration. — **Resolution 4**

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions, with or without modifications:

5. **Authority to issue and allot shares pursuant to Section 132D of the Companies Act, 1965** — **Resolution 5**

   "**THAT**, subject to the Companies Act, 1965, the Articles of Association of the Company and the approvals of the relevant authorities where required, the Directors of the Company be and are hereby empowered, pursuant to Section 132D of the Companies Act, 1965, to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued and paid-up share capital of the Company (excluding treasury shares) for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued."

Notice of Annual General Meeting (Cont'd)

6. **Proposed renewal of the authority for the Company to purchase its own shares** **Resolution 6**

"**THAT**, subject to the Companies Act, 1965 ("the Act"), rules, regulations and orders made pursuant to the Act, the Company's Memorandum and Articles of Association and Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and any other relevant authorities, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of RM1.00 each in the Company's issued and paid-up ordinary share capital through Bursa Securities and to take all such steps as are necessary (including the opening and maintaining of a depository account under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time and to do all such acts and things as the Directors may deem fit and expedient in the best interests of the Company, subject further to the following:-

(i) the maximum number of ordinary shares which may be purchased and held by the Company shall be equivalent to 10% of the total issued and paid-up share capital of the Company at the time of purchase;

(ii) the maximum funds to be allocated by the Company for the purpose of purchasing the ordinary shares shall not exceed the total retained profits or share premium reserve of the Company or both;

(iii) the approval conferred by this resolution will commence immediately upon the passing of this resolution and will expire at the conclusion of the next Annual General Meeting of the Company following the passing of this resolution (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting) but not so as to prejudice the completion of purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authorities; and

(iv) upon completion of the purchase(s) of the ordinary shares or any part thereof by the Company, the Directors of the Company be and are hereby authorised to cancel all the shares so purchased or retain all the shares as treasury shares for future re-sale or for distribution as dividend to the shareholders of the Company or retain part thereof as treasury shares and cancelling the balance, and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force."

7. **Proposed retention of Independent Non-Executive Director** **Resolution 7**

"**THAT**, approval be and is hereby given to Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."

Notice of Annual General Meeting (Cont'd)

8. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of The Board

Chow Yuet Kuen (MAICSA 7010284)
Lau Fong Siew (MAICSA 7045893)
Chartered Secretaries

Kuala Lumpur
25 November 2015

Explanatory Notes

1. **Audited Financial Statements**

   This agenda item is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this agenda item is not put forward for voting.

2. **Ordinary Resolution 5 – Authority to Issue Shares under Section 132D**

   The proposed Ordinary Resolution 5, if passed, is to empower the Directors of the Company to issue and allot shares up to an amount not exceeding in total 10% of the issued and paid-up share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This approval is sought to avoid any delay and costs involved in convening a general meeting of the Company to approve such issue of shares. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

   The general mandate sought for the issue of shares up to 10% of the issued capital of the Company is a renewal to the general mandate which was approved by shareholders at the last Annual General Meeting held on 17 December 2014. As at the date of this notice, the Company has not issued any new shares under this general mandate which will lapse at the conclusion of the 53rd Annual General Meeting.

   The renewal of the general mandate will provide flexibility to the Company for any possible fund raising activities including but not limited to issuance of new shares for funding investment project(s), working capital and/or acquisitions.

3. **Ordinary Resolution 6 – Share Buy-Back Authority**

   The proposed Ordinary Resolution 6, if passed, is to empower the Directors to purchase the Company's shares of up to 10% of the issued and paid-up capital of the Company by utilising the funds allocated out of the share premium account and/or retained profit of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company in 2016. For information on the Proposed Share Buy-Back, please refer to the Statement in Relation to the Proposed Renewal of Authority for the Company to Purchase its Own Shares on page 169 to 174 of the Annual Report 2015.

Notice of Annual General Meeting (Cont'd)

4. **Ordinary Resolution 7 – Retention of Independent Non-Executive Director**

Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, DK(II), SIMP was appointed as Independent Non-Executive Director of the Company on 12 November 1986. As at the date of this notice of Annual General Meeting, she has served the Company for a cumulative term of more than nine (9) years.

Both the Nomination Committee and the Board have assessed the independence of Y.A.M. Tengku Aishah, and recommended her to continue to serve as an Independent Non-Executive Director of the Company based on the following justifications:-

a) She has fulfilled the independence guidelines as set out in Chapter 1 of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

b) She has been with the Company for more than nine (9) years and therefore understand the Company's business operations extensively, enabling her to participate actively and contribute positively in deliberation and decision making of the Board and Board Committees.

c) She has vast experience in a diverse range of businesses and therefore would be able to provide constructive opinion.

Notes:-

(i) A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy, the proxy shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

(ii) Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 which holds shares in the Company for multiple beneficial owners in one securities account ('omnibus account'), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(iii) A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.

(iv) In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hand of a duly authorized officer or attorney.

(v) The instrument appointing a proxy must be deposited at the Company's Registered Office situated at No. 45-5, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.

(vi) Only members of the Company whose names appear in the Record of Depositors as at 10 December 2015 shall be entitled to attend and vote at the 53rd Annual General Meeting or appoint a proxy to attend and vote on his behalf.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

- Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of individuals who are standing for election as Directors

No individual is seeking election as a Director at the Fifty-Third Annual General Meeting of the Company.

STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

("Proposed Share Buy-Back")

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

1. INTRODUCTION

On 16 October 2015, the Company announced its intention to seek shareholders' approval to renew the authority for the Company to purchase and/or hold its own ordinary shares of RM1.00 each ("Shares") up to a maximum of 10% of the issued and paid-up share capital of the Company.

The purpose of this Statement is to provide you with the details of the Proposed Share Buy-Back and to seek your approval for the ordinary resolution No. 6 to be tabled at the 53rd Annual General Meeting ("AGM") of the Company which will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Thursday, 17 December 2015 at 11.00 a.m.

2. PROPOSED SHARE BUY-BACK

At the 52nd AGM of the Company held on 17 December 2014, the Company had obtained the shareholders' approval for, amongst others, the renewal of the authority for the Company to purchase its own Shares. The said authority will expire at the conclusion of the 53rd AGM of the Company.

A new mandate is required from the shareholders of the Company to renew the authority to purchase up to 10% of the issued and paid-up share capital of the Company. The authority from shareholders, if renewed, will be effective upon the passing of the ordinary resolution for the Proposed Share Buy-Back at the forthcoming AGM, and will remain in effect until the conclusion of the next AGM of the Company, or until the expiry of the period within which the next AGM is required by law to be held, unless revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first.

Based on the issued and paid-up share capital of the Company as at 28 October 2015 of RM693,333,633 comprising 693,333,633 Shares, the number of Shares that can be purchased by the Company is up to 69,333,363 Shares representing 10% of the issued and paid-up share capital of the Company inclusive of 30,327,291 Shares that have been purchased and retained as Treasury Shares. As such, the balance that can be purchased by the Company is 39,006,072 Shares.

As at 28 October 2015, the Company has a total 265,202,536 outstanding warrants 2015/2020 ("Warrants"). For illustrative purposes, assuming that all the 265,202,536 outstanding Warrants are exercised, the maximum number of Shares that can be purchased is 95,853,616 Shares inclusive of 30,327,291 Treasury Shares as at 28 October 2015, representing 10% of the proforma enlarged share capital of RM958,536,169 comprising 958,536,169 Shares.

3. SOURCE OF FUNDS

Pursuant to Chapter 12 of the Listing Requirements, the Proposed Share Buy-Back must be made wholly out of retained profits and/or the share premium account of the listed company. Based on the latest audited financial statements as at 30 June 2015, the share premium account and the retained profit of the Company are RM47,751,000 and RM19,818,000 respectively. The Board therefore proposes to allocate a sum up to the aggregate of the share premium account and retained profit for the Proposed Share Buy-Back, which shall be funded by internal generated funds of the Group and/or external borrowings. In the event that the Company intends to fund the Proposed Share Buy-Back via external borrowings, the Company would ensure there is sufficient funds to repay the external borrowings and that the repayment would have no material impact on the cash flow of the Group.

Statement in Relation to the Proposed Renewal of Authority for the Company to Purchase Its Own Shares (Cont'd)
("Proposed Share Buy-Back")

4. RATIONALE FOR, POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-Back will enable the Company to utilise its financial resources to purchase its own Shares from the market. The Company may, through this scheme, be able to reduce the liquidity of the Shares in the market which generally will have a positive impact on the market price of the Shares.

The Directors may at its discretion retain the purchased Shares as Treasury Shares, or for resale on the Bursa Securities with the intention of realising a potential gain, or to distribute the Treasury Shares to the shareholders of the Company as dividends to serve as a reward to the shareholders. The Directors could also opt for the purchased Shares to be cancelled, or retain part thereof as Treasury Shares and cancelling the balance, and to treat the Shares in any manner as prescribed by the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, the requirements of Bursa Securities and any other relevant authorities.

The Proposed Share Buy-Back will nevertheless reduce the financial resources of the Group and may result in the Group foregoing other investment opportunities that may emerge in the future.

The Board will be mindful of the interest of the Company and its shareholders in implementing the Proposed Share Buy-Back.

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK

The effects of the Proposed Share Buy-Back are based on the following assumptions:-

Minimum Scenario

Assuming that the Proposed Share Buy-Back is undertaken in full and that none of the 265,202,536 outstanding Warrants are exercised into Shares.

Maximum Scenario

Assuming that the Proposed Share Buy-Back is undertaken in full and all the 265,202,536 outstanding Warrants are exercised into Shares.

5.1 Share Capital

In the event that the maximum number of Shares are purchased and cancelled, the proforma effect on the issued and paid-up capital of the Company is illustrated as follows:-

	No. of Shares Minimum Scenario	No. of Shares Maximum Scenario
Issued and paid-up share capital as at 28 October 2015	693,333,633	693,333,633
Assuming full exercise of all outstanding Warrants	–	265,202,536
Enlarged issued and paid-up capital	693,333,633	958,536,169
Maximum number of Shares that may be purchased and cancelled [1]	(69,333,363)	(95,853,616)
Resultant issued and paid-up share capital	624,000,270	862,682,553

(1) *Inclusive of the 30,327,291 Shares already purchased and retained as Treasury Shares as at 28 October 2015.*

However, if the purchased Shares are retained as Treasury Shares, there will be no effect on the issued and paid-up share capital of the Company.

Statement in Relation to the Proposed Renewal of Authority for the Company to Purchase Its Own Shares (Cont'd)

("Proposed Share Buy-Back")

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

5.2 Earnings

The effect of the Proposed Share Buy-Back on the earnings and earnings per share of the Group will depend on the quantum of Shares purchased, the purchase price and the effective funding cost thereon.

5.3 Net Assets

The effect of the Proposed Share Buy-Back on the net assets per share of the Group will depend on the quantum of Shares purchased and the purchase price of the Shares at the time of buy-back.

5.4 Working Capital

The Proposed Share Buy-Back will reduce the working capital of the Company, the quantum of which will depend, amongst others, the quantum of Shares purchased and the purchase price of the Shares at the time of buy-back.

5.5 Public Shareholding Spread

The public shareholding spread of the Company as at 28 October 2015 and the resulting public shareholding spread of the Company, assuming the Company purchases 10% of its own issued and paid-up Shares, are as follows:-

	After the Proposed Share Buy-Back	
As at 28 October 2015	**Minimum scenario**	**Maximum scenario**
66.79%	64.71%	61.99%

5.6 Shareholdings of Substantial Shareholders and Directors

The effects of the Proposed Share Buy-Back on the shareholding of the substantial shareholders and Directors of the Company based on the Register of substantial shareholders and Register of Directors' shareholding respectively as at 28 October 2015 are as follows: -

Minimum Scenario

	As at 28 October 2015[(1)]				After the Proposed Share Buy-Back[(2)]			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Substantial shareholders								
Dato' Sri Thong Kok Khee [(3)]	5,184,678	0.78	160,880,284	24.27	5,184,678	0.83	160,880,284	25.78
M & A Investments International Limited	124,420,289	18.77	–	–	124,420,289	19.94	–	–
Dato' Thong Kok Yoon [(4)]	43,358,813	6.54	30,844,835	4.65	43,358,813	6.95	30,844,835	4.94

Statement in Relation to the Proposed Renewal of Authority for the Company to Purchase Its Own Shares (Cont'd)

("Proposed Share Buy-Back")

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

5.6 Shareholdings of Substantial Shareholders and Directors (cont'd)

	As at 28 October 2015[1]				After the Proposed Share Buy-Back[2]			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors								
Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, *DK(II), SIMP*	121,992	0.02	–	–	121,992	0.02	–	–
Dato' Sri Thong Kok Khee [3]	5,184,678	0.78	160,880,284	24.27	5,184,678	0.83	160,880,284	25.78
Dato' Wong Gian Kui [5]	395,678	0.06	1,076,564	0.16	395,678	0.06	1,076,564	0.17
Dato' Dr Tan Seng Chuan	–	–	–	–	–	–	–	–
Ms Soon Li Yen	–	–	–	–	–	–	–	–
Mr Oh Seong Lye	–	–	–	–	–	–	–	–

Notes:-

(1) *Calculated based on 663,006,342 Shares, after adjusting for 30,327,291 Shares already purchased and retained as Treasury Shares as at 28 October 2015*

(2) *Assuming the Proposed Share Buy-Back is undertaken in full and the maximum of 69,333,363 Shares so purchased representing 10% of the issued and paid-up share capital of the Company as at 28 October 2015 are purchased and cancelled.*

(3) *Deemed interested by virtue of his family members' interest and his substantial interest in M & A Investments International Ltd, Immobillaire Holdings Sdn Bhd, Baktihan Sdn Bhd, Winfields Development Sdn Bhd and Montprimo Sdn Bhd.*

(4) *Deemed interested by virtue of his spouse's interest and his substantial interest in Titan Express Sdn Bhd, Perak Traders Holdings Sdn Bhd and Baktihan Sdn Bhd.*

(5) *Deemed interested by virtue of his spouse's interest.*

Maximum scenario

	As at 28 October 2015[1]				(I) Assuming full exercise of Warrants[2]			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Substantial shareholders								
Dato' Sri Thong Kok Khee [4]	5,184,678	0.78	160,880,284	24.27	8,089,278	0.87	247,270,654	26.64
M & A Investments International Limited	124,420,289	18.77	–	–	173,597,689	18.70	–	–
Dato' Thong Kok Yoon [5]	43,358,813	6.54	30,844,835	4.65	60,702,337	6.54	139,512,328	15.03

Statement in Relation to the Proposed Renewal of Authority for the Company to Purchase Its Own Shares (Cont'd)

("Proposed Share Buy-Back")

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

5.6 Shareholdings of Substantial Shareholders and Directors (cont'd)

	As at 28 October 2015[1]				(I) Assuming full exercise of Warrants[2]			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors								
Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, *DK(II)*, *SIMP*	121,992	0.02	–	–	121,992	0.01	–	–
Dato' Sri Thong Kok Khee [4]	5,184,678	0.78	160,880,284	24.27	8,089,278	0.87	247,270,654	26.64
Dato' Wong Gian Kui (6)	395,678	0.06	1,076,564	0.16	538,342	0.06	1,151,164	0.12
Dato' Dr Tan Seng Chuan	–	–	–	–	–	–	–	–
Ms Soon Li Yen	–	–	–	–	–	–	–	–
Mr Oh Seong Lye	–	–	–	–	–	–	–	–

	After (I) and the Proposed Share Buy-Back[3]			
	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Substantial shareholders				
Dato' Sri Thong Kok Khee [4]	8,089,278	0.94	247,270,654	28.66
M & A Investments International Limited	173,597,689	20.12	–	–
Dato' Thong Kok Yoon [5]	60,702,337	7.04	139,512,328	16.17
Directors				
Y.A.M. Tengku Puteri Seri Kemala Pahang Tengku Hajjah Aishah Bte Sultan Haji Ahmad Shah, *DK(II)*, *SIMP*	121,992	0.01	–	–
Dato' Sri Thong Kok Khee [4]	8,089,278	0.94	247,270,654	28.66
Dato' Wong Gian Kui [6]	538,342	0.06	1,151,164	0.13
Dato' Dr Tan Seng Chuan	–	–	–	–
Ms Soon Li Yen	–	–	–	–
Mr Oh Seong Lye	–	–	–	–

Statement in Relation to the Proposed Renewal of Authority for the Company to Purchase Its Own Shares (Cont'd)
("Proposed Share Buy-Back")

5. EFFECTS OF THE PROPOSED SHARE BUY-BACK (CONT'D)

5.6 Shareholdings of Substantial Shareholders and Directors (cont'd)

Notes:-

(1) Calculated based on 663,006,342 Shares, after adjusting for 30,327,291 Shares already purchased and retained as Treasury Shares as at 28 October 2015.

(2) Calculated based on 928,208,878 Shares, assuming full exercise of 265,202,536 outstanding Warrants and after adjusting for 30,327,291 Shares already purchased and retained as Treasury Shares.

(3) Calculated based on 862,682,553 Shares, assuming full exercise of 265,202,536 outstanding Warrants and the Proposed Share Buy-Back is undertaken in full; and the maximum of 95,853,616 Shares representing 10% of the enlarged issued and paid-up share capital of the Company are purchased and cancelled.

(4) Deemed interested by virtue of his family members' interest and his substantial interest in M & A Investments International Ltd, Immobillaire Holdings Sdn Bhd, Baktihan Sdn Bhd, Winfields Development Sdn Bhd and Montprimo Sdn Bhd.

(5) Deemed interested by virtue of his spouse's interest and his substantial interest in Titan Express Sdn Bhd, Perak Traders Holdings Sdn Bhd and Baktihan Sdn Bhd.

(6) Deemed interested by virtue of his spouse's interest.

6. IMPLICATION OF THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS 2010 ("CODE")

The direct and indirect shareholdings of the substantial shareholders, namely Dato' Sri Thong Kok Khee and Dato' Thong Kok Yoon and persons connected to them namely Datin Sri Yeoh Kwee See, Datin Tan Few Teng, Ms Thong Mei Chuen and Mr Thong Weng Sheng, being their family members and M & A Investments International Limited, Immobillaire Holdings Sdn Bhd, Titan Express Sdn Bhd, Perak Traders Sdn Bhd, Baktihan Sdn Bhd, Winfields Development Sdn Bhd and Montprimo Sdn Bhd (collectively "Major Shareholders") as at 28 October 2015 are approximately 32.96% of the total issued and paid-up share capital of the Company after adjusting for 30,327,291 Shares already purchased and retained as Treasury Shares.

Pursuant to the Code, a person who holds more than 33% of the voting shares of the Company shall undertake a mandatory general offer for the remaining ordinary shares of the Company not already owned by the said person. Accordingly, in the event an obligation to undertake a mandatory general offer should arise as a result of the Proposed Share Buy-Back being implemented, the Major Shareholders shall make the necessary application to the Securities Commission for a waiver from having to undertake a mandatory general offer pursuant to the Code.

The Company does not intend to undertake the Proposed Share Buy-Back such that it will trigger any obligation on the Major Shareholders and/or person acting in concert with them to undertake a mandatory general offer pursuant to the Code.

7. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

Save for the proportionate increase in the percentage shareholdings and/or voting rights of all the shareholders in the Company as a consequence of the Proposed Share Buy-Back, none of the Directors and substantial shareholders and persons connected to them have any interest, direct or indirect, in the Proposed Share Buy-Back and, if any, the resale of the Treasury Shares.

8. DIRECTORS' RECOMMENDATION

Your Directors are of the opinion that the Proposed Share Buy-Back is in the best interest of the Company and accordingly recommend that you vote in favour of the ordinary resolution No. 6 to be tabled at the forthcoming 53rd AGM.

9. FURTHER INFORMATION

Shareholders are requested to refer to the Company's Statements of Changes in Equity for the financial year ended 30 June 2015 and Note 24 to the audited financial statements for further information on the purchases made by the Company of its own Shares during the aforesaid financial year.

INSAS BERHAD
(Company No. 4081-M)

FORM OF PROXY

FIFTY-THIRD ANNUAL GENERAL MEETING

No. of shares held	
CDS account no.	

I/We____ NRIC No./Company No. ________________________
(FULL NAME IN BLOCK LETTERS)

of ____
(FULL ADDRESS)

____ Tel No.___________________________

being a *member/members of **INSAS BERHAD,** hereby appoint ____
(FULL NAME IN BLOCK LETTERS)

NRIC No. _________________________ of ____
(FULL ADDRESS)

____

*and/*or failing him/her,____ NRIC No. _________________________
(FULL NAME IN BLOCK LETTERS)

of ____
(FULL ADDRESS)

or failing him/her, *the Chairman of the meeting as *my/our proxy to attend and vote for *me/us on *my/our behalf at the Fifty-Third Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Thursday, 17 December 2015 at 11.00 a.m. or at any adjournment thereof in respect of *my/our shareholding in the manner indicated below:

*(*strike out whichever is not desired)*

NO.	RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees		
2.	To re-elect Mr Oh Seong Lye as Director		
3.	To re-elect Ms Soon Li Yen as Director		
4.	To re-appoint Messrs. SJ Grant Thornton as Auditors		
5.	To approve the authority to issue and allot shares		
6.	To approve the renewal of authority for the Company to purchase its own shares		
7.	To retain Independent Non-Executive Director		

Please indicate with an "X" in the spaces provided how you wish your vote to be cast. If no specific instruction is given on the voting, the proxy/proxies will vote or abstain from voting on the resolution(s) at his/her discretion.

Signed this ____________ day of ____________________ 2015

____
Signature(s)/Common Seal of Member(s)

For appointment of two proxies, percentage of shareholdings to be represented by the proxies		
	No. of shares	**Percentage**
Proxy 1		
Proxy 2		
Total		100%

Notes:-

(i) A member entitled to attend and vote at the meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a member appoints more than one (1) proxy, the proxy shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

(ii) Where a member is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 which holds shares in the Company for multiple beneficial owners in one securities account ('omnibus account'), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

(iii) A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.

(iv) In the case of a corporate member, the instrument appointing a proxy shall be under its Common Seal or under the hand of a duly authorized officer or attorney.

(v) The instrument appointing a proxy must be deposited at the Company's Registered Office situated at No. 45-5, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof.

(vi) Only members of the Company whose names appear in the Record of Depositors as at 10 December 2015 shall be entitled to attend and vote at the 53rd Annual General Meeting or appoint a proxy to attend and vote on his behalf.

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The Chartered Secretaries
INSAS BERHAD (4081–M)
No. 45-5, The Boulevard
Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

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(Company No. 4081-M)

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