

# Quarterly rpt on consolidated results for the financial period ended 30 Sep 2020

## INSAS BERHAD

|   |                       |
|---|-----------------------|
| Financial Year End                              | 30 Jun 2021           |
| Quarter   | 1 Qtr                 |
| Quarterly report for the financial period ended | 30 Sep 2020           |
| The figures                                     | have not been audited |

### Attachments

IB Q1.2021.pdf  
268.5 kB

|                  |                |
|------------------|----------------|
| Default Currency | Other Currency |
|------------------|----------------|

Currency: Malaysian Ringgit (MYR)

### SUMMARY OF KEY FINANCIAL INFORMATION 30 Sep 2020

|   | INDIVIDUAL PERIOD            |                                      | CUMULATIVE PERIOD                  |                                     |
|---|------------------------------|--------------------------------------|------------------------------------|-------------------------------------|
|   | CURRENT YEAR QUARTER         | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE               | PRECEDING YEAR CORRESPONDING PERIOD |
|   | 30 Sep 2020                  | 30 Sep 2019                          | 30 Sep 2020                        | 30 Sep 2019                         |
|   | \$S'000                      | \$S'000                              | \$S'000                            | \$S'000                             |
| 1 Revenue   | 54,327                       | 39,179                               | 54,372                             | 39,179                              |
| 2 Profit/(loss) before tax  | 72,537                       | 21,283                               | 72,537                             | 21,283                              |
| 3 Profit/(loss) for the period  | 65,344                       | 17,893                               | 65,344                             | 17,893                              |
| 4 Profit/(loss) attributable to ordinary equity holders of the parent               | 65,315                       | 17,857                               | 65,315                             | 17,857                              |
| 5 Basic earnings/(loss) per share (Subunit)   | 9.85                         | 2.69                                 | 9.85                               | 2.69                                |
| 6 Proposed/Declared dividend per share (Subunit)                                    | 2.00                         | 2.00                                 | 2.00                               | 2.00                                |
|   | AS AT END OF CURRENT QUARTER |                                      | AS AT PRECEDING FINANCIAL YEAR END |                                     |
| 7 Net assets per share attributable to ordinary equity holders of the parent (\$\$) | 2.7300                       |                                      | 2.6400                             |                                     |

**Remarks :**

1) The basic earnings per share for the 3 months period ended 30 September 2020 has been calculated based on the profit attributable to the owners of the Company of RM65,315,000 (2019: RM17,857,000) and the weighted average number of ordinary shares in issue during the period of 663,021,000 shares (2019: 663,007,000 shares) net of shares bought back by the Company.

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

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

**Definition of Subunit:**

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

Example for the subunit as follows:

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

**Announcement Info**

|                         |                    |
|-------------------------|--------------------|
| <b>Company Name</b>     | INSAS BERHAD       |
| <b>Stock Name</b>       | INSAS              |
| <b>Date Announced</b>   | 24 Nov 2020        |
| <b>Category</b>         | Financial Results  |
| <b>Reference Number</b> | FRA-24112020-00056 |

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

24 NOVEMBER 2020

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**

|   | Note | INDIVIDUAL QUARTER                             |  |              | CUMULATIVE QUARTER                            |   |              |
|---|------|--|--|--------------|---|---|--------------|
|   |      | FY2021<br>Quarter ended<br>30-Sep-20<br>RM'000 | FY2020<br>Quarter ended<br>30-Sep-19<br>RM'000 | Changes<br>% | FY2021<br>Period ended<br>30-Sep-20<br>RM'000 | FY2020<br>Period ended<br>30-Sep-19<br>RM'000 | Changes<br>% |
| Revenue   |      | 54,327   | 39,179   | 39%          | 54,327  | 39,179  | 39%          |
| Cost of sales   | 1    | (10,499)                                       | (15,951)                                       | -34%         | (10,499)                                      | (15,951)                                      | -34%         |
| Other income  | 2    | 46,149   | 23,346   | 98%          | 46,149  | 23,346  | 98%          |
| Administration expenses                                     | 3    | (3,572)  | (6,017)  | -41%         | (3,572)                                       | (6,017)                                       | -41%         |
| Other operating expenses                                    | 4    | (19,356)                                       | (21,588)                                       | -10%         | (19,356)                                      | (21,588)                                      | -10%         |
| Finance costs   |      | (3,698)  | (5,451)  | -32%         | (3,698)                                       | (5,451)                                       | -32%         |
| Exceptional item  | 5    | (873)  | (725)  | 20%          | (873)   | (725)   | 20%          |
| Share of profits less losses of<br>associate companies      |      | 10,101   | 8,480  | 19%          | 10,101  | 8,480   | 19%          |
| Share of (losses)/profits of<br>jointly controlled entities |      | (42)   | 10   | >-100%       | (42)  | 10  | >-100%       |
| Profit before tax   |      | 72,537   | 21,283   | >100%        | 72,537  | 21,283  | >100%        |
| Tax expense   |      | (7,193)  | (3,390)  | >100%        | (7,193)                                       | (3,390)                                       | >100%        |
| Profit for the quarter/period                               |      | 65,344   | 17,893   | >100%        | 65,344  | 17,893  | >100%        |
| Profit attributable to:-                                    |      |  |  |              |   |   |              |
| Owners of the Company                                       |      | 65,315   | 17,857   | >100%        | 65,315  | 17,857  | >100%        |
| Non-controlling interests                                   |      | 29   | 36   | -19%         | 29  | 36  | -19%         |
|   |      | 65,344   | 17,893   | >100%        | 65,344  | 17,893  | >100%        |
| Earnings per share (in Sen)                                 |      |  |  |              |   |   |              |
| - Basic   |      | 9.85   | 2.69   |              | 9.85  | 2.69  |              |
| - Diluted   |      | n/a  | n/a  |              | n/a   | n/a   |              |

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

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

|  | INDIVIDUAL QUARTER |                | CUMULATIVE QUARTER |                |
|--|--------------------|----------------|--------------------|----------------|
|  | FY2021             | FY2020         | FY2021             | FY2020         |
|  | Quarter ended      | Quarter ended  | Period ended       | Period ended   |
|  | 30-Sep-20          | 30-Sep-19      | 30-Sep-20          | 30-Sep-19      |
|  | RM'000             | RM'000         | RM'000             | RM'000         |
| <b>Note 1</b>  |                    |                |                    |                |
| Included in Cost of sales is the following item:-                                      |                    |                |                    |                |
| Depreciation   | <u>(2,119)</u>     | <u>(6,142)</u> | <u>(2,119)</u>     | <u>(6,142)</u> |
| <b>Note 2</b>  |                    |                |                    |                |
| Included in Other income are the following items:-                                     |                    |                |                    |                |
| Allowance for doubtful debts no longer required *                                      | 898                | 33             | 898                | 33             |
| Fair value gain on derivative financial instruments                                    | 1,311              | -              | 1,311              | -              |
| Gain on disposal of property, plant and equipment                                      | 1,148              | 689            | 1,148              | 689            |
| Interest income  | 2,953              | 4,011          | 2,953              | 4,011          |
| Gain on exchange differences   |                    |                |                    |                |
| - realised   | 2,749              | 267            | 2,749              | 267            |
| Gain on fair value changes of financial assets at<br>fair value through profit or loss | 437                | -              | 437                | -              |
| Gain on disposal of shares in an associate company                                     | 30,761             | 6,616          | 30,761             | 6,616          |
| Writeback of impairment on financial assets at<br>amortised cost                       | <u>26</u>          | <u>-</u>       | <u>26</u>          | <u>-</u>       |
| <b>Note 3</b>  |                    |                |                    |                |
| Included in Administration expenses is the following item:-                            |                    |                |                    |                |
| Depreciation   | <u>(120)</u>       | <u>(210)</u>   | <u>(120)</u>       | <u>(210)</u>   |
| <b>Note 4</b>  |                    |                |                    |                |
| Included in Other operating expenses are the following items:-                         |                    |                |                    |                |
| Allowance for doubtful debts   | (297)              | (13)           | (297)              | (13)           |
| Bad debts written off *  | (605)              | -              | (605)              | -              |
| Depreciation   | (337)              | (423)          | (337)              | (423)          |
| Fair value loss on derivative financial instruments                                    | -                  | (34)           | -                  | (34)           |
| Loss on fair value changes of financial assets<br>at fair value through profit or loss | -                  | (5,200)        | -                  | (5,200)        |
| Loss on exchange differences   |                    |                |                    |                |
| - unrealised   | <u>(2,387)</u>     | <u>(3,179)</u> | <u>(2,387)</u>     | <u>(3,179)</u> |
| <b>Note 5</b>  |                    |                |                    |                |
| Exceptional item represents:-  |                    |                |                    |                |
| Effects of dilution of equity interests in<br>an associate company                     | <u>(873)</u>       | <u>(725)</u>   | <u>(873)</u>       | <u>(725)</u>   |

\* Included in this amount is a sum of RM605,000 which debts were written off in the current financial quarter.

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

|   | INDIVIDUAL QUARTER                   |                                      |              | CUMULATIVE QUARTER                  |                                     |              |
|---|--------------------------------------|--------------------------------------|--------------|-------------------------------------|-------------------------------------|--------------|
|   | FY2021                               | FY2020                               | Changes<br>% | FY2021                              | FY2020                              | Changes<br>% |
|   | Quarter ended<br>30-Sep-20<br>RM'000 | Quarter ended<br>30-Sep-19<br>RM'000 |              | Period ended<br>30-Sep-20<br>RM'000 | Period ended<br>30-Sep-19<br>RM'000 |              |
| Profit for the quarter/period   | 65,344                               | 17,893                               | >100%        | 65,344                              | 17,893                              | >100%        |
| <u>Other comprehensive (loss)/income may be reclassified to profit or loss subsequently:-</u>           |                                      |                                      |              |                                     |                                     |              |
| Share of other comprehensive (loss)/income of investments accounted for using equity method, net of tax | (2,246)                              | 558                                  | >-100%       | (2,246)                             | 558                                 | >-100%       |
| Foreign currency translation of foreign operations, net of tax  | (3,864)                              | (28)                                 | >100%        | (3,864)                             | (28)                                | >100%        |
| Total other comprehensive (loss)/income for the quarter/period, net of tax                              | (6,110)                              | 530                                  | >-100%       | (6,110)                             | 530                                 | >-100%       |
| Total comprehensive income for the quarter/period, net of tax   | 59,234                               | 18,423                               | >100%        | 59,234                              | 18,423                              | >100%        |
| Attributable to:-   |                                      |                                      |              |                                     |                                     |              |
| Owners of the Company   | 59,205                               | 18,434                               | >100%        | 59,205                              | 18,434                              | >100%        |
| Non-controlling interests   | 29                                   | (11)                                 | >-100%       | 29                                  | (11)                                | >-100%       |
|   | 59,234                               | 18,423                               | >100%        | 59,234                              | 18,423                              | >100%        |

**Note 6**

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

|  | <b>As at<br/>30/09/2020<br/>RM'000<br/>(Unaudited)</b> | <b>As at<br/>30/06/2020<br/>RM'000<br/>(Audited)</b> |
|--|--|--|
| <b>ASSETS</b>  |  |  |
| <b>Non-current assets</b>  |  |  |
| Property, plant and equipment  | 58,037   | 60,439   |
| Investment properties  | 191,683  | 192,227  |
| Financial assets at fair value through other comprehensive income                    | 32,609   | 31,905   |
| Financial assets at amortised cost   | 3,030  | 2,248  |
| Jointly controlled entities  | (242)  | (200)  |
| Associate companies  | 391,915  | 458,458  |
| Other receivables  | 7,606  | 7,553  |
| Intangible assets  | 26,047   | 26,047   |
| Deferred tax assets  | 1,246  | 1,269  |
| <b>Total non-current assets</b>  | <b>711,931</b>   | <b>779,946</b>                                       |
| <b>Current assets</b>  |  |  |
| Property development costs   | 10,885   | 10,885   |
| Inventories  | 11,812   | 12,039   |
| Trade receivables  | 497,705  | 497,348  |
| Amount due from associate companies  | 73,422   | 68,278   |
| Other receivables, deposits and prepayments  | 64,722   | 55,332   |
| Financial assets at amortised cost   | 8,736  | 778  |
| Financial assets at fair value through profit or loss                                | 157,912  | 155,276  |
| Tax recoverable  | 445  | 3,339  |
| Deposits with licensed banks and financial institutions                              | 470,652  | 491,564  |
| Cash and bank balances   | 300,191  | 180,088  |
| <b>Total current assets</b>  | <b>1,596,482</b>                                       | <b>1,474,927</b>                                     |
| <b>TOTAL ASSETS</b>  | <b>2,308,413</b>                                       | <b>2,254,873</b>                                     |
| <b>EQUITY AND LIABILITIES</b>  |  |  |
| <b>EQUITY</b>  |  |  |
| <b>Equity attributable to owners of the Company</b>                                  |  |  |
| Share capital  | 873,700  | 873,700  |
| Treasury shares  | (14,499)   | (14,499)   |
| Reserves   | 120,030  | 126,878  |
| Retained earnings  | 832,177  | 766,862  |
|  | 1,811,408  | 1,752,941  |
| Non-controlling interests  | 1,690  | 1,741  |
| <b>TOTAL EQUITY</b>  | <b>1,813,098</b>                                       | <b>1,754,682</b>                                     |
| <b>LIABILITIES</b>   |  |  |
| <b>Non-current liabilities</b>   |  |  |
| Loans and borrowings   | 20,011   | 15,348   |
| Lease liabilities  | 15,990   | 14,097   |
| Deferred tax liabilities   | 5,551  | 5,551  |
| <b>Total non-current liabilities</b>   | <b>41,552</b>  | <b>34,996</b>  |
| <b>Current liabilities</b>   |  |  |
| Derivative financial liabilities   | 2,022  | 3,333  |
| Trade payables   | 80,150   | 101,800  |
| Other payables, deposits received and accruals                                       | 20,412   | 20,148   |
| Loans and borrowings   | 341,043  | 328,087  |
| Lease liabilities  | 6,482  | 9,758  |
| Tax payable  | 3,654  | 2,069  |
| <b>Total current liabilities</b>   | <b>453,763</b>   | <b>465,195</b>                                       |
| <b>TOTAL LIABILITIES</b>   | <b>495,315</b>   | <b>500,191</b>                                       |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>2,308,413</b>                                       | <b>2,254,873</b>                                     |
| <b>Net assets per share attributable to owners of the Company<sup>(7)</sup> (RM)</b> | <b>2.73</b>  | <b>2.64</b>  |

**Note 7**

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

**Note 8**

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

|  | < ----- Attributable to Owners of the Company ----- > |                             |  |                              |                                |                 |  | Total<br>equity<br>RM'000 |
|--|---|-----------------------------|--|------------------------------|--------------------------------|-----------------|--|---------------------------|
|  | Share<br>capital<br>RM'000                            | Other<br>reserves<br>RM'000 | Exchange<br>translation<br>reserve<br>RM'000 | Treasury<br>shares<br>RM'000 | Retained<br>earnings<br>RM'000 | Total<br>RM'000 | Non-<br>controlling<br>interests<br>RM'000 |                           |
| <b>Period ended 30 September 2020</b>  |   |                             |  |                              |                                |                 |  |                           |
| As at 1 July 2020  | 873,700   | 89,188                      | 37,690                                       | (14,499)                     | 766,862                        | 1,752,941       | 1,741                                      | 1,754,682                 |
| <b><u>Transactions with owners:-</u></b>   |   |                             |  |                              |                                |                 |  |                           |
| Post-acquisition reserves - associate companies  | -   | (738)                       | -  | -                            | -                              | (738)           | -  | (738)                     |
| Dividend paid to non-controlling interests of a subsidiary company                             | -   | -                           | -  | -                            | -                              | -               | (80)                                       | (80)                      |
| <b>Total transactions with owners</b>  | <b>-</b>  | <b>(738)</b>                | <b>-</b>                                     | <b>-</b>                     | <b>-</b>                       | <b>(738)</b>    | <b>(80)</b>                                | <b>(818)</b>              |
| <b><u>Total comprehensive (loss)/income for the financial period</u></b>                       |   |                             |  |                              |                                |                 |  |                           |
| Profit for the financial period  | -   | -                           | -  | -                            | 65,315                         | 65,315          | 29   | 65,344                    |
| Share of other comprehensive loss of investments accounted for using equity method, net of tax | -   | -                           | (2,246)                                      | -                            | -                              | (2,246)         | -  | (2,246)                   |
| Foreign currency translation of foreign operations, net of tax                                 | -   | -                           | (3,864)                                      | -                            | -                              | (3,864)         | -  | (3,864)                   |
| <b>Total comprehensive (loss)/income for the financial period</b>                              | <b>-</b>  | <b>-</b>                    | <b>(6,110)</b>                               | <b>-</b>                     | <b>65,315</b>                  | <b>59,205</b>   | <b>29</b>                                  | <b>59,234</b>             |
| Balance at 30 September 2020   | 873,700   | 88,450                      | 31,580                                       | (14,499)                     | 832,177                        | 1,811,408       | 1,690                                      | 1,813,098                 |

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

|  | < ----- Attributable to Owners of the Company ----- > |                               |                             |  |                              |                                |                 | Non-<br>controlling<br>interests<br>RM'000 | Total<br>equity<br>RM'000 |
|--|---|-------------------------------|-----------------------------|--|------------------------------|--------------------------------|-----------------|--|---------------------------|
|  | < ----- Non-distributable reserves----- >             |                               |                             | < - Distributable reserves- >                |                              |                                |                 |  |                           |
|  | Share<br>capital<br>RM'000                            | Warrants<br>reserve<br>RM'000 | Other<br>reserves<br>RM'000 | Exchange<br>translation<br>reserve<br>RM'000 | Treasury<br>shares<br>RM'000 | Retained<br>earnings<br>RM'000 | Total<br>RM'000 |  |                           |
| <b>Period ended 30 September 2019</b>  |   |                               |                             |  |                              |                                |                 |  |                           |
| As at 1 July 2019  | 741,085   | 4,622                         | 81,848                      | 33,721                                       | (14,499)                     | 892,581                        | 1,739,358       | 7,836                                      | 1,747,194                 |
| Effect of adoption of MFRS 16 by an associate company  | -   | -                             | -                           | -  | -                            | 434                            | 434             | -  | 434                       |
| Restated total equity as at 1 July 2019  | 741,085   | 4,622                         | 81,848                      | 33,721                                       | (14,499)                     | 893,015                        | 1,739,792       | 7,836                                      | 1,747,628                 |
| <b>Transaction with owners:-</b>   |   |                               |                             |  |                              |                                |                 |  |                           |
| Post-acquisition reserves - associate companies  | -   | -                             | 579                         | -  | -                            | -                              | 579             | -  | 579                       |
| <b>Total transaction with owners</b>   | -   | -                             | 579                         | -  | -                            | -                              | 579             | -  | 579                       |
| <b>Total comprehensive income for the financial period</b>                                       |   |                               |                             |  |                              |                                |                 |  |                           |
| Profit for the financial period  | -   | -                             | -                           | -  | -                            | 17,857                         | 17,857          | 36   | 17,893                    |
| Share of other comprehensive income of investments accounted for using equity method, net of tax | -   | -                             | -                           | 558  | -                            | -                              | 558             | -  | 558                       |
| Foreign currency translation of foreign operations, net of tax                                   | -   | -                             | -                           | 19   | -                            | -                              | 19              | (47)                                       | (28)                      |
| <b>Total comprehensive income for the financial period</b>                                       | -   | -                             | -                           | 577  | -                            | 17,857                         | 18,434          | (11)                                       | 18,423                    |
| Balance at 30 September 2019   | 741,085   | 4,622                         | 82,427                      | 34,298                                       | (14,499)                     | 910,872                        | 1,758,805       | 7,825                                      | 1,766,630                 |

**Note 9**

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.



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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

|   | Period ended<br>30/09/2020<br>RM'000 | Period ended<br>30/09/2019<br>RM'000 |
|---|--------------------------------------|--------------------------------------|
| <b>Cash flows from operating activities</b>                                   |                                      |                                      |
| Profit before tax   | 72,537                               | 21,283                               |
| Adjustments for:-   |                                      |                                      |
| Non-cash items  | (39,018)                             | (1,173)                              |
| Finance costs   | 3,698                                | 5,451                                |
| Interest income   | (2,953)                              | (4,011)                              |
| Operating profit before working capital changes                               | <u>34,264</u>                        | <u>21,550</u>                        |
| Changes in working capital:-  |                                      |                                      |
| Net changes in current assets   | (15,672)                             | (40,244)                             |
| Net changes in current liabilities  | (19,761)                             | 4,280                                |
| <b>Cash used in operations</b>  | <u>(1,169)</u>                       | <u>(14,414)</u>                      |
| Interest paid   | (3,693)                              | (5,280)                              |
| Interest received   | 2,746                                | 3,964                                |
| Tax paid  | (2,336)                              | (1,940)                              |
| <b>Net cash used in operating activities</b>                                  | <u>(4,452)</u>                       | <u>(17,670)</u>                      |
| <b>Cash flows from investing activities</b>                                   |                                      |                                      |
| Subscription/Acquisition of shares in associate companies                     | (91)                                 | (7,764)                              |
| Purchase of property, plant and equipment                                     | (1,864)                              | (1,947)                              |
| Purchase of financial assets at amortised cost                                | (9,476)                              | -                                    |
| Purchase of financial assets at fair value through other comprehensive income | (705)                                | (986)                                |
| Proceeds from disposal of shares in an associate company                      | 86,445                               | 7,750                                |
| Proceeds from disposal of property, plant and equipment                       | 2,296                                | 4,465                                |
| Proceeds from disposal and redemption of financial assets at amortised cost   | 762                                  | 1,512                                |
| Proceeds from redemption of preference shares in an associate company         | 8,555                                | -                                    |
| Dividend received   | 6,863                                | 8,341                                |
| <b>Net cash from investing activities</b>                                     | <u>92,785</u>                        | <u>11,371</u>                        |
| <b>Cash flows from financing activities</b>                                   |                                      |                                      |
| Decrease in fixed deposits pledged  | 124,093                              | 30,665                               |
| (Increase)/Decrease in cash and bank balances pledged                         | (113,721)                            | 301                                  |
| Net drawdown/(repayment) of loans and borrowings                              | 18,225                               | (26,927)                             |
| Dividend paid to non-controlling interests of a subsidiary company            | (80)                                 | -                                    |
| Repayment of lease liabilities  | (2,542)                              | (8,747)                              |
| <b>Net cash from/(used in) financing activities</b>                           | <u>25,975</u>                        | <u>(4,708)</u>                       |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                   | 114,308                              | (11,007)                             |
| <b>Cash and cash equivalents at beginning of the financial period</b>         | 398,817                              | 388,695                              |
| <b>Exchange differences</b>   | (797)                                | (422)                                |
| <b>Cash and cash equivalents at end of the financial period</b>               | <u>512,328</u>                       | <u>377,266</u>                       |
| <b>Cash and cash equivalents comprise of:-</b>                                |                                      |                                      |
| Bank overdrafts   | (494)                                | (2,841)                              |
| Cash and bank balances  | 95,091                               | 78,835                               |
| Deposits with licensed banks and financial institutions                       | 417,731                              | 301,272                              |
|   | <u>512,328</u>                       | <u>377,266</u>                       |

**Note 10**

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2020 and the accompanying explanatory notes attached to the Interim Financial Statements.

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

**UNAUDITED FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 - NOTES TO THE UNAUDITED FINANCIAL REPORT.**

**Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134: Interim Financial Reporting**

**A1. Basis of Preparation**

This set of financial report is unaudited and has been prepared in compliance with the reporting requirements outlined in the Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad.

This Report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2020, which were prepared under the Malaysian Financial Reporting Standards. The explanatory notes attached to this financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2020.

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation and presentation adopted by the Group in this Quarterly Report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2020 except for the adoption of new MFRS, amendments to MFRSs and annual improvements to MFRSs issued by the MASB that became effective and relevant to the Group for the financial year beginning on or after 1 July 2020. The adoption of the new Standard, amendments to Standards and annual improvements to Standards are not expected to have any material financial impact on the financial statements of the Group.

The Group has not early adopted new Standard, amendments to Standards and annual improvements to Standards that have been issued but are not yet effective for the accounting period beginning 1 July 2020.

**A3. Declaration of Audit Qualification**

There was no qualified report issued by the auditors in the audited financial statements of the Group for the financial year ended 30 June 2020.

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

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

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

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

##### Recognised in the Statements of Profit or Loss

|  | Individual Quarter |               | Cumulative Quarter |              |
|--|--------------------|---------------|--------------------|--------------|
|  | Quarter ended      | Quarter ended | Period ended       | Period ended |
|  | 30-Sep-2020        | 30-Sep-2019   | 30-Sep-2020        | 30-Sep-2019  |
|  | RM'000             | RM'000        | RM'000             | RM'000       |
| Fair value gain/(loss) on derivative financial instruments                                 | 1,311              | (34)          | 1,311              | (34)         |
| Gain on disposal of shares in an associate company   | 30,761             | 6,616         | 30,761             | 6,616        |
| Gain/(Loss) on fair value changes of financial assets at fair value through profit or loss | 437                | (5,200)       | 437                | (5,200)      |
| Gain/(Loss) on exchange differences  |                    |               |                    |              |
| - realised   | 2,749              | 267           | 2,749              | 267          |
| - unrealised   | (2,387)            | (3,179)       | (2,387)            | (3,179)      |
| Effects of dilution of equity interests in an associate company                            | (873)              | (725)         | (873)              | (725)        |

#### A6. Material Changes in Estimates

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

#### A7. Debts and Equity Securities

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting of the Company held on 28 November 2019, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

The Company did not repurchase any of its shares from the open market during the financial period ended 30 September 2020. Of the total 693,348,053 issued and fully paid up ordinary shares, 30,327,291 shares are being held as treasury shares by the Company as at 30 September 2020.

Other than the above, there were no issuance and repayment of equity and debts securities, share cancellations and resale of treasury shares by the Company for the financial period ended 30 September 2020.

## A8. Dividends Paid

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

## A9. Segment Information

The segment analysis on the Group's results for the financial period ended 30 September 2020 is as follows:-

|   | Financial services and credit & leasing | Investment holding and trading | Technology and IT-related manufacturing, trading and services | Retail trading and car rental | Property investment and development | Eliminations | Consolidated Total |
|---|---|--------------------------------|---|-------------------------------|-------------------------------------|--------------|--------------------|
|   | RM'000                                  | RM'000                         | RM'000  | RM'000                        | RM'000                              | RM'000       | RM'000             |
| <b>Revenue</b>                                      |   |                                |   |                               |                                     |              |                    |
| External revenue                                    | 25,048                                  | 24,604                         | 75  | 3,364                         | 1,236                               | -            | 54,327             |
| Inter-segment revenue                               | 764                                     | 1,934                          | 4,778   | 422                           | 194                                 | (8,092)      | -                  |
| Total segment revenue                               | 25,812                                  | 26,538                         | 4,853   | 3,786                         | 1,430                               | (8,092)      | 54,327             |
|   |   |                                |   |                               |                                     |              |                    |
| <b>Results</b>                                      |   |                                |   |                               |                                     |              |                    |
| Segment profit from operations                      | 14,551                                  | 17,998                         | 30,200  | 850                           | 595                                 | (98)         | 64,096             |
| Interest income                                     | 699                                     | 2,385                          | 2,458   | 16                            | 68                                  | (2,673)      | 2,953              |
| Finance costs                                       | (2,832)                                 | (3,151)                        | (10)  | (414)                         | (62)                                | 2,771        | (3,698)            |
| Exceptional item                                    | -                                       | -                              | (873)   | -                             | -                                   | -            | (873)              |
| Share of profits less losses of associate companies | -                                       | (1,247)                        | 10,898  | (917)                         | 1,367                               | -            | 10,101             |
| Share of losses of jointly controlled entities      | (41)                                    | -                              | -   | (1)                           | -                                   | -            | (42)               |
| Profit/(Loss) before tax                            | 12,377                                  | 15,985                         | 42,673  | (466)                         | 1,968                               | -            | 72,537             |
| Tax expense   | (2,525)                                 | (4,156)                        | (481)   | -                             | (31)                                | -            | (7,193)            |
| Profit/(Loss) for the financial period              | 9,852                                   | 11,829                         | 42,192  | (466)                         | 1,937                               | -            | 65,344             |
| <b>Attributable to:-</b>                            |   |                                |   |                               |                                     |              |                    |
| Owners of the Company                               |   |                                |   |                               |                                     |              | 65,315             |
| Non-controlling interests                           |   |                                |   |                               |                                     |              | 29                 |
|   |   |                                |   |                               |                                     |              |                    |
| Segment assets                                      | 731,825                                 | 753,516                        | 552,338   | 75,946                        | 194,788                             | -            | 2,308,413          |
| Segment liabilities                                 | 118,741                                 | 338,968                        | 6,773   | 26,839                        | 3,994                               | -            | 495,315            |

## A9. Segment Information (Cont'd)

The segment analysis on the Group's results for the financial period ended 30 September 2019 is as follows:-

|   | Financial services and credit & leasing | Investment holding and trading | Technology and IT-related manufacturing, trading and services | Retail trading and car rental | Property investment and development | Eliminations | Consolidated Total |
|---|---|--------------------------------|---|-------------------------------|-------------------------------------|--------------|--------------------|
|   | RM'000                                  | RM'000                         | RM'000  | RM'000                        | RM'000                              | RM'000       | RM'000             |
| <b>Revenue</b>                                      |   |                                |   |                               |                                     |              |                    |
| External revenue                                    | 18,270                                  | 5,128                          | 25  | 15,513                        | 243                                 | -            | 39,179             |
| Inter-segment revenue                               | 165                                     | 1,908                          | 4,942   | 3,580                         | 165                                 | (10,760)     | -                  |
| Total segment revenue                               | 18,435                                  | 7,036                          | 4,967   | 19,093                        | 408                                 | (10,760)     | 39,179             |
| <b>Results</b>                                      |   |                                |   |                               |                                     |              |                    |
| Segment profit/(loss) from operations               | 13,765                                  | (5,185)                        | 5,090   | 1,592                         | (175)                               | (129)        | 14,958             |
| Interest income                                     | 902                                     | 4,602                          | 2,579   | 1                             | 83                                  | (4,156)      | 4,011              |
| Finance costs                                       | (3,175)                                 | (4,914)                        | (17)  | (1,409)                       | (221)                               | 4,285        | (5,451)            |
| Exceptional item                                    | -                                       | -                              | (725)   | -                             | -                                   | -            | (725)              |
| Share of profits less losses of associate companies | -                                       | (1,585)                        | 8,588   | (38)                          | 1,515                               | -            | 8,480              |
| Share of profits of a jointly controlled entity     | 10                                      | -                              | -   | -                             | -                                   | -            | 10                 |
| Profit/(Loss) before tax                            | 11,502                                  | (7,082)                        | 15,515  | 146                           | 1,202                               | -            | 21,283             |
| Tax expense   | (2,900)                                 | (86)                           | (393)   | (10)                          | (1)                                 | -            | (3,390)            |
| Profit/(Loss) for the financial period              | 8,602                                   | (7,168)                        | 15,122  | 136                           | 1,201                               | -            | 17,893             |
| <b>Attributable to:-</b>                            |   |                                |   |                               |                                     |              |                    |
| Owners of the Company                               |   |                                |   |                               |                                     |              | 17,857             |
| Non-controlling interests                           |   |                                |   |                               |                                     |              | 36                 |
| Segment assets                                      | 594,503                                 | 803,440                        | 568,279   | 191,371                       | 183,036                             | -            | 2,340,629          |
| Segment liabilities                                 | 50,933                                  | 394,148                        | 1,781   | 122,798                       | 4,339                               | -            | 573,999            |

## A10. Valuation of Property, Plant and Equipment

The valuation of land and building held under property, plant and equipment has been brought forward without amendment from the annual financial statements of the Group for the financial year ended 30 June 2020.

## A11. Changes in the Composition of the Group

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

On 24 September 2020, Montego (S) Pte. Ltd., an indirect wholly owned subsidiary of the Company, subscribed for 30,000 ordinary shares representing 33.33% equity interest in Clear Foods Pte. Ltd. ("Clear Foods"), a company incorporated in Singapore.

Clear Foods' principal activities are processing and preserving of meat and meat products.

## A12. Material Subsequent Events

There were no material events subsequent to the financial period ended 30 September 2020 and up to the date of this Report, which affects substantially the results of the operation of the Group.

## A13. Contingent Assets or Liabilities

As at the date of this Report, the Group and the Company has provided guarantees as follows:-

|  | Group           |                              | Company         |                              |
|--|-----------------|------------------------------|-----------------|------------------------------|
|  | Limit<br>RM'000 | Amount<br>utilised<br>RM'000 | Limit<br>RM'000 | Amount<br>utilised<br>RM'000 |
| Unsecured:<br>Guarantees to secure banking and<br>credit facilities granted to:- |                 |                              |                 |                              |
| - certain subsidiary companies   | -               | -                            | 116,228         | 82,606                       |
| - an associate company   | 16              | 16                           | -               | -                            |

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

## A14. Commitments

Contractual commitments not provided for in the financial statements as at 30 September 2020 are as follows:-

|  | RM'000 |
|--|--------|
| To acquire property, plant and equipment   | 2,404  |
| Investment commitments in relation to financial assets at fair value through<br>other comprehensive income | 7,679  |

## A15. Related Party Transactions

Related party transactions had been entered into in the ordinary course of business that had been undertaken at arm's length basis on normal commercial terms.

**ADDITIONAL INFORMATION REQUIRED BY PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Review of Performance**

**Comparison between current financial quarter against preceding year corresponding financial quarter**

Group's summary

The Group reported revenue of RM54.3 million and a pre-tax profit of RM72.5 million in the current financial quarter (Q1/2021) as compared to revenue of RM39.2 million and a pre-tax profit of RM21.3 million in the preceding year corresponding quarter (Q1/2020). The review of performance by division is as follows:-

Financial services and credit & leasing division

The unit reported higher revenue of RM25.0 million in Q1/2021 as compared to RM18.3 million in Q1/2020 mainly due to higher brokerage income generated by stock broking units on the back of stronger trading activities on Bursa Malaysia in Q1/2021.

The pre-tax profit for Q1/2021 is slightly higher at RM12.4 million as compared to RM11.5 million in Q1/2020 mainly due to the increase in brokerage income.

Investment holding and trading division

The investment unit reported higher revenue of RM24.6 million in the Q1/2021 mainly due to higher trading activities as compared to revenue of RM5.1 million in Q1/2020.

The Investment unit reported a pre-tax profit of RM16.0 million in Q1/2021 as compared to a pre-tax loss of -RM7.1 million in Q1/2020, mainly due to higher trading activities in Q1/2021.

Technology and IT-related manufacturing, trading and services division

There is no significant variance on revenue reported in Q1/2021 as compared to Q1/2020.

The Technology unit reported higher pre-tax profit of RM42.7 million in Q1/2021 (Q1/2020: RM15.5 million) mainly due to higher gain on disposal of shares in an associate company of RM31.6 million (Q1/2020: RM6.6 million) and higher equity profit contribution from Inari Amertron Berhad of RM11.9 million (Q1/2020: RM9.0 million).

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

|   | Current Quarter<br>30-Sep-2020<br>RM'000 | Immediate Preceding Quarter<br>30-June-2020<br>RM'000 | Changes<br>(%) |
|---|--|---|----------------|
| Revenue   | 54,327                                   | 49,626  | 9%             |
| Profit from operations                          | 64,096                                   | 11,099  | >100%          |
| Profit before tax                               | 72,537                                   | 20,083  | >100%          |
| Profit after tax                                | 65,344                                   | 17,202  | >100%          |
| Profit attributable to owners<br>of the Company | 65,315                                   | 17,287  | >100%          |

**B2. Comments on material changes in the revenue and profit before tax for the current financial quarter as compared with the immediate preceding financial quarter (Cont'd)**

The Group reported an improved pre-tax profit of RM72.5 million in the current financial quarter (Q1/2021) as compared to the immediate preceding financial quarter (Q4/2020) of RM20.1 million, mainly due to higher gain on disposal of shares in an associate company of RM30.8 million (Q4/2020: RM1.4 million) and higher profit contribution from the stock broking unit due to stronger trading activities on Bursa Malaysia.

**B3. Prospects for financial year ending 30 June 2021**

The Group remains resilient supported by strong financial fundamentals and prudent cash and financial management, and the Board will continue its vigilance to navigate the Group through the continuous uncertainties due to the Covid-19 pandemic.

Financial services and credit & leasing division

The stock broking and structured finance units are expected to perform satisfactorily in FY2021 due to current strong retail trading on Bursa Malaysia.

Investment trading division

The investment unit's performance for the financial year ending 30 June 2021 is largely dependent on the global economy and financial markets and the recovery from Covid-19 pandemic.

Technology and IT-related manufacturing, trading and services division

The Board is cautiously optimistic the Technology unit and Inari Amertron will generate positive contribution to the Group in FY 2021 due to strong demand in the RF business arising from projected growth in new 5G devices over the next few quarters.

**B4. Variance of Actual Profit from Forecast Profit/Profit Guarantee**

This note is not applicable for the financial period under review as the Group did not enter into any scheme that requires it to present forecast results or guarantee any profit.



## B5. Tax Expense

The tax expense for the current financial quarter and financial period ended 30 September 2020 is as follows:-

|   | Individual<br>Quarter ended<br>30-Sep-2020<br>RM'000 | Quarter<br>Quarter ended<br>30-Sep-2019<br>RM'000 | Cumulative<br>Period ended<br>30-Sep-2020<br>RM'000 | Quarter<br>Period ended<br>30-Sep-2019<br>RM'000 |
|---|--|---|---|--|
| <b><u>Income tax:-</u></b>                        |  |   |   |  |
| Provision for current<br>financial quarter/period |  |   |   |  |
| - Malaysian income tax                            | 7,152  | 3,475   | 7,152   | 3,475  |
| - Overseas income tax                             | 18   | 105   | 18  | 105  |
| <b><u>Deferred tax:-</u></b>                      |  |   |   |  |
| Transfer from/(to) deferred<br>taxation           | 23   | (190)   | 23  | (190)  |
|   | <u>7,193</u>   | <u>3,390</u>                                      | <u>7,193</u>  | <u>3,390</u>                                     |

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

|  | Individual<br>Quarter ended<br>30-Sep-2020<br>RM'000 | Quarter<br>Quarter ended<br>30-Sep-2019<br>RM'000 | Cumulative<br>Period ended<br>30-Sep-2020<br>RM'000 | Quarter<br>Period ended<br>30-Sep-2019<br>RM'000 |
|--|--|---|---|--|
| Profit before tax  | <u>72,537</u>  | <u>21,283</u>                                     | <u>72,537</u>                                       | <u>21,283</u>                                    |
| Income tax at Malaysian<br>statutory tax rate of 24%             | 17,409   | 5,108   | 17,409  | 5,108  |
| <b><u>Tax effects in respect of:-</u></b>                        |  |   |   |  |
| Non-allowable expenses   | 1,697  | 2,243   | 1,697   | 2,243  |
| Income not subject to tax  | (10,695)   | (4,056)   | (10,695)  | (4,056)  |
| Effect of different tax rates<br>in other countries              | (1,090)  | 21  | (1,090)   | 21   |
| Overseas tax paid on<br>dividend income                          | 77   | 140   | 77  | 140  |
| Utilisation of previously<br>unrecognised deferred<br>tax assets | (232)  | (73)  | (232)   | (73)   |
| Deferred tax not recognised<br>in the financial statements       | 27   | 7   | 27  | 7  |
| Tax expenses for the<br>financial quarter/period                 | <u>7,193</u>   | <u>3,390</u>                                      | <u>7,193</u>  | <u>3,390</u>                                     |

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

There is no corporate proposal that has been announced but has not been completed as at the date of this Report, other than as disclosed below:-

On 9 July 2020, the Company announced to undertake the following proposals:-

- i) Proposed renounceable rights issue up to 132,604,152 redeemable preference shares ("Rights RPS") together with up to 331,510,380 free detachable warrants ("Warrants") on the basis of 2 Rights RPS and 5 Warrants for every 10 existing ordinary shares at an issue price of RM1.00 per Rights RPS ("Proposed Rights Issue with Warrants"); and
- ii) Proposed amendments to the Constitution of the Company to facilitate the creation and issuance of the Rights RPS pursuant to the Proposed Rights Issue with Warrants so as to comply with the provisions of the Companies Act 2016.

On 29 September 2020, the Company proposed to establish an employees' share option scheme of up to 10% of the total number of issued shares in the Company (excluding treasury shares) for eligible employees including Executive Directors and Non-Executive Directors (excluding Alternate Directors, if any) of the Company and its subsidiaries (excluding subsidiaries which are dormant).

The above proposals require the approval from:-

- i) Bursa Malaysia Securities Berhad ("Bursa Securities") for the following, which approval was obtained on 13 November 2020:-
  - (a) Admission of the Rights RPS and the Warrants to the Official List;
  - (b) Listing of and quotation for:-
    - up to 132,604,152 Rights RPS and up to 331,510,380 Warrants to be issued pursuant to the Proposed Rights Issue with Warrants;
    - up to 331,510,380 new Shares to be issued arising from the exercise of the Warrants; and
    - up to 10% of the total number of Insas Shares (excluding treasury shares) to be issued arising from the exercise of the Options;
- ii) Shareholders of the Company at an extraordinary general meeting to be convened to approve the Proposals; and
- iii) Any other relevant authorities and/or persons, if required.

## **B7. Status of Utilisation of Proceeds**

There is no unutilised proceeds from any corporate proposal.

**B8. Group Borrowings and Debt Securities as at 30 September 2020**

|                                    | As at 30 September 2020   |                        |                           |                        |                           |                        |
|------------------------------------|---------------------------|------------------------|---------------------------|------------------------|---------------------------|------------------------|
|                                    | Long term                 |                        | Short term                |                        | Total borrowings          |                        |
|                                    | Foreign denomination '000 | RM denomination RM'000 | Foreign denomination '000 | RM denomination RM'000 | Foreign denomination '000 | RM denomination RM'000 |
| <b>Secured</b>                     |                           |                        |                           |                        |                           |                        |
| <b>Bank overdrafts</b>             |                           |                        |                           |                        |                           |                        |
| - RM                               | -                         | -                      | -                         | 494                    | -                         | 494                    |
| <b>Term loans</b>                  |                           |                        |                           |                        |                           |                        |
| - RM                               | -                         | 16,251                 | -                         | 972                    | -                         | 17,223                 |
| - SGD                              | 1,239                     | 3,760                  | 16,833                    | 51,088                 | 18,072                    | 54,848                 |
| - AUD                              | -                         | -                      | 6,756                     | 20,060                 | 6,756                     | 20,060                 |
| - USD                              | -                         | -                      | 549                       | 2,279                  | 549                       | 2,279                  |
| - GBP                              | -                         | -                      | 773                       | 4,132                  | 773                       | 4,132                  |
| - EUR                              | -                         | -                      | 1,944                     | 9,484                  | 1,944                     | 9,484                  |
| <b>Revolving credit facilities</b> | -                         | -                      | -                         | 237,550                | -                         | 237,550                |
| <b>Margin financing facility</b>   | -                         | -                      | -                         | 14,984                 | -                         | 14,984                 |
| <b>Total loans and borrowings</b>  | -                         | 20,011                 | -                         | 341,043                | -                         | 361,054                |

|                                    | As at 30 September 2019   |                        |                           |                        |                           |                        |
|------------------------------------|---------------------------|------------------------|---------------------------|------------------------|---------------------------|------------------------|
|                                    | Long term                 |                        | Short term                |                        | Total borrowings          |                        |
|                                    | Foreign denomination '000 | RM denomination RM'000 | Foreign denomination '000 | RM denomination RM'000 | Foreign denomination '000 | RM denomination RM'000 |
| <b>Secured</b>                     |                           |                        |                           |                        |                           |                        |
| <b>Bank overdrafts</b>             |                           |                        |                           |                        |                           |                        |
| - RM                               | -                         | -                      | -                         | 516                    | -                         | 516                    |
| - SGD                              | -                         | -                      | 767                       | 2,326                  | 767                       | 2,326                  |
| <b>Term loans</b>                  |                           |                        |                           |                        |                           |                        |
| - RM                               | -                         | 12,126                 | -                         | 737                    | -                         | 12,863                 |
| - SGD                              | 2,657                     | 8,055                  | 18,765                    | 56,887                 | 21,422                    | 64,942                 |
| - AUD                              | -                         | -                      | 5,512                     | 15,622                 | 5,512                     | 15,622                 |
| - USD                              | -                         | -                      | 9,288                     | 38,921                 | 9,288                     | 38,921                 |
| - GBP                              | -                         | -                      | 762                       | 3,926                  | 762                       | 3,926                  |
| - EUR                              | -                         | -                      | 4,263                     | 19,535                 | 4,263                     | 19,535                 |
| <b>Revolving credit facilities</b> | -                         | -                      | -                         | 96,000                 | -                         | 96,000                 |
| <b>Margin financing facility</b>   | -                         | -                      | -                         | 19,012                 | -                         | 19,012                 |
| <b>Total loans and borrowings</b>  | -                         | 20,181                 | -                         | 253,482                | -                         | 273,663                |

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

|                             | Floating (%)     |                  |
|-----------------------------|------------------|------------------|
|                             | As at 30.09.2020 | As at 30.09.2019 |
| <b>Secured</b>              |                  |                  |
| Bank overdrafts             | 6.89%-8.14%      | 8.14%-11.50%     |
| Term loans                  | 0.40%-6.79%      | 0.53%-8.00%      |
| Revolving credit facilities | 3.54%-4.60%      | 5.27%-5.89%      |
| Margin financing facility   | 5.67%-6.67%      | 6.67%            |

## B9. Material Litigation

There are no material pending litigation since the last annual reporting date up to the date of this Report. The Group was not engaged in any litigation which is likely to give rise to proceedings which may materially and adversely affect the financial position or the business operations of the Group.

## B10. Dividend

The Board of Directors is pleased to declare an interim single tier dividend of 2.0 sen per ordinary share each in the Company in respect of the financial year ending 30 June 2021.

## B11. Earnings per share

### (a) Basic earnings per share

The basic earnings per share for the current financial quarter and financial period have been calculated by dividing the profit attributable to owners of the Company for the financial quarter and financial period by the weighted average number of ordinary shares in issue during the financial quarter and financial period.

|   | Individual                   | Quarter                      | Cumulative                  | Quarter                     |
|---|------------------------------|------------------------------|-----------------------------|-----------------------------|
|   | Quarter ended<br>30-Sep-2020 | Quarter ended<br>30-Sep-2019 | Period ended<br>30-Sep-2020 | Period ended<br>30-Sep-2019 |
| Net profit attributable to owners of the Company for the financial quarter and financial period (RM'000)          | 65,315                       | 17,857                       | 65,315                      | 17,857                      |
| Weighted average number of ordinary shares in issue, after accounting for the effect of shares bought back ('000) | 663,021                      | 663,007                      | 663,021                     | 663,007                     |
| Basic earnings per share (Sen)  | 9.85                         | 2.69                         | 9.85                        | 2.69                        |

### (b) Diluted earnings per share

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

## B12. Derivative Financial Liabilities

Details of derivative financial liabilities as at 30 September 2020 are set out below:-

| Type of Derivatives                          | As at 30.09.2020                              |                             |
|--|---|-----------------------------|
|  | <u>Contract/<br/>Notional value</u><br>RM'000 | <u>Fair value</u><br>RM'000 |
| <u>Currency Forward Contract and Options</u> |   |                             |
| - Less than 1 year                           | (170)   | (358)                       |
| <u>Other equity related contracts</u>        |   |                             |
| - Less than 1 year                           | (16,490)                                      | (1,664)                     |
|  | (16,660)                                      | (2,022)                     |

There is no significant changes in respect of the following since the end of the previous financial year ended 30 June 2020:-

- (a) the cash requirements of the derivative financial instruments;
- (b) the policies that is in place for mitigating or controlling the risks associated with these derivative financial instruments; and
- (c) the related accounting policies.

## B13. Disclosure of Gains/Losses Arising from Fair Value Changes of Financial Liabilities

Financial liabilities of the Group are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include derivative financial instruments entered into by the Group that do not meet the hedge accounting criteria.

The fair value changes of the derivative financial instruments are derived from quotes obtained from licensed financial institutions. The resulting gain or loss is recognised in the statements of profit or loss. Fair value gain on derivative financial instruments of RM1.3 million in the current financial quarter and for the financial period ended 30 September 2020 have been recognised in the statements of profit or loss.

**B13. Disclosure of Gains/Losses Arising from Fair Value Changes of Financial Liabilities (Cont'd)**

Other financial liabilities

The Group's other financial liabilities include trade payables, other payables and accruals and loans and borrowings.

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

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

The carrying amounts of other financial liabilities as at the end of the reporting period approximate to their fair values due to their short-term nature, or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

There is no gain or loss arising from fair value changes to other financial liabilities.